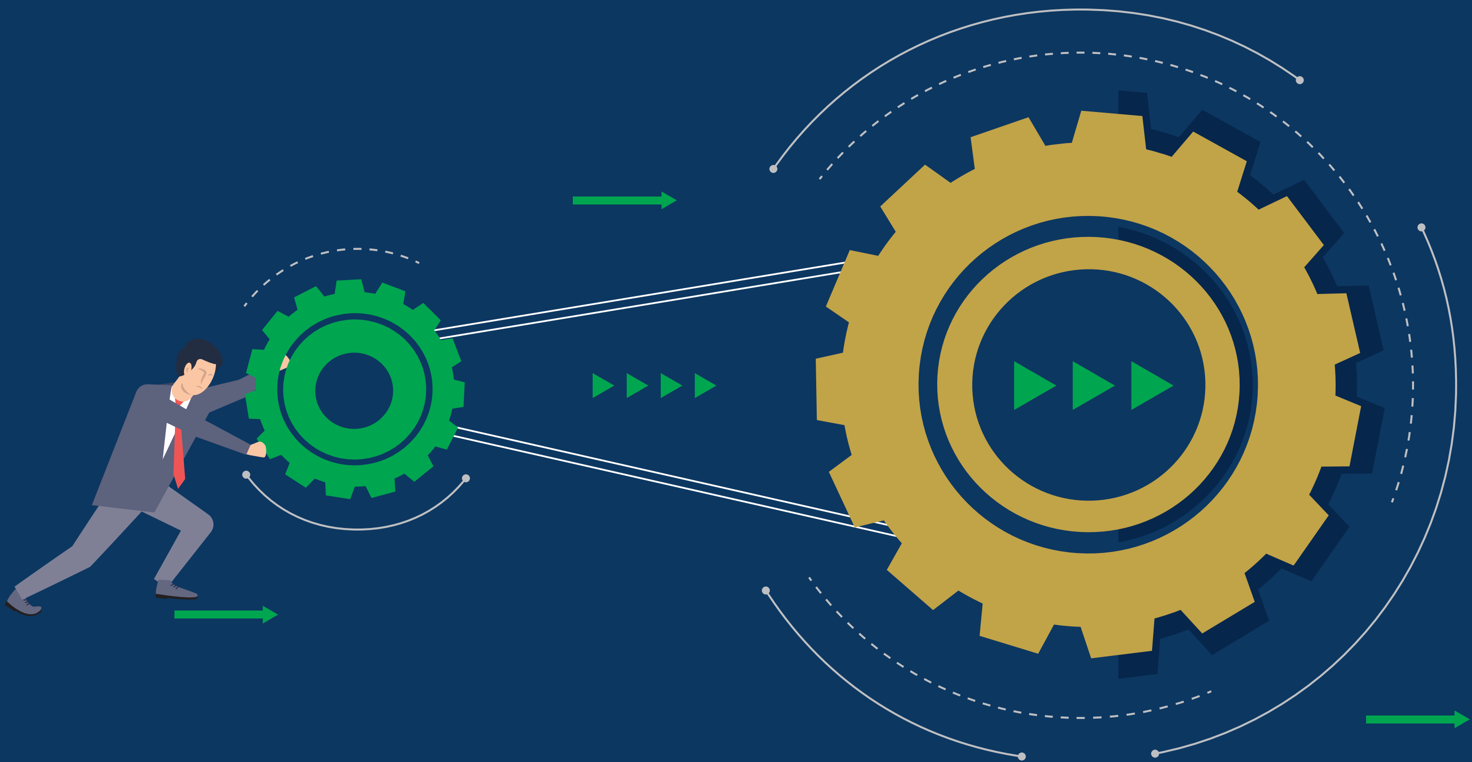
POISED ON THE SPRINGBOARD for GROWTH



Integrated Annual Report 2022-23

Contents

About This Report

Chalet Hotels Limited (hereafter referred to as 'Chalet,' 'Chalet Hotels,' 'Our Company,' and 'We') is delighted to present its third Integrated Annual Report for the FY 2023. The Report includes a comprehensive and transparent disclosure of the financial and non-financial parameters, with an endeavour to create long-term value for all its stakeholders. It adheres to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"); the Value Reporting Foundation's Integrated Reporting Framework and other globally accepted standards.

This Integrated Report encompasses Chalet's overall financial & non-financial performance for FY 2023. The Report covers financial highlights, strategic priorities, macroeconomic environment, risks and opportunities, governance structures, challenges and achievements of our growth journey. All values in the Integrated Report are on a consolidated basis.

The Westin Mumbai Powai Lake

Reporting Period

This report covers the period between April 1, 2022 and March 31, 2023

Reporting Scope and Boundary

The scope and boundary of our report covers 8 of our operating hotels, our rental assets & 6 projects under development during FY 2023:

	Hospitality	Rental Assets	Residential
Operating	JW Marriott Mumbai Sahar The Westin Mumbai Powai Lake Lakeside Chalet, Mumbai - Marriott Executive Apartments Four Points By Sheraton Navi Mumbai, Vashi Bengaluru Marriott Hotel Whitefield The Westin Hyderabad Mindspace Novotel Pune Nagar Road The Dukes Retreat, Lonavala*	The Orb - Retail & Office Tower CIGNUS Whitefield Bangalore® Tower I	
Projects Under Development	168 keys viz The Westin Hyderabad HITEC City* Conversion of the Commercial Tower at Bengaluru Marriott Hotel Whitefield complex to hotels rooms 88 keys at Novotel Pune Nagar Road	CIGNUS POWAI® Tower I CIGNUS Whitefield Bangalore® Tower II	Raheja Vivarea, Koramangala, Bengaluru

**The Westin Hyderabad HITEC City was commissioned post end of the financial year and The Dukes Retreat, Lonavala is a recent inclusion in our portfolio. We plan to report the environmental, social & governance related indicators for these two properties from FY 2024 onwards.*

Pipeline

The following projects are in pipeline:

Hospitality	Rental Assets
~400 Key Hotel at T3 Delhi IGI Airport ~280 Key Hotel at Airoli ~50 additional Hotel Keys at The Dukes Retreat, Lonavala	CIGNUS POWAI® Tower II

Reporting Framework and Guidelines

This report aligns with the following frameworks:

- The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")
- The Companies Act, 2013 (and the rules made thereunder)
- Indian Accounting Standards (IndAS)
- Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)
- The Business Responsibility & Sustainability Reporting (BRSR) framework by the Securities and Exchange Board of India (SEBI)
- Integrated Reporting (IR) framework of the Value Reporting Foundation (The Value Reporting Foundation is a global non-profit organisation comprising the International Integrated Reporting Council (IIRC) and Sustainability Accounting Standards Board (SASB))
- GRI Universal Standard 2021
- The United Nations Sustainable Development Goals (UN SDGs)

The Westin Hyderabad Mindspace, Seasonal Tastes

Assurance/Verification Details

The standalone and consolidated financial statements contained in the Financial Statement section were audited by independent auditors, B S R & Co. LLP. The non-financial assurance was carried out by TUV India Private Limited. The assurance is based on AA1000 Assurance Standard Version 3, specifically 'Type 1, Moderate Level'.

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 in FY 2021 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 2023. 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 unauthorized use of its intellectual property and general economic conditions affecting the industry.

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

JW Marriott Mumbai Sahar - Romano's

Contact Details for Feedback / Queries

We look forward to hearing feedback and suggestions about this report from our stakeholders.

Please get in touch with us at:

Chalet Hotels Limited, Raheja Tower, Level 4, Plot No. C-30, Block G, Bandra Kurla Complex, Bandra (East), Mumbai – 400051

Email: companysecretary@chalethotels.com

The Flywheel Effect

"Small wins accumulating over time, create momentum and will keep our business on a path of high growth"

We believe that no matter how dramatic the end result, good-to-great transformations don't happen instantly. In building our Company, there was no single defining action, but a result of several strategic initiatives and innovations. The process resembles pushing of a giant, heavy flywheel, turn upon turn, building momentum until a point of breakthrough, and beyond.

Our organisational success is attributed to several interlocking components creating success wherein each component feeds the next – and, therefore, over time creates momentum.

The Flywheel Effect is a concept developed in the book 'Good to Great' authored by Jim Collins.

New Beginnings

Proposed Hotel at T3 Terminal, Indira Gandhi International Airport (Rendered image)

The Westin Hyderabad HITEC City (Rendered image)

The Dukes Retreat, Lonavala

The Westin Hyderabad HITEC City

Performance Highlights

Non-Financial

78%*
Renewable Electricity in FY 2023

100%
Operational assets have EV charging stations

Upcoming Luxury Hotel under development at New Delhi

The Dukes Retreat at Lonavala
Foray into leisure segment

52%*
Reduction in GHG Emissions[1]

43
DJSI score (31 in the last year)

3 Assets
USGBC LEED Gold certified

33%
Women in senior management at the Corporate Office

17% Women
In the workforce[2]

*Pertains to Hospitality Portfolio

[1] Includes operational emissions (Scope 1+2) as compared to FY 2020 baseline emission

[2] Includes total employees and workers as on March 31, 2023

JW Marriott Mumbai Sahar

Financial

Consolidated Revenue
₹ 11,780 million

Hospitality Revenue
₹ 10,285 million

Consolidated EBITDA
₹ 5,023 million

Consolidated EBITDA Margin
42.6%

Hospitality EBITDA
₹ 4,318 million

Hospitality EBITDA Margin
42.0%

Consolidated PAT
₹ 1,833 million

PAT Margin
15.6%

RoCE
13.5%

Q4 FY 2023

Highest-ever Average Daily Rate (ADR)
₹ 11,304

Highest-ever Revenue per Available Room (RevPAR)
₹ 8,363

Capital-wise
Performance Highlights

Financial Capital

Pg. 85


The Westin Hyderabad Mindspace

₹ 11,780 mn
Total Revenue

₹ 5,023 mn
EBITDA

₹ 15,419 mn
Net Worth*

₹ 4,769 mn
Operating Cash Flow

₹ 6,757 mn
Total Expenditure

₹ 25,696 mn
Gross Debt

₹ 38,531 mn
Capital Employed

32.8%
Effective Tax Rate

13.5%
RoCE

** including Revaluation Reserve*

Manufactured / Infrastructure Capital

Pg. 57


The Westin Hyderabad Mindspace, Casbah

9
No. of Hotels

2,802
No. of Keys

671,528
Total Room Nights Sold

1.2 mn. sq. ft.
Mixed-used under Rental and Annuity Segment

Intellectual Capital

Pg. 63


JW Marriott Mumbai Sahar

15
Experienced Domain Experts on our Leadership Team

23
Years of Operational and Development Excellence

360
Combined Years of Leadership Experience

Human Capital

Pg. 67

Novotel - Asian Food Fest

0.9:1
Associate to Room Ratio (Hospitality vertical)

₹ 4.6 mn
Revenue per Associate (Across all verticals)

2,544
Associates (includes full-time and contractual employees across all verticals)

Great Place to Work (GPTW) Certified
Category: Mid-size organisations in India

Social & Relationship Capital

Pg. 79


Four Points By Sheraton Navi Mumbai - Eye Check-up Camp

~6,700
Suppliers

6
Trade Body Memberships

10
Brand Associations across Asset Classes

Natural Capital

Pg. 51


The Westin Mumbai Powai Lake

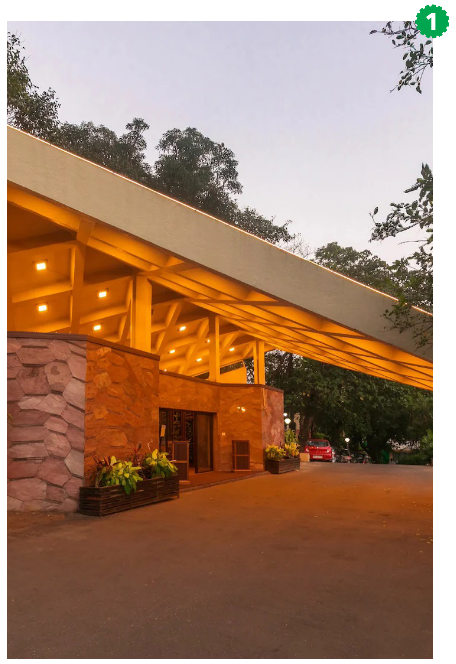
3
USGBC LEED Gold-certified properties

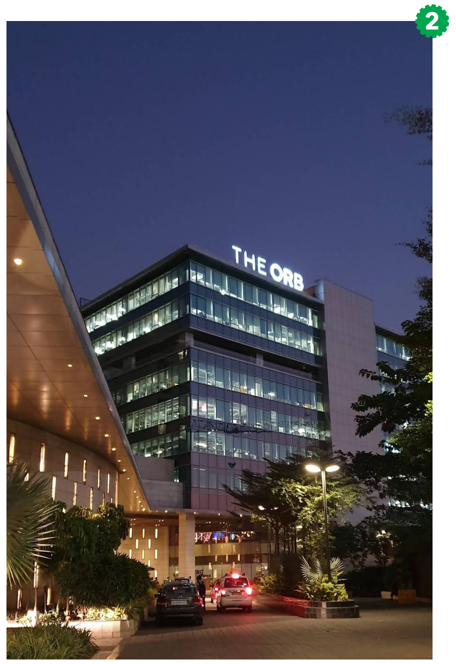
0.57
Water Consumed KL/ Available Room/Day

47.64
Electricity Consumed KWh/Available Room/Day

Who We Are

The Westin Mumbai Powai Lake - Executive Lounge





Chalet operates a hotel under its own brand.

1 The Dukes Retreat, Lonavala

The Company also uses its own/licensed brands for its commercial complexes.

2 The Orb

3 CIGNUS Whitefield Bangalore® Tower I

Chalet Hotels Limited, the hospitality arm of one of India's leading real-estate development group, viz. K Raheja Corp, is an owner, developer, asset manager and operator of hotels under globally leading hospitality brands and resorts in the Mumbai Metropolitan Region (MMR), National Capital Region (NCR), Hyderabad, Bengaluru, Pune and Lonavala.

The Company has partnered with some of the world's leading luxury hotel operating brands

- JW MARRIOTT MUMBAI SAHAR
- THE WESTIN MUMBAI POWAI LAKE
- THE WESTIN HYDERABAD MINDSPACE
- THE WESTIN HYDERABAD HITEC CITY
- MARRIOTT BENGALURU WHITEFIELD
- Marriott EXECUTIVE APARTMENTS LAKESIDE CHALET - MUMBAI
- FOUR POINTS BY SHERATON Navi Mumbai Vashi
- NOVOTEL

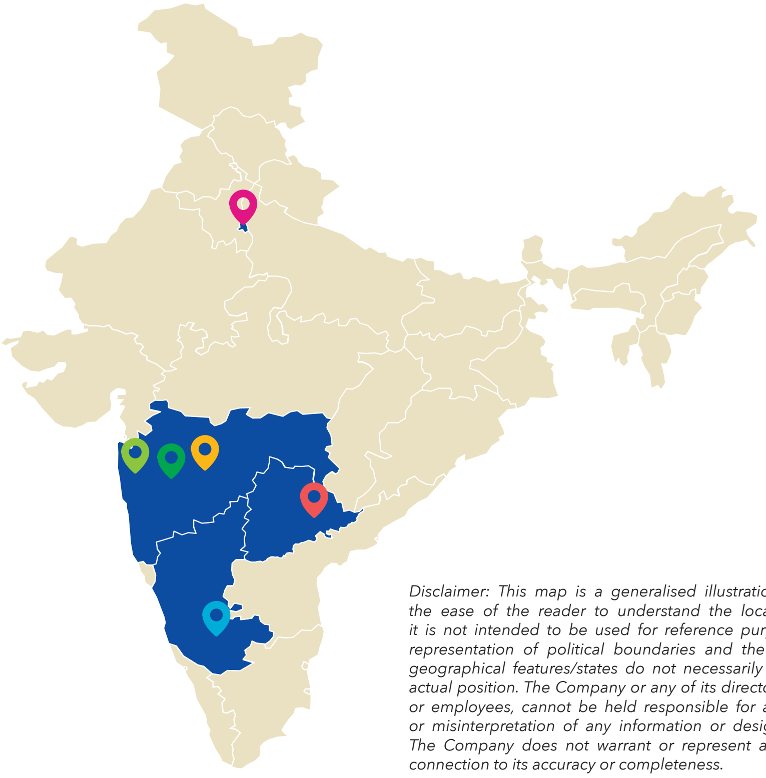
Our competitive advantage stems from our expertise in identifying strategic locations and efficiently designing, developing and asset-managing world-class properties for some of the world's marquee hospitality brands. We focus on maximizing the gross built-up area and minimizing the development cost per key. Chalet Hotels has developed commercial assets, co-located with the hotels, a mixed-use strategy to fortify our real estate portfolio.

The Company is also currently developing one residential project in Bengaluru.

In line with our sustainability goals, three of our properties are already United States Green Building Council (USGBC) LEED Gold certified: JW Marriott Mumbai Sahar, The Orb at Sahar Mumbai and Bengaluru Marriott Hotel Whitefield.

Where We Are

We have successfully forged partnerships with some of the world's leading hospitality companies to establish and grow our pan-India footprint in commercially vibrant cities. Our focus is to ensure that each of our properties has a brand partner that complements its unique characteristics, such as location, size, target customer base, and intended hotel segment.



- MMR
- NCR
- Hyderabad
- Bengaluru
- Pune
- Lonavala

Disclaimer: 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 warrant or represent any kind of connection to its accuracy or completeness.

	Operating	Projects Under Development
Hospitality	JW Marriott Mumbai Sahar The Westin Mumbai Powai Lake Lakeside Chalet, Mumbai - Marriott Executive Apartments Four Points By Sheraton Navi Mumbai, Vashi Bengaluru Marriott Hotel Whitefield The Westin Hyderabad Mindspace Novotel Pune Nagar Road The Dukes Retreat, Lonavala	168 Hotel Keys viz The Westin Hyderabad HITEC City (commissioned post the end of the Financial Year) Conversion of the Commercial Tower at Bengaluru Marriott Hotel Whitefield complex to 140 Hotel Keys 88 Hotel Keys at Novotel Pune Nagar Road
Rental Assets	The Orb - Retail & Office Tower CIGNUS Whitefield Bangalore® Tower I	CIGNUS POWAI® Tower I CIGNUS Whitefield Bangalore® Tower II
Residential		Raheja Vivarea, Koramangala

Pipeline

The following projects are in pipeline:

Hospitality

- ~400 Key Hotel at T3 Delhi IGI Airport
- ~280 Key Hotel at Airoli
- ~50 Additional Hotel Keys at The Dukes Retreat, Lonavala

Rental Assets

- CIGNUS POWAI® Tower II

What We Stand For

Bengaluru Marriott Hotel Whitefield - Bar Grill

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

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

Integrity

Do the right thing.

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

Collaboration

Work as one.

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

Agility

Think, Decide, Act proactively.

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

Sustainable Development

We grow responsibly.

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

Efficiency

Transform optimally.

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

Respect

Recognizing and enabling individual contribution and growth.

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

From the Chairman's Desk

> This has also been a year of many firsts! The Company successfully acquired its first leisure property, 'The Dukes Retreat' at Lonavala, which is an 80-room resort. Furthermore, the Company entered into a License Agreement with Delhi International Airport Limited to design, develop and operate a hotel opposite Terminal 3, at the IGI Airport in New Delhi, marking its entry into the North Indian market. The Company opened its first all-women operated hotel - The Westin Hyderabad HITEC City in June 2023

Dear Stakeholders,

It gives me immense pleasure to highlight the remarkable progress we have made over the past year. I am excited to share with you the positive outcomes we have achieved as we continue to embrace the flywheel effect.

The concept of the flywheel effect, popularized by Jim Collins, emphasizes the power of consistent and relentless effort in driving sustainable growth. Just like a flywheel, our business gains momentum through the cumulative effect of our actions, creating a virtuous cycle that propels us forward. By leveraging this concept, we have witnessed substantial improvements across various aspects of our business today and the ones that we look forward to.

The travel sector experienced a significant rebound as air passenger traffic reached pre-COVID levels. The Company achieved outstanding performance, recording its highest ever Revenue and EBITDA during the Financial Year. The Average Daily Rates (ADR) crossed historical peak at ₹ 11,304 in Q4FY23, while the annual Revenue from operations amounted to ₹ 11.8 billion. The Company concluded the year with an EBITDA of ₹ 5 billion and a Profit After Tax of ₹ 1.8 billion.

This has also been a year of many firsts! The Company successfully acquired its first leisure property, 'The Dukes Retreat' at Lonavala, which is an 80-room resort. Furthermore, the Company entered into a License Agreement with Delhi International Airport Limited to design, develop and operate a hotel opposite Terminal 3, at the IGI Airport in New Delhi, marking its entry into the North Indian market. The Company opened its first all-women operated hotel - The Westin Hyderabad HITEC City in June 2023, and commenced leasing at Whitefield, Bengaluru. Various other projects, including the residential project at Koramangala, are progressing smoothly and are on track for completion.

Our dedication to sustainability has been integral to our progress. The Company has always worked to uphold its Environmental, Social and Governance (ESG) standards and has been demonstrating the same through various initiatives such as its commitment to Climate Group's EP100, RE100 and EV100. From energy-efficient practices to waste reduction strategies, we are actively contributing to the preservation of our planet while also attracting environmentally conscious guests who align with our values.

Moreover, we have embraced technology as a catalyst for growth. Through digital transformation initiatives, we have streamlined our reservation processes, expanded our online presence, and leveraged data analytics to gain valuable insights. These advancements have not only increased our operational efficiency but have also allowed us to personalize the guest experience, resulting in higher guest engagement and repeat business.

Lastly, I would like to acknowledge the invaluable contributions of our dedicated team members who have been instrumental in driving our success. Their passion, expertise, and unwavering commitment to excellence have been the driving force behind our achievements. By fostering a culture of empowerment, collaboration, and continuous improvement, we have cultivated a workforce that is motivated to go above and beyond for our guests and our organization.

As we reflect on the progress made, it is important to recognize that the flywheel effect is a continuous journey. Looking ahead, we remain focused on innovation, sustainability, and delivering exceptional guest experiences, which are laying the ground for a promising future.

On behalf of the entire team at Chalet, I extend my deepest gratitude to our esteemed shareholders, for your unwavering support and trust. It is through your continued partnership that we can shape a prosperous future for our Company.

Yours sincerely,

Hetal Gandhi
Chairman and Independent Director
DIN 00106895

From the Desk of the Managing Director

> FY 2023 has been a year of robust financial performance for your Company. We achieved the highest-ever Average Room Rates (ARRs), consistent cost efficiencies and robust EBITDA margins that exceed and outperform the industry averages. Your Company's consolidated EBITDA crossed the 5 billion mark in FY 2023 for the first time ever.

Dear Stakeholders,

I am delighted to present to you the 38th annual report for the fiscal year 2023, reflecting the accomplishments, challenges and progress made by Chalet Hotels Limited. The report also details the impact of our growth activities led by our purpose of 'investing responsibly for sustainable value creation'.

This year has been a remarkable one, marked by significant growth and strategic milestones. We stepped out from the uncertain period of the previous year into a year of robust recovery and then onwards to record the best ever performance of your company for two consecutive quarters. This has been achieved through the resilience, sheer grit and determination of the team at Chalet Hotels.

A significant event for the company was our foray in Northern India with the signing of the license agreement with Delhi International Airport Limited (DIAL) to develop a Hotel at the T3 Terminal of Indira Gandhi International Airport (IGIA). The proposed new hotel at the IGI airport in New Delhi represents an opportunity for us to establish a strong foothold in one of the largest markets in the country. We are excited about the potential this hotel holds and look forward to providing exceptional hospitality services to travellers visiting the Capital city of the nation.

We also made our first move into the leisure segment with the acquisition of The Dukes Retreat in Lonavala. This strategic step allows us to diversify our portfolio and cater to a wider range of guests. The Dukes Retreat is an iconic property with an outstanding location, and we are proud to have it in our collection of assets. We plan to expand inventory and reposition it as a 5-star green, lifestyle resort through renovation in the next 12-15 months.

Exceptional Financial Performance

It is my pleasure to share that FY 2023 has been a year of robust financial performance for your Company. We achieved the highest-ever Average Room Rates (ARRs), consistent cost efficiencies and robust EBITDA margins that exceed and outperform the industry averages. Your Company's consolidated EBITDA crossed the ₹ 5 billion mark in FY 2023 for the first time ever.

The year started on a strong note with better-than-expected pickup in Occupancies and Average Room Rates starting from the first quarter of the year. This growth was primarily driven by corporate travel, MICE (Meetings, Incentives, Conferences, and Exhibitions), weddings, and social events. Notably, Q3 & Q4 successively achieved new records in Average Room Rates (ARRs) at ₹ 10,168 & ₹ 11,304, respectively. In February 2023, the portfolio ARRs surpassed the ₹ 12,000 mark. The EBITDA margins, as a result, kept inching higher and touched a new high of 48% for the hospitality business in Q4 of the year.

On a full year basis, Average Room Rates reached a ten-year peak at ₹ 9,169, coupled with an occupancy of 72%. The Hospitality Revenue and EBITDA reached all-time highs of ₹ 10 billion and ₹ 4 billion, respectively, with a margin of 42%. Meanwhile, the consolidated business recorded revenues of ₹ 11,780 mn, EBITDA of ₹ 5,023 mn, and an EBITDA margin of 43%.

These figures are a testament to the dedication and hard work of our employees, as well as our ability to adapt and innovate in an ever-changing business environment.

Sustainable Operational Excellence

To ensure sustainable growth, your Company continued to enhance its operational efficiency and effectiveness. Through process optimization initiatives and the adoption of cutting-edge technologies, we have streamlined our operations, reducing costs and improving productivity.

Our hotels prioritize guest satisfaction by ensuring seamless check-in and check-out processes, personalised services that ensues comfortable and enjoyable stays with memorable F&B experiences. We have implemented technology solutions in areas of inventory management and automated workflows to optimize operations. We have established rigorous quality control measures and conduct regular audits to maintain high standards across all areas of the hotel operations, including cleanliness, food safety, compliance with regulations, and adherence to brand standards.

We utilize advanced revenue management systems to predict occupancy trends to maximise ARRs and revenue per available room (RevPAR). Additionally, our comprehensive training programs for our associates enhance their skills and knowledge, leading to seamless quality of service, enhanced guest experience, and a positive work environment. These training programs are regularly evaluated and improved to keep them current with industry trends and ever-changing guest expectations.

Building for The Next Leap Forward

As your Company continues to showcase commitment to expanding and enhancing the portfolio, we are pleased to announce that the new The Westin Hyderabad HITEC City, with 168 keys is now operational and is **run by an all-women team**. It catapulted to a great start with 100% occupancy from day 1. We are pleased to share that at Novotel Pune Nagar Road, the construction of additional 88 rooms has been successfully completed.

The expansion plans for the Bengaluru Marriott are on track to add approximately 140 keys to the existing hotel inventory of 391.

As shared earlier, we will be developing a new hotel in Delhi. The ~400 rooms hotel is opposite the entrance of Terminal 3 at the Delhi International Airport. It is expected to take 30-36 months to complete. We are also in final design stages for our ~280-room hotel at Airoli, Navi Mumbai.

On the commercial assets front, we have completed construction of ~0.66 mn sq. ft. of commercial space, the CIGNUS Whitefield Bangalore®, Tower 1. Joining this will be CIGNUS Whitefield Bangalore®, Tower 2 and CIGNUS Powai Tower 1, both of which are in their final stages of completion and are in the process of being leased. These assets, combined with our existing one in Sahar in Mumbai, will take the portfolio to ~2.3 mn. sq. ft.

of leasable space. Office assets yield stable and healthy returns and also serve as demand creators for our hotel rooms. The investment in this asset class is in line with our strategy of diversification to de-risk the cyclicality of the hospitality business.

The residential project in Koramangala has made substantial advancements during the previous fiscal year. Following the acquisition of all necessary local development approvals, construction work has resumed on-site. Additionally, RERA (Real Estate Regulatory Authority) has approved our updated development plans. We expect to commence sales for the project soon.

Commitment to Environmental, Social, and Governance (ESG) Principles

In FY 2023, we made significant strides in reducing our environmental footprint, promoting diversity and inclusion, and supporting local communities. We procure products and services locally wherever feasible and viable.

Chalet's Dow Jones Sustainability Index (DJSI) score improved to 43 this year, reflecting a 39% jump from our previous years score of 31. The notable score improvement can be attributed to better energy management, proactive water conservation and recycling measures, improved waste management practices, enabling HR policies, and community initiatives.

As India progresses towards its Net Carbon Zero goal by 2070, the real estate and hospitality industry is slated to play a key role in reducing the collective carbon footprint of the economy. We stay committed to reducing our environmental footprint and are keen to set targets to achieve Net Zero to augment the nation's march toward carbon neutrality. An assessment exercise has been rolled out across our hotels to develop a science-based net zero roadmap.

Our transition towards Carbon Neutrality guides us to re-evaluate our operations at multiple points, including property-based consumption of electricity, water and fuel consumption, air emissions, maximize use of green energy and waste management, to name a few. Through FY 2023, our total carbon emission has reduced by 52.47% from FY 2020. During FY 2023, we established a robust and empowering ESG Governance framework that enables the Company to maintain accountability and responsibility while driving ESG strategy and initiatives throughout our portfolio. We set up a dedicated Research and Development (R&D) Council to - foster innovation and develop solutions aimed at minimizing our environmental and social footprint.

At Chalet Hotels, sustainability is not just about institutionalizing ESG principles but also aligning our people and making sustainability an intrinsic part of our culture. Our people-centric policies and practices are designed to nurture the inherent talent of our employees and build a vibrant and diverse workforce that creates enduring experiences for our guests, partners, colleagues, and communities. Our focus on gender diversity, safety, employee learning and development, engagement, motivation, and supply chain management are underpinned by a well-conceived strategy and execution framework. Chalet Hotels has been recognized as one of India's Great Mid-Sized Workplaces 2023 by the Great Place to Work Institute for four years in a row and has been listed as one of the Top 10 best workplaces for women for the third time in a row.

> **The year has been filled with exciting developments and accomplishments. As we look ahead, we remain focused on expansion and innovation, which will continue to drive our success. We are in the final stages of completion for multiple projects, with an overall 13 billion capital deployment of assets under construction and to be operationalized. We are excited about the next couple of years as we operationalize these assets and further strengthen our operating efficiencies.**

Our Corporate Social Responsibility (CSR) initiatives are continuously evaluated and realigned to meet the changing needs of our local communities. Additionally, we have collaborated with appropriate agencies like TRRAIN to provide skill-based training opportunities to people with disabilities (PWDs), make them employable. To enhance our customer experience, we curate and conduct specially designed events to celebrate local culture and cuisines, giving our guests opportunities to appreciate and engage with local communities.

We are in the process of adopting a detailed ESG roadmap with short and long-term targets against defined Key Performance Indicators (KPIs). The expanding scope of digitization will also help us track and improve ESG reporting quality and make our disclosures more robust.

Looking ahead to 2023 and beyond, we are determined to collaborate closely with our supply chain to support the realisation of climate targets, implement a credible decarbonisation plan, and leverage technology to meet the increasing demands of our customers. Above all, building an agile, innovative workforce with the right values and ability to thrive regardless of the external environment will together define what Chalet stands for.

The Road Ahead

Overall, the year has been filled with exciting developments and accomplishments. As we look ahead, we remain focused on expansion and innovation, which will continue to drive our success. We are in the final stages of completion for multiple projects, with an overall ₹ 13 billion capital deployment of assets under construction and to be operationalized. We are excited about the next couple of years as we operationalize these assets and further strengthen our operating efficiencies.

We will continue to invest in our people, technology, and innovation to drive growth and create long-term value for our stakeholders. We are exploring new markets, to expand our portfolio of properties, expanding our existing properties and investing in sustainable practices to ensure responsible growth. We continue to align our business strategy with the needs and expectations of new-age travellers looking for sustainable and safe spaces and experiences that balance the needs of people and the planet.

On behalf of the entire Chalet team, I extend my heartfelt gratitude to our valued stakeholders – our dedicated employees, loyal customers and supportive shareholders - for their unwavering trust and commitment. Together, we will embrace the opportunities that lie ahead, and continue to define the future of the business of hospitality.

Yours Sincerely,

Sanjay Sethi

Managing Director & Chief Executive Officer

DIN: 00641243

Governance Framework @ Chalet Hotels

Our robust governance framework ensures we stay accountable and transparent in our business practices and follow an ethical decision-making process. It strengthens our risk management approach and protects and enhances our reputation and credibility with stakeholders.

Board Oversight

An empowered Board of Directors comprising industry leaders from diverse academic and domain expertise, each with unique areas of specialization, oversee the implementation of our governance framework. An Independent Chairperson leads the Board, which has a balanced mix of Independent and Non-Independent Directors.

BOARD PERFORMANCE	FY 2023
Board Attendance	94%
Independence Ratio	57%
Number of Board Meetings	5
Number of Executive Sessions	5
Average Tenure	10.6 years

Our Board of Directors periodically reviews our policies against evolving statutory frameworks to ensure they remain up-to-date and effective.

Key Focus Areas of the Board

- Review the Company's strategic and business development plans
- To set goals / targets for the Company's performance
- To supervise and control the performance of the Company
- Monitoring responsibilities delegated to committees
- Risk assessment & management
- Strategic guidance to the Company's management from time to time
- Statutory obligations such as reviews of financial statements, ensuring auditors independence

Hetal Gandhi
Chairman & Independent Director

Arthur De Haast
Independent Director

Joseph Conrad D'Souza
Independent Director

Radhika Piramal
Independent Director

Ravi C. Raheja
Promoter and Non-Executive Director

Neel C. Raheja
Promoter and Non-Executive Director

Sanjay Sethi
Managing Director and Chief Executive Officer

55 Years
Average Age of Board Members

57%
Independence

Board Committees

The Board has established several committees with a specific mandate to ensure we deliver on our business goals aligned with our governance framework.

Committee-wise Performance Highlights during FY 2023

Please refer to the Corporate Governance Report for more details

Committee	Members	Independence	Meetings	Attendance
Audit Committee	4	75%	5	87%
Corporate Social Responsibility & ESG Committee	4	50%	2	100%
Risk Management Committee	6	34%	2	87.5%
Compensation, Nomination and Remuneration Committee	4	75%	3	100%
Stakeholders' Relationship Committee	4	25%	1 Meeting	100%

ESG Governance Structure

Our goals and progress on initiatives are overseen by the Board and Board-level Committees covering our end-to-end strategic and operational lifecycle.

01 Corporate Social Responsibility & ESG Committee

02 Corporate Social Responsibility & ESG Steering Committee

03 ESG Implementation Committee

The Westin Mumbai Powai Lake

Corporate Policies

Our comprehensive policy structure enhances our strategic and business objectives, recognizes and addresses our long-term sustainability as being vital to effective operations and long-term business success.

- Environment, Social and Governance (ESG) Policy
- Business Responsibility Policy
- Environment Policy
- Human Rights Policy
- Board Diversity Policy
- Corporate Social Responsibility (CSR) Policy
- POSH Policy
- Policy on Related Party Transactions
- Vigil Mechanism and Whistle Blower Policy
- Dividend Distribution Policy
- Risk Management Policy
- Internal Audit Charter
- Supplier Code of Conduct
- Employee's Code of Conduct
- Policy for Determination of Material Subsidiaries
- Policy for Determination of Materiality of Events
- Preservation of Documents & Website Archival Policy
- Code of Conduct for Board and Senior Management Policy
- Policy on Familiarization Programme for Independent Directors
- Policy for Appointment of Directors & Remuneration of Director and Senior Management
- 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

Risk Management

A comprehensive risk management framework guides our efforts to effectively monitor and manage potential risks that may affect our operations. Our business risks are defined using quantitative and qualitative parameters and categorized using standardized risk parameters. Further, the risks are classified across a scale where the 'Impact' ranges from - Insignificant to Severe, and 'Likelihood' ranges from Rare to Probable.

We regularly review and update our risk tolerance levels and mitigation approaches to keep pace with the evolving regulatory, economic and political landscape around us. Historical data contributes to the assessment of future risks. All our business decisions consider prior information and acceptance of the underlying risks.

A Board-level Risk Management Committee oversees our risk assessment processes and mitigation approach and regularly reviews our performance. Our senior leadership is responsible for implementing the risk management and mitigation strategies recommended by the Committee. All instances of identified risks are duly reported to the Committees along with the ongoing status of resolution.

ESG as an Emerging Risk

As part of our risk management framework, we have identified various ESG-related risks that are relevant to our business. A keen focus on ESG has changed the way businesses are operating globally. Now, more than ever before, stakeholders are concerned about how organisations impact the environment, their relationships with employees and communities, and their ethical conduct. A lack of focus on ESG issues can significantly impact a company's longevity and profitability.

To ensure our continued business success, we have identified and addressed four major ESG risks that are relevant to our business. These risks are:

- Risks related to climate change, water, waste, pollution (land, water, air, noise).
- Risks related to the supply chain and procurement.
- Risks related to talent attraction, retention, and development.
- Risks related to health & safety and Human Rights of the workforce (including employees and contractual workers).

To mitigate these risks and advance our ESG efforts, we have established a robust, cross-functional ESG governance framework that is integrated into our overall business strategy. This framework assists internal stakeholders in steering and implementing our ESG strategy across our projects and operations, fostering a proactive approach to risk reduction throughout our operations.

Tax Strategy

We have a group-wide tax strategy aligned with our corporate governance guidelines, value system and enterprise risk management framework. We comply with all applicable Indian taxation laws and global transfer pricing principles and avoid any structure designed to circumvent or avoid tax obligations.

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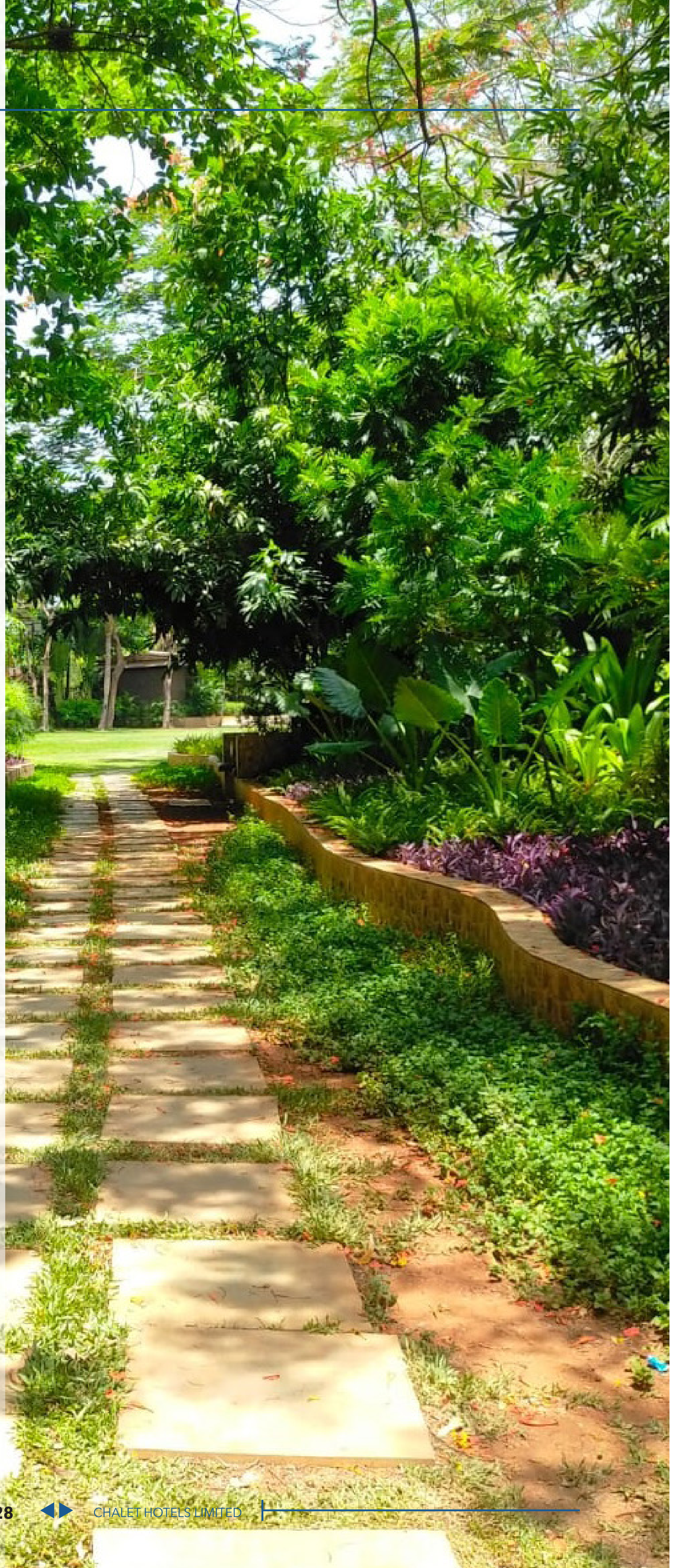
Approach

- Comply with all the applicable tax laws and regulations
- Refrain from transferring value created to low tax jurisdictions
- Avoid using tax structures without commercial substance
- Undertake transfer pricing using the arm's length principle
- Refrain from using secrecy jurisdictions or so-called 'tax havens' for tax avoidance

Chalet Hotels is committed to comply with the applicable laws and regulations, and believes in reporting relevant information that is complete and accurate to the respective tax authority in a timely manner. CHL does not engage in aggressive and contrived tax planning or tax structuring for the purpose of gaining tax advantages. CHL's tax policy is to optimize tax cost, avail tax incentives where available, while achieving 100% compliance with the spirit of the statute. Compliance is achieved through a robust reporting and monitoring process, with strong governance. CHL maintains zero tolerance towards tax evasion, or the facilitation of tax evasion, by itself or by its employees or vendors. CHL maintains open and collaborative relationships with governments and tax authorities. Where appropriate, CHL seeks advance clearance from tax authorities on the proposed tax treatment of transactions, helping pre-empt future disputes.

Value Creation

We work incessantly towards taking the right steps to generate breakthrough moments with significant impact. Our value-creation model brings together interlocking components of our business, including priorities, capabilities and processes, to create desired output and outcome for our stakeholders, step by step, led by our material issues and the six capitals.



The Westin Mumbai Powai Lake

Our External Environment

The IMARC Group estimates India's business travel market size to be USD 35.6 billion in 2022 and is expected to reach USD 59.5 billion by 2028, exhibiting CAGR of ~8% the period during 2023-2028.

A structural change is seen in blesiure travel, where people add a few travel days to their business trips for sightseeing. As international business travelers and high-profile MICE events return to India, bleisure travel is expected to receive further boost in the country. India being one the fastest-growing economies in the world, is a melting hotspot for both domestic and global companies alike. There is a rise in demand by global companies for opening global capability centres (GCCs) in India driven by the low cost and scale advantages.

1. Total Air Passenger traffic grew 10% in March 2023 vs March 2019
2. Business Travel is expected to grow at a CAGR of 8% between FY23-28.*
3. E-Visas re-activated.
4. Inaugurated new International Airport at Goa and new Terminal at Bengaluru.

The shift is also seen in office space occupancies which is moving up at a high pace in all key metro markets. Occupancy levels in the top 6 metro cities were at 83.6% at the end of FY 2023, led by the Bengaluru office market occupancy of 87.2%. So the entire ecosystem is building up for a strong rise in the business hospitality segment. We see the lowest hanging fruit in international air passenger traffic, which continues to lag pre-Covid levels, and is expected to be back this year. Boeing has predicted that India's air passenger traffic will grow at a CAGR of 7% till 2041.

In addition, there has been a change in spending by domestic users. Domestic business travelers are now more open to paying a premium for quality service, convenience and properties. This augurs well for Chalet's strong presence and premium product mix of business hotels in the key metro markets.

HVS** expects demand to grow by double digits due to the strong domestic travel segment and a rebound in inbound tourism and anticipates supply to grow at a CAGR of only 3-4% over the next six to seven years. Furthermore, given the entry barrier in the key metro cities with high real estate prices, supply is likely to be skewed towards tier II & tier III cities.

There is a rising demand to explore lesser-known locations in the country as travelers move beyond the conventional leisure destinations and opt for short trips, weekend getaways, road trips, staycations, and workcations. India is expected to be at the third largest travel and tourism economies by 2032, up from the sixth position in 2021 as per World Travel & Tourism Council's (WTTC) Travel & Tourism Economic Impact Report 2022.

**India Business Travel Market: Industry Trends, Share, Size, Growth, Opportunity and Forecast 2023-2028*

***HVS Monday Musings: Indian Hotel Sector – Riding the Next Growth Cycle*

Value Creation Model

Investors and Promoters | Employees | Brand Partners | Customers | Communities | Suppliers | Regulatory Authorities

Input

Financial Capital
- Net Worth*: ₹ 15,419 mn
- Gross Debt: ₹ 25,696 mn

Manufactured Capital
- Book Value of Assets: ₹ 28,895 mn
- No. of Hotels: 9
- No. of Hotel Keys: 2,802
- Rental Assets: 2
- Total Leasable Space: 1.2 mn. sq. ft.

Human Capital
- Total Workforce: 2,544
- Training & Engagement Hours: 1,48,308 hours
- Payroll Cost: 12.8% of revenue

Intellectual Capital
- Asset Management team's ability to enhance productivity
- Strategic and business knowledge of the Group
- IoT-enabled automation

Social and Relationship Capital
- No. of Brand Associations: 10
- Suppliers: ~6,700
- Trade Association Memberships: 6

Natural Capital
- Total Energy Consumed: 225.68 TJ
- Total Electricity Consumed: 44.41 GWh
- Emissions' Intensity: 1.09 MTCO2E/Turnover
- Water Consumption: 535.41 ML

*including revaluation reserve

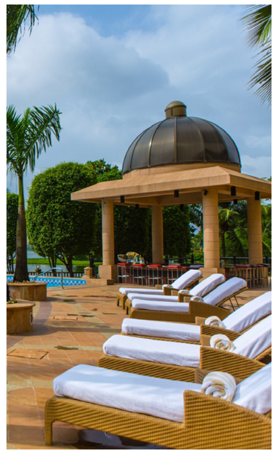
Process

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 | Agility | Efficiency | Collaboration | Sustainable Development | Respect

Our Purpose
Responsible investment for sustainable value creation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Process
- Identify High-Potential Locations
- Build Efficiently
- Partner with the Best
- Drive Performance
- Incorporating Sustainable Development
- Periodical Assessment of Asset end Use
- Periodic Stakeholder Engagement

Strategic Priorities
1. Sustainable best practices
2. Maximizing returns
3. Industry leadership in operating performance
4. Drive growth
5. Nurture relationships

Output
- Total Revenue: ₹ 11,780 mn
- EBITDA: ₹ 5,023 mn
- PAT: ₹ 1,833 mn
- RoCE: 13.5%
- ADR: ₹ 9,169
- RevPAR: ₹ 6,605
- Total Room Nights Sold: 671,528
- Occupancy: 72%
- Great Place to Work® Certified
- Turnover Rate for Employees: 26%
- Turnover Rate for Workers: 41%
- Retention Rate post parental leave: 100%
- Gender diversity in the workforce: 17% Female
- Staff to room ratio: 0.9
- Best-in-class Asset Management
- 97% of products CAPEX locally sourced
- 10.2% Energy consumption reduction
- 78% share of RE in total electricity
- 8.92% reduction in water consumption
- 98.1% Waste diverted from landfill and recycled
- Number of USGBC LEED Gold certified properties: 3


The Westin Mumbai Powai Lake

Outcome | Impact on Stakeholders | Interlinkage | Material Topics

Outcome	Interlinkage	Material Topics
Achieved Market Capitalization of ₹ 74,454 mn *(As of 31st March, 2023)*; Sustainable capital Structure; Generating optimal cash flow per asset		Sustainability, Profitability and ROI; Responsible Procurement; Risk Management; Customer Delight; Talent Management
Market leadership; Optimal returns on investment; Optimizing fixed and Variable costs; Hedge from hospitality cyclical fluctuation through mixed used development	BRSR: Principle 2, Principle 6	Climate change; Operational Efficiency - Energy, Water, Waste; Sustainability profitability and ROI
Great Place to Work® Certified; Increased Employee Productivity and Morale	BRSR: Principle 3, Principle 4, Principle 5	Talent Management; Health and Safety; Human Rights
Prudent capital allocation; Cost optimization; Best-in-class Asset Management Ability; Optimum Capital Allocation	BRSR: Principle 2	Data Privacy and Cyber Security; Risk Management
Better Community Engagement and Development; Effective stakeholder engagement; Higher customer acquisition and Retention; Fortified Policy development	BRSR: Principle 5, Principle 8, Principle 9	Responsible Procurement; Customer Delight; Social Initiatives
24,904.72 MTCO2e GHG emission avoided[3]; 100% of wet waste recycled; All of our properties have Zero Liquid Discharge[4]	BRSR: Principle 2, Principle 6	Climate change; Operational Efficiency - Energy, Water, Waste; Sustainability profitability and ROI

[3] Through renewable energy integration
[4] Except Novotel, Pune, It partially uses Treated water for horticulture, cooling tower and cleaning purposes.

Long-term Strategic Pillars

Capital Trade-offs

Capital	Maximizing Returns	Industry Leadership in Operating Performance	Drive Growth	Nurture Relationships	Sustainable Best Practices
Financial Capital	+	+	+	O	+
Natural Capital	+	+	O	O	+
Human Capital	+	+	+	+	+
Social and Relationship Capital	+	+	+	+	+
Manufactured Capital	+	+	+	+	+
Intellectual Capital	+	+	+	+	+
Trade-off Reason	Allocating funds based on a balance between investment returns and business sustainability	Driving best in class performance along with optimizing resource allocation	Drive business growth through asset management Strategic expansions with eye on returns	Relationship management and maintaining position as industry leaders	Focus on long-term business impact on the environment with key business decisions

POSITIVE = +

NEUTRAL = O

Our Long-term Strategic Pillars	Implementation Approach	Capitals Impacted	SDGs Met
Maximizing returns Value accretive sustainable capex deployment to increase efficiencies and improve guest satisfaction	Keeping cost under control to derive long-term benefits Testing the best end-use of all assets and repurposing wherever necessary Fast-tracking development to advance revenue earning capability of capital		8, 9, 12
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		8, 9, 12
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 additions Assessing and exploring new geographies with high future potential demand		8, 12, 17
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		4, 5, 17
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		8, 9, 12, 17

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

Our ESG Strategy

While the tourism and hospitality industry has provided ample opportunities for the growth and development of various stakeholders, we acknowledge that the industry's unsustainable expansion can adversely affect the environment and nearby communities. As a responsible corporate entity, we aim to lead with sustainability by integrating ESG goals into our business model, operational framework, and value chain. Our ESG strategy is built on three pillars: Environmental Stewardship, Empowering Employees and Communities and Resilient Business. These pillars form the foundation of our ESG commitments and are designed to take a holistic approach to create value for all its stakeholders.

Investing responsibly for sustainable value creation

E S G

Environmental Stewardship	Empowering Employees and Communities	Resilient Business
Climate Strategy Reducing Ecological Impact Green Buildings	Employee Welfare Communities Development	Ethical Business Conduct Responsible Investment & Procurement Automation & Digitalization

Supported by Robust Governance

Environmental Stewardship	This pillar guides our actions to assess and mitigate possible negative impacts of our operations on the environment through conservation, recycling and resource efficiency measures and an increased use of renewable energy.
Empowering Employees and Communities	This pillar guides our endeavours to empower employees through benchmarked benefits and protect their health and safety. It also outlines our approach to develop and implement mindful social initiatives to benefit vulnerable sections of society.
Resilient Business	The third pillar focuses on creating superior long-term value led by ethical business conduct, investing responsibly, building a sustainable value chain and deploying cutting-edge technology solutions to accelerate sustainable development.

Our ESG Commitments

We incorporate the correct balance of ESG challenges and opportunities at each stage of the business development and ownership cycle. A comprehensive ESG Policy helps us adopt a multidimensional approach towards sustainability, covering various aspects such as Reduced Greenhouse Gas (GHG) Emissions, Green Building Certifications, Biodiversity Management, Compliance with Legislations, Diversity and Inclusion, Cybersecurity and Supply Chain Management.

Bengaluru Marriott Hotel Whitefield

Environmental Stewardship

Focus Areas		KPIs
	**CLIMATE STRATEGY** Reducing & managing operational and value chain GHG emissions footprint	1 Scope 1 & 2 Emissions 2 Scope 3 Emissions 3 Renewable Energy 4 Climate Disclosures 5 Electric Vehicles
	**REDUCING ECOLOGICAL IMPACTS** Reducing impact of the operations on the immediate environment	6 Water Stewardship 4 Waste Management 5 Biodiversity
	GREEN BUILDINGS Increasing energy efficiency and living conditions in all hotels	9 Green Building Certification 10 Indoor Health & Well-being

Empowering Employees and Community

Focus Areas		KPIs
	**EMPLOYEE WELFARE** Empowering employees' well-being with various benefits and protecting their health and safety	11 Diversity, Equity & Inclusion 12 Learning and Development 13 Employee Satisfaction 14 Health and Safety 15 Human Rights Due Diligence
	**COMMUNITY ENGAGEMENT** Develop and implement mindful social initiatives to benefit vulnerable sections of society	16 Employee Volunteering 17 CSR Impact Assessment

Resilient Business

Focus Areas		KPIs
	**ETHICAL BUSINESS CONDUCT** Create extraordinary long- term value with ethical business conduct	18 Compliance Code of Conduct 19 ESG Linked with Remuneration 20 Business Transparency
	**RESPONSIBLE INVESTMENT & PROCUREMENT** Invest responsibly and inspire action for sustainability in the value chain	21 Sustainable Finance 22 ESG Due Diligence 23 Supplier CoC 24 PAT Scheme & ICP 25 E&S Criteria 26 Local Sourcing
	**AUTOMATION & DIGITALIZATION** Implement cutting-edge technology solutions to achieve sustainable development	27 IoT-Enabled Automation

Chalet Hotels is in the process of finalizing its Key Performance Indicators (KPIs) and developing a detailed roadmap covering short-term and long-term goals for each focused area listed under its strategic pillars. A particular emphasis is placed on the decarbonization, strategic community engagement and development and responsible business practices.

During the reporting period, we participated in our second Dow Jones Sustainability Index (DJSI) assessment and achieved an overall score of 43 across, marking a significant jump from 31 from the previous reporting period. The company scored 39 in Environment section, 41 in Social section and 51 in the Governance section and was positioned well above the industry mean score in all 3 categories. This is a testament to our consistent efforts across to drive sustainability across our operations.

Value Sustenance

We believe that steady progress towards our goals to create business momentum will enable us to deliver sustained value to our stakeholders.

The Westin Mumbai Powai Lake

Proactively Engaging with Stakeholders

We engage with our stakeholders to understand their concerns & needs and draw on the strength of interlinked business components to power our Company's progress and value-creation endeavours through small and impact-led measures.

Stakeholder Groups

- Customers
- Employees
- Communities
- Suppliers, vendors
- Investors & Promoters
- Services providers
- Industry peers
- Financial Institutions
- Operating brand partners
- Central and State Governments
- Market regulators and other local civic bodies

Stakeholder Engagement Matrix

Ongoing and transparent engagement with our stakeholders through multiple channels allows us to stay abreast of evolving stakeholder needs and garner feedback on our performance and products to enhance our operational efficiencies and relevance. Our business and ESG strategies are designed to address issues that concern our stakeholders the most and can impact them and our business significantly.

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

Stakeholders	Relevant Organisational Functions They Directly Engage With	Modes of Engagement	Frequency	Key topics Discussed	Inferences	Capitals Impacted
Investors and Promoters	Investor Relations and Secretarial Team, Corporate Governance	Meetings, investor calls, financial reports, site visits	Quarterly Results, Quarterly Earnings Conference Calls, and meeting as and when required	Financial performance, expansion plans, sustainability initiatives, risks and opportunities, focus on governance, regulatory compliance, greater transparency and disclosures, healthy EBITDA margins and stakeholder confidence	Investors and promoters are interested in the financial health and future prospects of the Company. Sustainability initiatives can improve brand image and long-term financial viability. Building investor confidence.	
Customers	Business Teams, Service Quality, Data Security	Industry Conferences, Customer Satisfaction Assessment (through brand partners), Online reviews, surveys, social media, feedback forms, face-to-face interactions with hotel staff	Ongoing	Customer satisfaction, Brand tenants with respective associated hotels managed by Chalet Hotels, Customer service, hotel facilities, room quality, food and beverage options, activities and events, sustainability efforts	Long-term Customer Relationship, Customer feedback can help to identify areas for improvement and enhance guest experience. Sustainability efforts can attract and retain eco-conscious customers.	
Brand Partners	Hotel operations, Business teams, Operational and resource efficiency	Regular business meetings, performance reviews, training and development programs, surveys, web portals	Ongoing frequency, Adherence to applicable regulatory and legal norms as per the location of our hotel operators	Operational performance, guest experience, staff retention and development, sustainability initiatives, Closely partner to support the goals of the Company and its operating partners.	Collaboration with hotel operators can help to achieve operational efficiency, enhance guest experience and promote sustainability.	
Employees	Employee well-being, Human capital development	Associate surveys, feedback sessions, group interactions, one-on-one meetings with managers, training and development programs, mailers	Regular and Ongoing	Working conditions, training and development, career opportunities, performance feedback, sustainability initiatives	Enhanced employee engagement satisfaction, motivation, retention and promoting a positive work culture. Continuous Year-on-Year growth strategy, Key strengths of business: location, demand build up, efficient building design. Diversity and inclusion, Training on good governance, Unionized challenges.	
Suppliers & Vendors	Supply chain management, Awarding tenders through the procurement team	Regular business meetings, supplier assessments, sustainability performance monitoring and reporting	Ongoing	Quality of products and services, sustainability efforts, responsible procurement, supply chain transparency	Long-term association, strengthened supplier and vendor relationship, Promote environmentally and socially responsible practices and mitigate supply chain risks.	
Regulatory Authorities	Legal Secretarial, Compliance with systems and regulations	Compliance reporting, filings, Industry representations, correspondence meetings, inspections and audits, consultation on policy changes and new regulations	As mandated by the regulatory authority	Compliance with laws and regulations, safety and security standards, sustainability initiatives, community engagement	Ethical business conduct, ensure Compliance with laws and regulations, Responsible and sustainable practices.	
Communities	NGO partnerships, Community development	CSR activities, Employee volunteering, Social and environmental initiatives, community outreach programs, surveys, newsletters, public consultations and events	Ongoing	Local community needs and concerns, environmental and social impact, community development, social responsibility initiatives	Enhance community development, awareness and upliftment.	

Approach to Materiality

Prioritizing the Essential

We undertook a detailed materiality assessment exercise in FY 2021 covering more than 100 internal and external stakeholders, including senior management personnel, employees and customers, to identify and respond to the most pertinent issues related to our stakeholders and business. A universe of 11 material issues were identified which form the basis of our sustainability strategy designed to contribute to the long-term success of Chalet Hotels.

Materiality Assessment Process

The Westin Hyderabad Mindspace, Deluxe Room

Materiality Assessment

Material Topics	Risk/ Opprtunity	Rationale	Management Approach	Capitals Impacted
Sustainable Profitability & Return on Investment	Opportunity	The company focuses on driving industry leading business efficiency. The proven business model gives a niche platform to leverage the maximum and aspire for sustainable value creation with better return on investment.	The efficiency process starts from the design and development stage and is carried forward to our asset and hotel management stages. Combination of right capital allocation, design efficiency along with regular oversight on operations has resulted in a strong and sustainable portfolio.	Financial Capital
Talent Management	Risk	Talent management is one of the greatest risks for the hospitality industry in the post COVID era. The industry saw migration of talent to other industries accompanied by shortage of fresh incoming talent creating a huge void in the talent pool/ pipeline. Post recovery of the sector, the attrition which was at an all time high due to sudden increase in demand for talent further added to the void. Being a people business, attracting and retaining talent is critical and the baseline for the success.	The Company has strong HR policies with a high level of employee engagement. There are several employee centric policies like paternity leave, pride policy, Aanchal Policy, women leadership programs etc. There are performance-linked incentive plans as well. This is coupled with a comprehensive succession plan and robust learning and development programs at all levels resulting in a conducive work environment that promotes individual well-being and enhances the performance of its workforce.	Human Capital, Intellectual Capital
Health & Safety	Risk	Identifying relevant areas of work to provide information on hazards, necessary safety equipment, appropriate usage of equipment and procedures is critical for the well-being of all.	The Company follows health and safety protocols as required by regulatory authorities at its offices, construction sites and facilitates the same at its properties managed by operator brands. The Company conducts regular audits / inspections of all the existing projects under operation, new projects under construction along with the supplier / vendor premises to ensure there are no safety violations and endorse the culture of zero workplace incidents.	Social and Relationship Capital, Intellectual Capital
Human Rights	Risk	The Company views Human Rights Due Diligence (HRDD) as a risk management strategy that assists in identifying, responding to, mitigating, and preventing adverse human rights impacts in its own operations and supply chains.	The Company adheres to global best practices in safeguarding human rights of the people we engage through the course of our operations. The Company follows necessary processes to ensure compliance against human rights issues.	Human Capital, Intellectual Capital
Data Privacy and Cyber Security	Risk	The Company's systems and proprietary data is stored electronically, including guests' sensitive personal and financial information, which may be vulnerable to computer viruses, cybercrime, computer hacking and similar disruptions from unauthorized tampering. Such technology systems may also be vulnerable to ransomware attacks, which may block or restrict access to these systems and impair their functionality.	The Company is continuously ramping up its digital capabilities which helps in ensuring security of data and systems through cutting-edge technology and strong protocols to detect and respond to breaches, if any.	Intellectual Capital

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

Material Topics	Risk/ Opprtunity	Rationale	Management Approach	Capitals Impacted
Risk Management	Opportunity	The comprehensive risk management framework integrated with both emerging and transient risks helps the company to be future ready. While reaping benefit of present situation, the company is all prepared to meet the unforeseen situations and harness the potential opportunities.	The Company has established a comprehensive risk mitigation framework led by members of the Board. The Company is committed to continuously monitoring changes within the operating environment and proactively responding to these.	
Climate Change	Risk	The nature of the business requires the Company to carefully evaluate the environmental impact of our activities. External stakeholders expect and emphasize the Company to adopt environmentally friendly business practices. Business operations are highly dependent on the availability of energy.	The Company recognizes climate change as one of the key emerging risks and is undertaking measures to put an effective management system. The Company is focused on improving the energy productivity of its operations and effectively manage operational emissions.	
Operational Efficiency - Energy, Water, Waste	Opportunity	The Company is conscious of the environmental impact of its business operations and believes in consistently optimizing its operations to minimize electricity usage, water consumption, waste generation and usage of other natural and man-made materials. Efforts are being made to reduce operational cost and drive efficiency.	The Company directs significant efforts and investments towards adoption of renewable energy, energy efficient and smart technologies, minimize the discharge of wastewater, recycle and reuse the solid waste to the extent possible. The company is a signatory to the leading global initiatives such as EP100 and RE100 to ensure operational efficiency is achieved.	
Customer Delight	Opportunity	Extensive experience and expertise in the hospitality industry, portfolio of word class properties, strong partnerships with the leading brands and value chain partners provide the company with a unique competitive advantage which helps in exceeding customer expectations and providing delightful experiences.	The Company focuses on its ability to deliver customer delight through managing properties and partnering with operator brands who enjoy global repute while bringing years of expertise in the delivery of hospitality services. The Company supports them by providing properties built to facilitate world-class delivery and excellence in hospitality they are known for.	
Responsible Procurement	Risk	Any disruption in the supply chain can have a significant impact on operations and customer service.	The Company aspires to transform its value chain and relationships with value chain partners including customers, suppliers and vendors. The Company relies heavily on its value chain partners to meet daily operations. The Company is in the process of adopting sustainable sourcing practices such as defining and diversifying the supplier base, promoting local sourcing, conducting supplier assessments etc.	
Community Initiatives	Opportunity	Community is one of the key stakeholders for the company. It believes that identifying the community needs and engaging with them through various initiatives is an effective way that can strengthen the relationship with society and its social license to operate.	As a socially responsible corporate citizen, the Company runs a variety of programs to enrich and empower disadvantaged communities around the areas of operations. The Company's social initiatives fall under the purview of its Board-level Corporate Social Responsibility & ESG Committee. The Company is in the process to strategize its CSR approach to reach out to more people and communities in need and create positive shared value for a better sustainable world.	

Enhancing Strategic Resilience

We have identified key long-term strategic pillars to create a more positive impact while fulfilling stakeholder expectations. These pillars include:

Sustainable Best Practices

Chalet Hotels will continue to grow the business sustainably, while ensuring the least adverse environmental impact. We will align energy and water usage with occupancy levels and invest in cutting-edge technology solutions for energy efficiency and green buildings.

Maximizing Returns

We create value for all our stakeholders through strategic utilization and deployment of the capital available to maximise returns on investment. We carefully assess the best end use of our assets and repurpose them as needed, while also focusing on cost control for long-term benefits.

Industry-leading operating performance

We work on building a strong in-house team along with partnering with industry leaders to enhance and optimize the performance of our existing properties. This is led by a mix basket of design efficiencies during development, centralizing basic functions such as laundry and finance, pioneering the adoption of new industry trends and foster talent development throughout the system.

Drive Growth

We are committed to expand and develop our assets portfolio through robust management capabilities and continue to explore new avenues of hospitality revenue and options for alternate usage of our assets. Simultaneously, we strive to maintain a healthy string of asset additions and continue assessing and exploring new geographies with potential for long term future demand.

Nurture Relationships

We prioritize fostering mutually beneficial relationships with internal and external stakeholders. Strong people-centric initiatives help us empower our employees to better adapt to a fast-changing operating landscape. We work toward holding executive positions in key industry trade bodies to facilitate overall industry growth and engage with the government for policy developments related to changes in the industry.

The Westin Hyderabad Mindspace

Effective Supply Chain Management

Our supply chain partners, including vendors and service providers, play a key role in enhancing guest experience across our properties. We encourage our suppliers and sub-contractors to accept and confirm to the terms and conditions of our Supplier Code of Conduct, adopted in FY 2023. We maintain a list of proposed and active subcontractors who have accepted our Supplier Code of Conduct and update the list to reflect any changes in subcontracting arrangements. Going forward, we propose to categorise our suppliers into Tier 1, Tier 2 and Tier 3 based on the extent of their compliance with our Supplier Code of Conduct to enhance efficiency of the process.

Terms and Conditions for Supplier Code of Conduct

- Occupational health and safety
- Injury and illness reporting
- Monitoring workplace exposure
- Medical treatment for workers
- Provision of clean and safe facilities
- Access to potable water
- Access to sanitary food preparation
- Access to storage facilities
- Provision of clean and safe worker dormitories

We expect our suppliers and vendors to adhere to the following principles, ensuring sound labour practices and fair treatment of workers in accordance with local laws and regulations:

- Prohibition of any forced labour and child labour
- Compliance with minimum working age laws
- Fair Wages and avoidance of overtime work
- Prevention of competition law infringements
- Protection from harassment
- Zero tolerance for discrimination, corruption and bribery

The Westin Mumbai Powai Lake

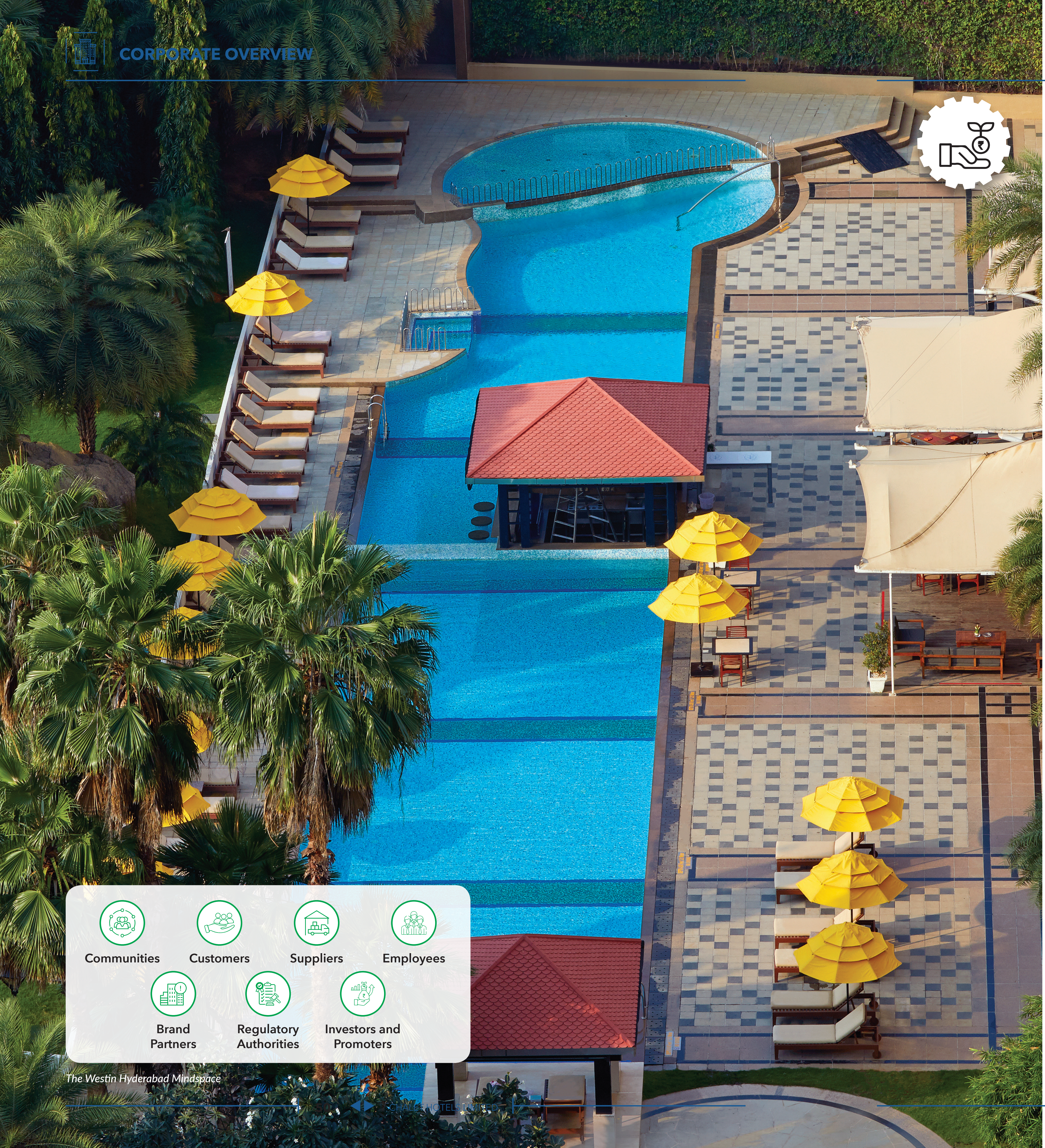
The Westin Mumbai Powai Lake

VALUE ENHANCEMENT

Our sustainability strategy is designed to address our material issues and enhance our capabilities and performance across the six capitals –

- NATURAL CAPITAL
- HUMAN CAPITAL
- MANUFACTURED CAPITAL
- SOCIAL AND RELATIONSHIP CAPITAL
- INTELLECTUAL CAPITAL
- FINANCIAL CAPITAL

These capitals drive our endeavour for stakeholder value creation.



Communities Customers Suppliers Employees

Brand Partners Regulatory Authorities Investors and Promoters

The Westin Hyderabad Mindspace

NATURAL CAPITAL

Chalet uses a range of natural resources to build and operate its assets. While responsible resource consumption has always underlined our operational approach, the growing challenges of climate change have accelerated our efforts to protect and enhance natural capital. This includes safeguarding water and air quality, and ensuring responsible management of materials, among other initiatives.

SDGs Impacted

Stakeholders Impacted

Material Topics

- Climate change
- Operational Efficiency- Energy, Water, Waste
- Sustainability profitability and ROI

Highlights: FY 2023

USGBC LEED Gold-certified properties
3

Water Consumed KL/Available Room/Day
0.57

Electricity Consumed KWh/Available Room/Day
47.64

All of our properties have Zero Liquid Discharge*

*Except Novotel, Pune. It partially uses treated water for horticulture, cooling tower and cleaning purposes.

Our Approach

Our endeavours to protect natural capital focus on conserving energy and water, managing waste and undertaking climate-related disclosures. We are the first hospitality company in the world to be a part of EV100, EP100, and RE100. Three of our hotels are USBSC LEED Gold certified, and we ensure that all our upcoming properties adhere to globally recognized building standards. Through the reporting year, we have not incurred any environmental fines or penalties.

Energy Management

Our energy management efforts focus on enhancing energy efficiency and reducing reliance on polluting fossil fuels. We are adopting energy efficiency measures in our buildings and boosting renewable energy use. These initiatives aid in reducing our Scope 1 and 2 emissions. Our emissions reduction target has been set using the 1.5°C Scenario based on scientific research and modelling. We aim to reduce our emissions by 21% by 2025 and 42% by 2030. These measures elevate our service quality and help us meet the changing needs of guests for environmentally conscious spaces.

JW Marriott Mumbai Sahar

Energy Productivity

EP 100

Chalet Hotels has joined the Climate Group's EP100 initiative and is committed to double the energy productivity (revenue per unit of electricity consumed) by FY 2028-29, compared to the FY 2016 baseline.

We are progressively investing in technology and IoT-enabled solutions such as digital check-ins, mobile key, building management system, IoT system for HVAC, etc., to reduce our energy consumption.

We have implemented pilot projects during FY 2023 to improve energy productivity and these projects contributed 0.5% of total Heat, Light and Power cost of the reporting year.

Renewable Energy

RE 100

Chalet Hotels has also joined the Climate Group's RE100 initiative and is committed to 100% renewable energy usage by FY 2030.

Share of renewables in our electricity consumption from sources like solar, wind, and hydropower was 78% in FY 2023. This will help reduce our Scope 2 emissions by more than 10,000 tCO_2 and decrease our grid electricity consumption, which currently stands at over 9821.85 MWh.

Electric Vehicles

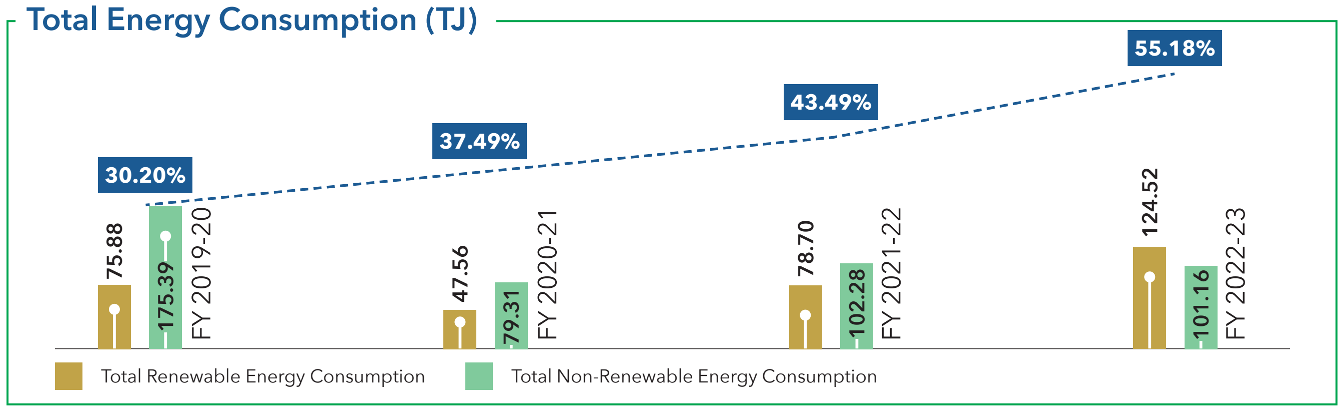
EV 100

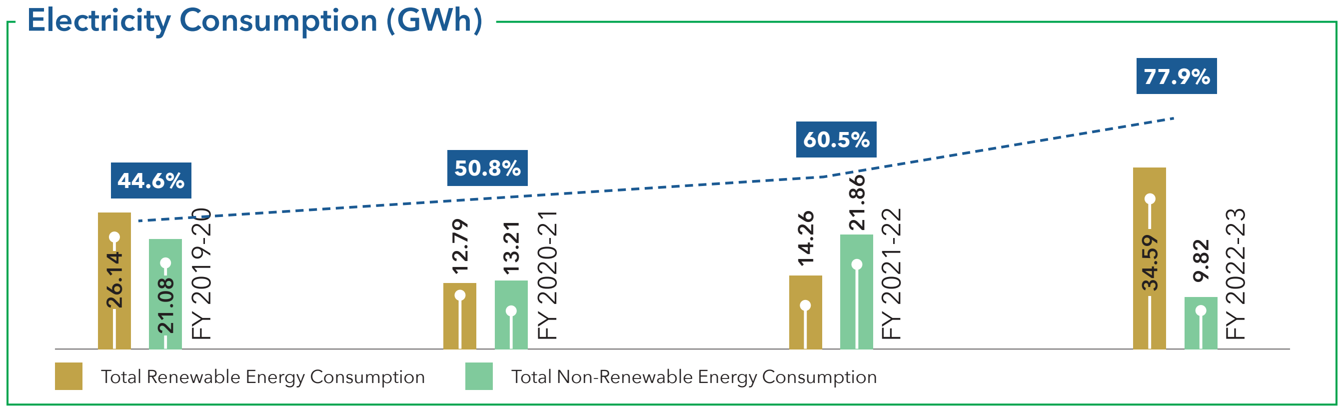
Chalet Hotels has also joined the Climate Group's EV100 initiative and is committed to the usage of electric vehicles (EVs) and installation of EV charging stations at all our properties with an aim to shift the entire guest fleet to EVs by 2024-25.

All of our properties are equipped with EV charging points accessible to both employees and visitors.

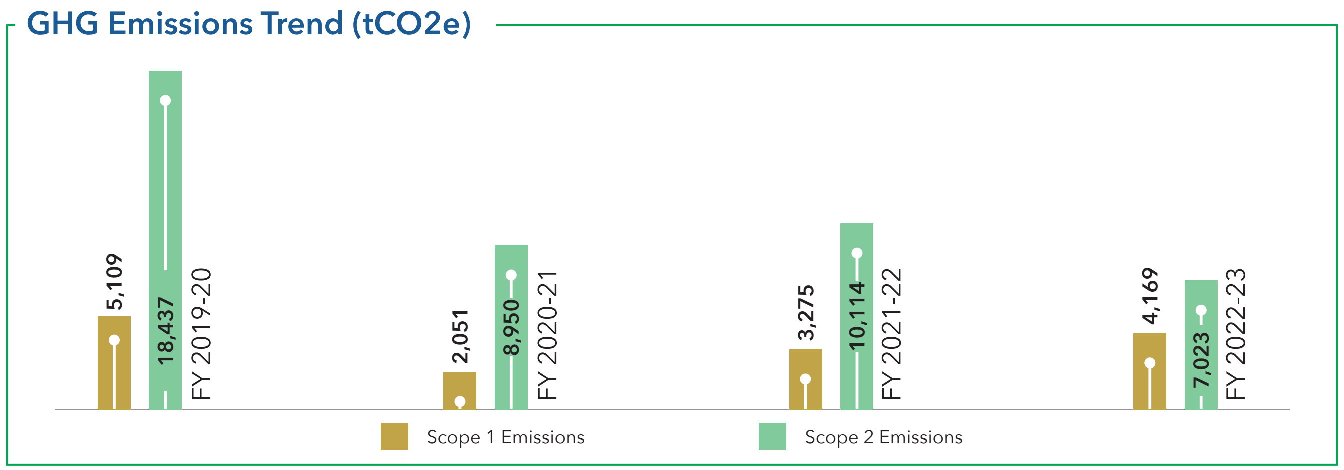
Energy Performance

Energy Consumption: FY 2023





We have seen our energy consumption reduce by 10.18% with respect to FY 2020 baseline. The decrease in overall consumption is mainly achieved through various energy conservation initiatives that we have implemented across our operations. Also, our continuous expansion of renewable electricity in the overall electricity consumed across our portfolio, helped us achieve 78% of RE in the overall electricity consumption during the reporting period vs 44% RE share in electricity in FY 2020.



Scope 1 and 2 Emissions have decreased by 52% from FY 2020, with a 18% reduction in Scope 1 emissions and 62% reduction in scope 2 emissions. FY 2020 is considered to be pre-COVID and is hence being used as a benchmark.

Additionally, during the reporting period we calculated our emissions from the Ozone Depleting Substances (ODS) for the first time, which stands at 1291 tCO2e, making our total Scope 1 emission for the year as 5,456 tCO2e.

Water Management

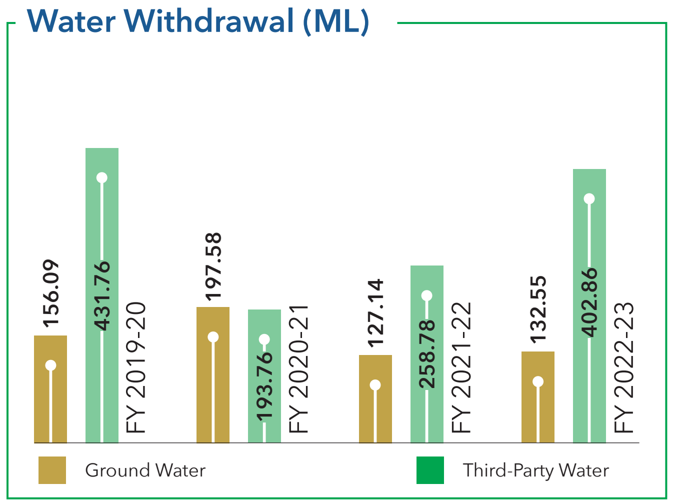
Growing water scarcity poses a significant risk to the planet as well as our business, and we strive to optimize our water usage. We track our water consumption year-on-year to identify sources of water waste and implement strategies to reduce, reuse, and harvest water.

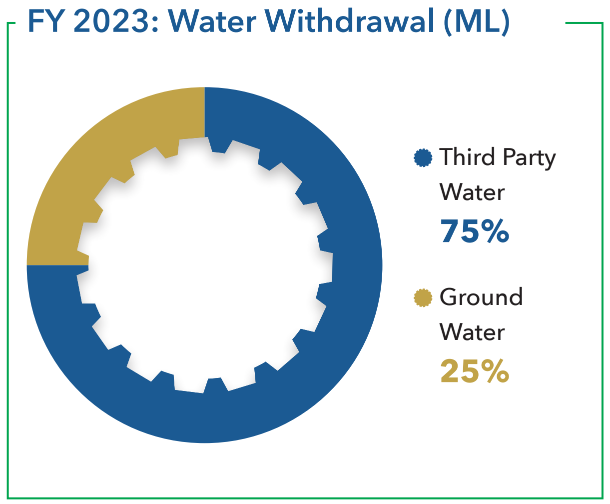
Reducing Water Consumption

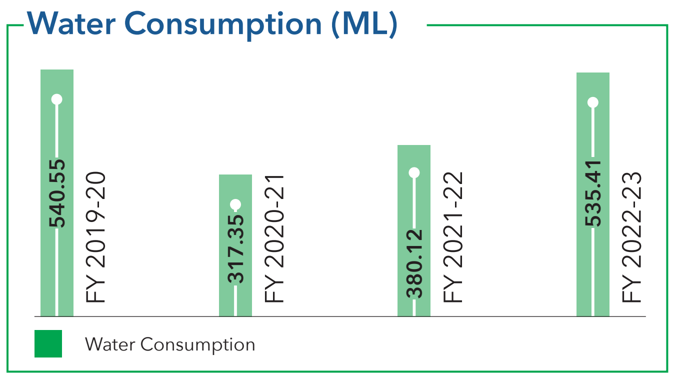
We have installed aerators in taps, sensor-based taps, dual flushing in WCs, and waterless urinals to reduce water consumption. We provide our guests with an opt in-out option for daily linen changes. Through these initiatives, we have achieved a 9% reduction in water consumption.

Wastewater Treatment

We have a zero wastewater discharge for all our properties. Wastewater generated by our hotels is treated in Sewage Treatment Plants (STP), where organic waste is degraded, decomposed, filtered, and treated with appropriate chemicals. The treated water is used for horticulture, flushing, housekeeping, and cooling.







Water Harvesting

We recharge groundwater through our recharge pits and the utilization of ring well recharge system.

All of our properties are equipped with rainwater harvesting and/or storage tanks, wherein rainwater is then pumped to the water treatment plant for filtration.

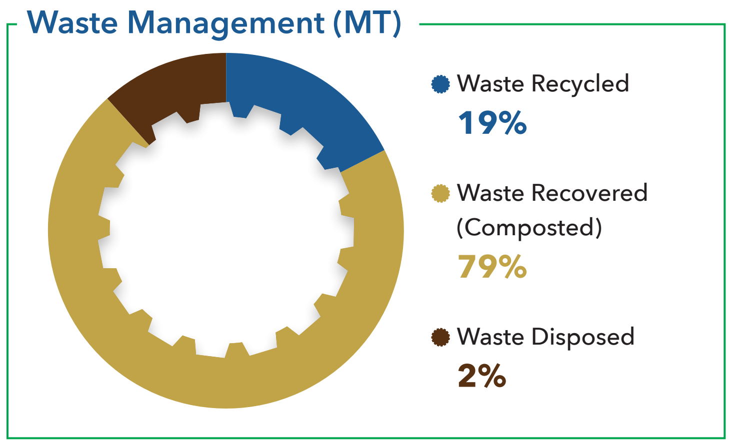
Waste Management

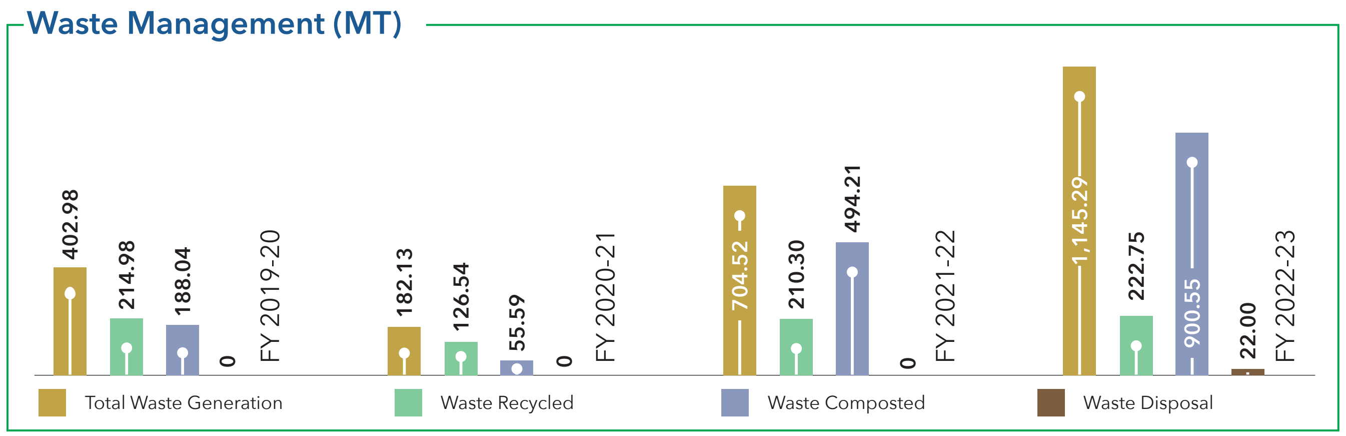
At Chalet Hotels, we have a comprehensive waste management system that involves monitoring, tracking, and disposing of waste in an environmentally responsible way.

Our hazardous waste of 13.97 MT for FY 2023 constitutes used cooking oil, battery waste, used DG oil, used DG Filters and resins, DG coolant, and e-waste; all of which is recycled off-site through an authorized third-party vendor. We have a cooking oil recycling program where we partner with a MPCB-certified vendor to recycle used or waste cooking oil and convert it to bio-fuel. We are looking forward to expanding this practice throughout our portfolio.

Our non-hazardous waste of 1131.32 MT for FY 2023 constitutes plastic waste, construction and demolition waste, wet waste and dry waste, metals, broken glass. We are recycling 100% of our wet waste on-site through Organic Waste Composters (OWC), that converts organic wet waste into manure which is being used for horticultural purposes. Our dry waste, including e-waste and glass waste, is collected, segregated, and given to authorized third-party vendors for further recycling and disposal according to regulations.

We are minimizing Single-use Plastic consumption by replacing plastic water bottles to glass bottles, other initiatives minimizing Single-use Plastic consumption are wooden stirrers, paper straws, cloth laundry bags, and bathroom amenities with dispensers.





Segregating Tetra Packs for Recycling

The Orb recently launched a new initiative to raise awareness about waste segregation and recycling. The team started by segregating tetra packs from garbage and donating them to RUR GreenLife, a NGO, that specializes in re-purposing materials to create school furniture, such as benches and desks. Chalet Hotels donated 4109 used tetra pack cartons to this initiative to be recycled, thereby reducing our environmental footprint.

While the success of our firm has resulted in an increase in our waste generation, our recycling initiatives have helped us compost or recycle 98% of our waste in FY 2023.

MANUFACTURED CAPITAL

Our manufactured capital refers to the physical and technological assets that enable us to deliver a superior experience to our guests and run the business seamlessly. Effective management of our manufactured capital is critical for us to create value through new and existing projects, while mitigating risks arising from changing market trends, customer expectations and climate change.

SDGs Impacted

Stakeholders Impacted

Material Topics

- Climate Change
- Operational Efficiency-Energy, Water, Waste
- Sustainability Profitability and ROI

Highlights: FY 2023

No. of Hotels	Total Room Nights Sold
9	**671,528**
No. of Keys	Mixed-used under Rental and Annuity Segment
2,802	**1.2 mn. sq. ft**

Our Approach

Our strategy to enhance the operational efficiency of our manufactured capital includes expanding and upgrading our infrastructure with new energy efficient technologies to improve the guest experience and reduce our carbon footprint.

Current Portfolio

1.2 mn sq. ft. Total Leasable Space

9 No. of Hotels

2,802 Number of Keys

₹ 28,895 mn Book Value of Assets

2 Rental Assets

671,528 Total Room Nights Sold

72% Avg. Occupancy Rate

Strategic Pillars

- Market Leadership
- Optimal Returns on Investment

Stakeholders in Our ESG Journey

Customers, Communities, Investor and Promoters, Hotel Operators, Regulatory Authorities

Certified Green Buildings

At Chalet Hotels, we actively integrate green building principles into the design, construction and maintenance of our assets in line with our sustainability goals and changing customer preferences for eco-friendly hotels. We work closely with the United States Green Building Council (USGBC) and have obtained LEED Gold certification for three assets.

Bengaluru Marriott Hotel Whitefield: Leading the Way in Sustainable Hospitality

As an LEED Gold certified building, Bengaluru Marriott Hotel Whitefield has already achieved incredible results, saving 19.67 mn kgs of carbon over the past five years. The hotel has a zero-discharge policy and recycles and reuses 100% of wastewater within the premises.

In addition to its everyday efforts, the hotel also takes special opportunities to promote sustainability within the community. One such occasion was 'A Green Christmas' concept, which aimed to encourage members to celebrate a green Christmas with a tree made from bamboo, eco-friendly gift wrapping and recyclable decorations.

Bengaluru Marriott Hotel Whitefield - Ballroom

Energy Efficient Systems

We are progressively investing in technology and digital solutions that help us reduce our overall energy consumption, improve efficiency and reduce the maintenance cost. These systems also help us progress towards meeting our EP100 targets.

Initiative	Type	Description	Impact
Chiller Plant Optimisation	Electrical	The Chiller Plant optimization system operates on a demand flow principle whereby the cooling load in TR is computed, and all the electrical consumption required to satisfy this cooling load is considered, including the chiller, primary and secondary pumps, cooling towers, condenser pumps, and other equipment. By utilising Variable Frequency Drives (VFDs), the equipment can be operated optimally to maintain the lowest IKW/Tr. This innovative technology has resulted in reducing energy consumption by 10-15%.	Energy Conservation
Guest Room Automation	Electrical	The Guest Room Automation system utilizes occupancy sensors to detect the presence of individuals within the room. Based on this information, the system adjusts the lighting and air conditioning to optimize their usage. By leveraging this technology, the system ensures that lighting and air conditioning are set to minimal levels when the room is unoccupied. This approach reduces energy consumption and carbon emissions. Furthermore, the system operates without requiring the use of a keycard, which represents an improvement over traditional methods.	Energy Conservation and Improved Guest Experience
Auto Tube Cleaner for Chiller Condenser	HVAC	The Auto Tube Cleaner is a cutting-edge technology that enables the automatic cleaning of condenser tubes, preventing any accumulation of scale on the tube walls. This facilitates proper heat transfer rate, resulting in increased chiller efficiency and reduced water consumption. Additionally, the need for manual tube cleaning efforts can be eliminated, saving significant time and resources.	Improved Efficiency, Reduced Maintenance and its Cost, Energy Conservation
Low Approach Cooling Tower	HVAC	The utilization of a Low Approach Cooling Tower can yield a notable improvement in the heat transfer rate and overall efficiency of the cooling process. As a direct consequence of this enhancement, there is a consequential decrease in energy consumption, leading to greater energy efficiency. It is noteworthy that Chalet Hotels is first in India to install a forced draft low approach cooling tower.	Energy Conservation
IoT based Solutions	HVAC	The IoT technology shares similarities with a chiller plant optimizer. However, a key differentiator is that it leverages cloud storage to collect and analyze data, which is then compared against global baselines to facilitate equipment operation optimizations. Furthermore, the technology enables a higher degree of automation through real-time data analysis and machine learning, leading to improved predictive maintenance. Over a period of time, this technology shall help achieve close to 10-15% reduction in energy consumption.	Energy Conservation

EV Charging Infrastructure

During the reporting period, we made significant progress towards meeting our EV100 commitment of shifting the entire guest fleet to EVs by FY 2025. To support this commitment, we have installed EV charging points across all of our properties which are accessible to both - employees as well as guests.

Waste Management Systems

Ultra Filtration Plants

We have adopted ultra filtration plants to further treat STP output for improving the quality of water for reuse in our hotels, which is odour free, visually clear, safe for use thereby improving guest experience. This water is then used for horticulture and air conditioning purposes which reduces freshwater consumption and increases efficiency.

Organic Waste Converters

To effectively manage the food waste generated across our hotels, we have installed Organic Waste Converters (OWCs). All the wet waste generated in the hotels is treated in natural waste composter where the organic wet waste is mixed in conducive environment and is converted to manure which is utilised for horticulture.

On-Site Water Bottling Plant to Eradicate Single-Use Plastic Water Bottles

The Westin Hyderabad Mindspace has committed to eliminate single-use plastic water bottles by 2023 by providing water in glass bottles to guests. The hotel has set up a bottling plant generating 240 litres of water in an hour. The plant produces high-quality, purified water that meets all international standards of quality and safety. The hotel's management team is spearheading this project, working closely with environmental experts to ensure that the bottling plant operates at optimum efficiency to reduce associated carbon footprint.

INTELLECTUAL CAPITAL

We make strategic investments to expand our intellectual capital which consists of our intangible assets, such as knowledge, expertise, intellectual property and innovation capabilities. Investing in intellectual capital is essential for Chalet Hotels to continue catering to changing stakeholder demands, develop and run quality hotels, and strengthen our partnerships with leading brands and customers.

SDGs Impacted

6 Clean Water and Sanitation, 7 Affordable and Clean Energy, 9 Industry, Innovation and Infrastructure, 11 Sustainable Cities and Communities, 12 Responsible Consumption and Production, 13 Climate Action

Stakeholders Impacted

Material Topics

- Data Privacy and Cybersecurity
- Risk Mitigation

Highlights: FY 2023

Combined Years of Leadership Experience
360

Implementation of IoT in our operations to increase efficiencies

Demonstrating our progress towards leadership commitments
EV100, EP100 and RE100 initiatives

Unique brand agnostic business model that fosters partnerships with globally recognised Hospitality Companies like
Marriott, Accor, Hyatt and IHCL

Our Approach

At Chalet Hotels, our intellectual capital powers our efforts to deliver exceptional experiences to our guests. A strong intellectual capital foundation, including the experience and expertize of our leadership team, strong R&D capabilities, unique business model, and efficient operational processes, allows us to leverage the interlocking components of the other capitals to accelerate business momentum and growth.

Leadership and Expertise

Our intellectual capital draws on the expertise of our leadership team, who collectively bring over 360 years of rich experience and knowledge to set strategic direction and provide oversight. The fifteen expert members of our leadership team possess specific skills that enable them to steer the Company on a path to consistently deliver exceptional customer experiences, strengthen brand loyalty and create stakeholder value. Our 23-year journey has deepened our capabilities to deliver operational excellence, drive innovation-led growth, enhance efficiencies and reduce our environmental footprint.


Leadership Training

Research & Development (R&D) Council

We have constituted a Research & Development (R&D) Council to identify and assess strategic areas of significance for our business. The Council creates an annual research activity plan and monitors its implementation. It initiates and promotes Memorandum of Understanding (MoUs) with industries and R&D organisations for consultancy, collaborative research, sponsored projects, industry and Institute interactions, etc.

Unique Business Model

Our unique business model stands out through its strategic identification of locations and the efficient design and development of properties. We develop hotel assets in high-density business districts of metro cities with world-class amenities and service quality. These characteristics make us a partner of choice for leading hospitality chains.

Excellence in Hotel Operations

We generate revenue through various channels, such as room rentals, food and beverage sales, banqueting services, and other guest services. Advanced revenue management systems enable us to offer dynamic pricing to our prospective guests, providing them with the price advantage of slack demand while improving our rates during demand peaks. This helps us strike a balance between occupancy and profitability.

Operational Efficiency

Our business model emphasizes operational efficiency to maximize profitability through centralized procurement, employee productivity, and process optimization. This helps us reduce costs and waste and deliver high-quality experiences for guests while keeping prices competitive.

Shaadi By Marriott Bonvoy at JW Sahar

Communities
Customers
Suppliers
Employees
Hotel Operators
Regulatory Authorities
Investor and Promoters

International Chef Day celebration

HUMAN CAPITAL

At Chalet Hotels, an empowering and inclusive workplace environment encourages our valued employees to deliver excellent service to our guests. Caring for the holistic development of our workforce, offering meaningful career opportunities to build purpose-led careers, and promoting overall well-being, is embedded in its ethos. This culture is driven by the organizational values of integrity, respect and collaboration, leading to higher employee engagement and driving excellence in service and care. Nurturing our human capital through enabling workspaces and helping them grow their potential through continuous learning forms the crux of our growth strategy.

SDGs Impacted

Stakeholders Impacted

Material Topics

- Talent Management
- Health and Safety
- Human Rights

Highlights: FY 2023

March 2023: Chalet Hotels featured in the list of India's Great Mid-Size Workplaces for the fourth consecutive year

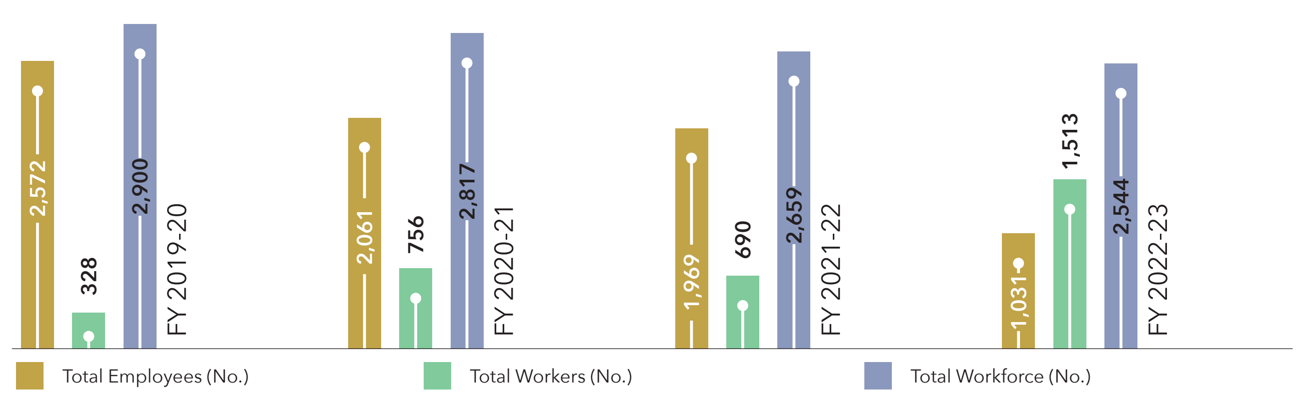
2,544

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

Our Approach

We offer our employees safe and healthy workspaces and a vibrant culture of learning that enables them to leverage their potential and build fulfilling careers. Our people-focused policies allow us to attract, nurture and retain the talent we need. We review our policies and practices periodically to ensure they stay relevant to our employees' changing needs and requirements.

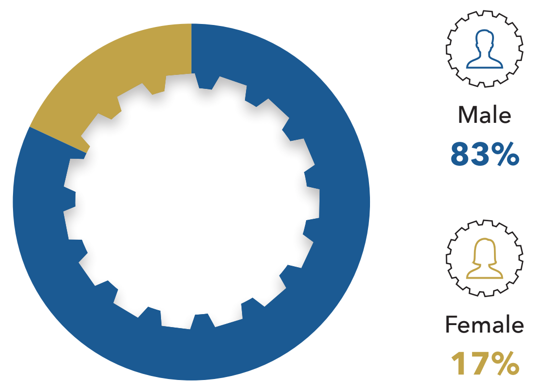
Workforce Highlights



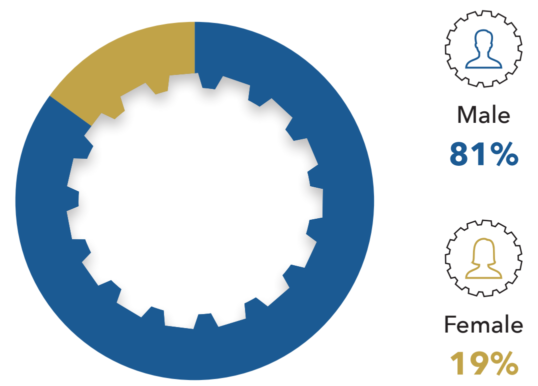
Includes Permanent workers

Understanding Our Workforce* and Employees

Workforce: Gender-wise Breakup



Employee: Gender-wise Breakup



***WORKFORCE** = **TOTAL EMPLOYEES** + **TOTAL WORKERS**

Notes:

Total Employees includes permanent employees (on Roll in Supervisor and above category) + other than permanent employees (FTC and outsourced contract in Supervisor and above category).

Total Workers includes permanent workers (on Roll in Line Staff or Rank and file category) + other than permanent workers (FTC and outsourced contract in Line staff or Rank and file category).

Employee Development Framework

A robust employee development framework focused on continuous learning and enriching experiences and exposure helps us create opportunities for employees to grow professionally and build satisfying careers with us.

Leadership Training

Learning and Development

Our learning and development focus combines training sessions, engagement activities, and career development programmes. We ensure that our training programmes are curated to equip employees with the skills needed to thrive in a technology-enabled world.

Training on Strategy Planning for Leaders and Executives

Leadership Development

Various leadership development programmes such as Executive Development Plan (EDP), Manager Development Plan (MDP), Sheroes (an initiative aimed at providing Women Leaders the skills and experience that they can leverage to sharpen their impact and continue to be value multipliers), Shikhar, Step Up, Growth Track and Internal Talent Development Program.

Leadership Execution Accelerated Program (LEAP): A program designed to develop and cultivate a deep pool of potential leaders to grow and take on various leadership roles in the future. LEAP is based on an internal template called the Leadership Speedometer model that seeks the perfect balance of four capabilities in future leaders – lead self, lead teams, lead managers, and lead the organisation. This model emphasizes the importance of self-awareness in shaping an individual's leadership style to successfully lead teams of individual contributors, managers, and the entire organisation in the future. The specific behaviours assessed through the LEAP program are the ability to delegate, provide constructive feedback, and handle resistance firmly yet graciously. In addition to these three behaviours, LEAP also seeks to help future leaders create and lead teams of high performers.

The Westin Hyderabad Mindspace organised an intensive immersion session for the leadership team covering the philosophy and issues intrinsic to the Westin brand. These sessions were also scheduled for all associates of the hotel subsequently.

Employee Learning

The skills of our employees need to stay relevant to meet dynamically changing workplace requirements and guest expectations. We have curated a well-designed training calendar for the year, which helps our employees improve their skills, behaviours, and mental health. The schedule also includes modules on workplace safety and behavioural changes needed to make fellow employees feel safe and empowered. Feedback collected after the sessions is used to make the training calendar more effective and engaging.

Training and Development Initiatives through FY 2023

At Chalet Hotels, we provide a workplace environment that encourages associates to curate their professional growth by taking up appropriate learning opportunities.

Four Points By Sheraton Navi Mumbai, Vashi

- A training session was organised for associates and leadership team members to deepen their understanding of applicable FSSAI standards that govern the manufacture, storage, distribution and other aspects of food and beverage services. At the end of the session, all participants were certified as food safety supervisors.

Bengaluru Marriott Hotel Whitefield

- We have launched a 'Grow with Marriott' campaign that provides global learning opportunities to our associates so that they can achieve their aspirations and dreams.
- We hosted a certified departmental training (CDT) for departmental trainers from all our properties in the Bengaluru cluster. The session provided a deep understanding of the training philosophy of the Marriott group.

JW Marriott Mumbai Sahar

- An interactive session on 'Service from the Heart' was facilitated for 310 associates by an external trainer, where ways to make guest service more effective were discussed. Participants shared their learnings of the impact their service had on improving daily operations and guest satisfaction scores.
- To encourage our associates to improve their family's financial health, we organised a seminar on taxation in association with ICICI Bank. Among other areas, the session touched upon the new income tax rules applicable from this year.

The Westin Mumbai Powai Lake

- The Westin Mumbai Powai Lake became the first hotel in the western region of India to set up a Toastmasters Club for its associates. Toastmasters International is a US-based non-profit that helps people from all walks of life hone their public speaking, communication and leadership skills.

Management & Executive Development Program (EDP & MDP) at the Four Points By Sheraton Navi Mumbai, Vashi

A programme was rolled out at The Four Points By Sheraton Navi Mumbai, Vashi to help fast-track hand-picked associates with a promising track record into leadership positions. The programme included sessions on Chalet Hotels' core values and behavioural aspects, skills and knowledge.

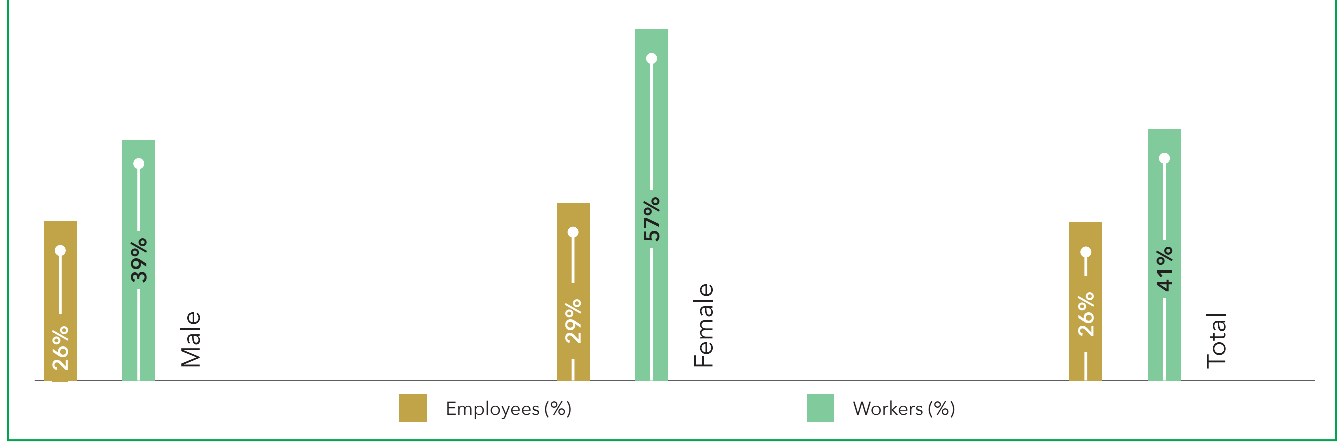
Training and Development Highlights

	2020-21	2021-22	2022-23
Total Employee Training Hours	1,10,245 Hours	1,30,257 Hours	1,58,593 Hours
Average Hours per Full-Time Employee (FTE) of Training and Development	59.72 Hours	58.41 Hours	62.34 Hours

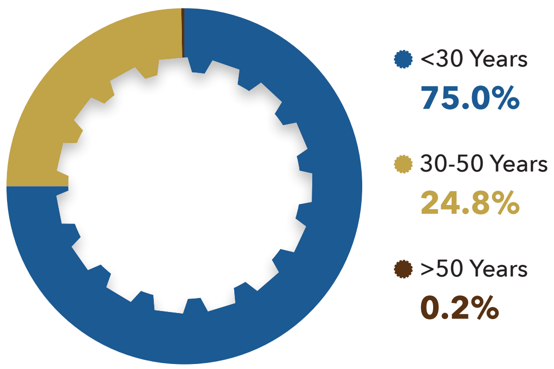
Talent Management

Our talent management strategy focuses on attracting the best talent available for roles and ensuring they have fulfilling career paths to improve retention. We have broadened the universe of skill-sets and experiences for recruitment so that we can attract and grow a workforce that brings a diversity of thought, experiences and expertise. A detailed Code of Conduct (COC) guides our employees on expected behaviours at the workplace, led by our purpose and ESG principles. The Code of Conduct is available on our website and accessible to all.

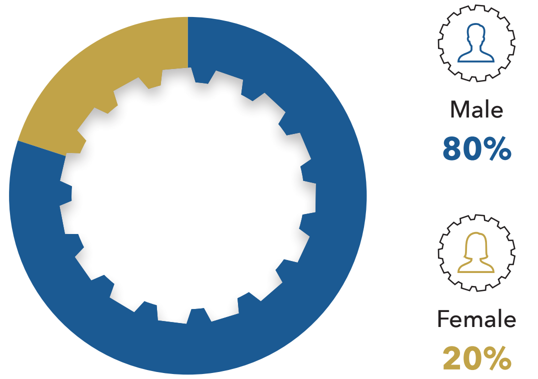
Workforce Turnover: Gender-wise Breakup



New Hires: Age-wise Breakup



New Hires: Gender-wise Breakup



Our Business Responsibility Policy details provisions for remuneration, leave entitlement, wellness practices and workplace flexibility. It also outlines our expectations from them. We ensure that all our employees receive fair and responsible compensation and are entitled to all applicable perks and facilities.

Zumba Session

Employee Engagement

Our employees can deliver their best when they feel engaged and are an intrinsic part of our growth journey. We engage with our employees through multiple platforms, including celebrating special occasions, training sessions, personal/group interactions and employee surveys. We actively seek feedback from our employees on the appropriateness of current and future projects, giving them a sense of ownership for the organisation's success. We have a strong focus on helping employees maintain a work-life balance so they can lead fulfilling lives.

Chalet Buzz is a voluntary employee group that includes representatives from the HR department and other functions that plans and implements various engagement activities. The team has organized events such as meditation sessions, movie outings and indoor games competitions. The Chalet Buzz group collects suggestions and ideas from across the Company to organise similar events for the corporate office and project locations.

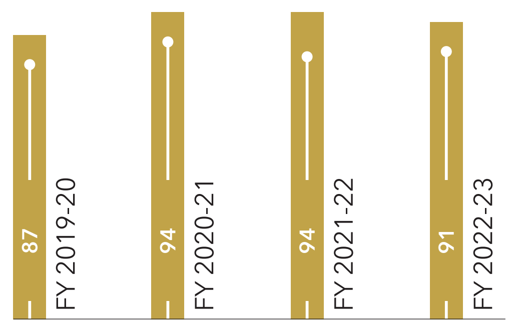
Yoga Day

> "An associate engagement survey conducted in FY 2023 at the Bengaluru Marriott Hotel Whitefield showed an increased score of 87%, with improved scores on all parameters of employee satisfaction."

Key Employee Engagement Activities: FY 2023

A well-thought-out and interactive engagement calendar at all our properties ensures that our associates can stay engaged and take steps to improve their physical and mental health.

Employee Engagement*



Scoring Parameters for Employee Engagement:

- Trust Index
- Management Credibility
- Respect for People
- Fairness at the Workplace
- Pride
- Employee Camaraderie

**Average Engagement Score is based on the survey scores of 'Great Place to Work'*

Eye check-up camp at the Bengaluru Marriott Hotel Whitefield

Mental health awareness camp for associates of The Westin Mumbai Powai Lake

Health check-up camp at The Westin Mumbai Powai Lake

At the high table

We encourage our associates at Chalet Hotels to engage freely with colleagues and the leadership for exchanging best practices and offering suggestions that can be replicated across properties. As part of this initiative, Four Points By Sheraton Navi Mumbai, Vashi nominates one associate from each department for a formal meal each month with a member of the leadership team. The participants get a chance to enjoy the hospitality from a guest's point of view, and provide candid feedback to the leadership team.

Employee Benefits

Along with a free and fair workplace and ongoing learning and development opportunities, we offer a bouquet of benefits for our employees: Some of the key highlights of these benefits include:

- Paternity Leave - Up to five days of fully paid leave for employees who have become fathers.
- Fab Women – Providing women employees with information and advice about professional opportunities and lifestyle improvement remedies.
- Women Leadership Programmes – Learning programs designed to improve the gender balance at senior levels.
- Aanchal – continuous support to expectant mothers
- Entertainment Subsidy – Our employees are entitled to various discounts across out hotels to ensure they have a good time with family at a reasonable price.
- Adoption Assistance Policies – Support and coverage for employees and spouses who plan to adopt a child.
- Equal Opportunity Employer - Ensuring equal opportunities at the time of recruitment as well as during the course of employment.


Whitefield Baking Company

Employee Recognitions

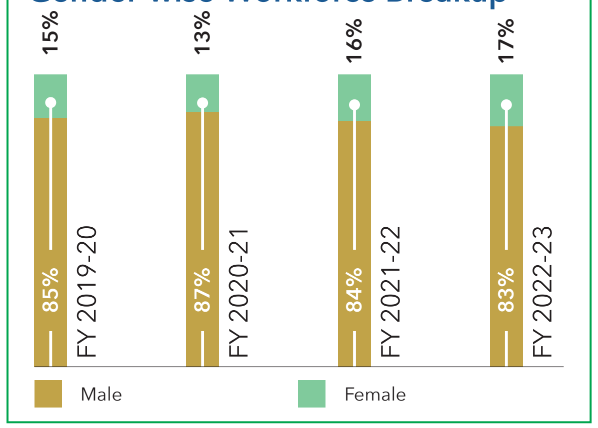
Timely recognition of excellence and publicly acknowledging the high performance of individuals and teams help improve employee engagement, motivation and retention. Our rewards and recognition programs are aligned with our values and business goals and are designed to celebrate performers. Continuous formal and informal recognition programs are in place on a monthly, quarterly, and annual basis to ensure we have a highly motivated workforce. We have employee of the month quarter across our locations which then build us to annual events. Besides these formal recognitions, we have instant informal recognition in terms of kudos cards, value cards and moments.


Chalet Corporate Office

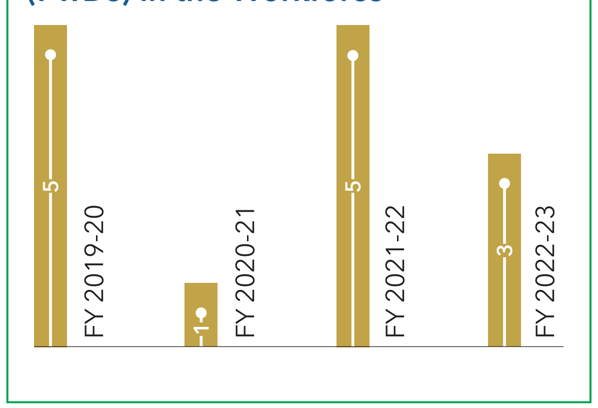
Diversity and Inclusion

We attract, retain, and develop talented individuals from diverse backgrounds to create an inclusive, stimulating and supportive workplace for all employees. A diverse talent pool also helps us better understand and meet the needs of our customers and communities.

Gender-wise Workforce Breakup



Persons with Disabilities (PwDs) in the Workforce



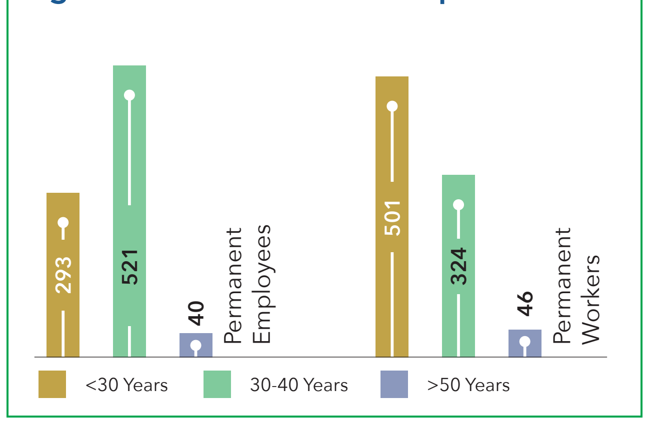
As an equal-opportunity employer, we hire, compensate and promote employees based on merit. Our hiring and salary decisions are independent of extraneous factors like gender, sexual orientation, race, religion, caste, creed, and family background.

Team of the All-Women Operated hotel, The Westin Hyderabad HITEC City

Team of the all-women operated hotel, The Westin Hyderabad HITEC City

> Chalet Hotels has been listed in the 2022 list of 'India's Best Workplaces™ for Women 2022 – Mid-size (Top 10)' by Great Place to Work® India. This is the third consecutive time that we have been recognized and featured on this prestigious list, testament to our core values that emphasize diversity, inclusion, and overcoming barriers to gender equality.

Age-wise Workforce Breakup



Creating an inclusive workplace

We aim to create healthy and safe workplaces healthy and safe for associates of all genders and backgrounds. To support and empower our female associates, the Four Points By Sheraton Navi Mumbai, Vashi has installed a vending machine for sanitary napkins in the ladies' locker room. Our women associates can get sanitary napkins for just ` 5 from the machine.

> Our Pride Policy is designed to promote a non-discriminatory and transparent work environment that embraces gender differences. We are committed to fostering a workplace culture that is inclusive, respectful, and supportive of all individuals, regardless of their gender or any other personal characteristic.

> Our Aanchal Policy is focused on providing support to expectant mothers, allowing them to achieve and maintain a healthy work-life balance while addressing any challenges that may arise. We undertake various initiatives to assist expectant mothers in managing their personal and professional responsibilities effectively.

Gender Diagnostic Workshop

Chalet Hotels collaborated with IFC to organise a two-day workshop to empower our associates to deliberate on ways to overcome challenges they might be facing at the workplace and develop possible solutions. At the end of the workshop, a roadmap was created by all participants and facilitators to improve the state of gender parity in the workplace.

Promoting Excellence

We are proud of our female associates who have always stepped up to take on extended responsibilities. The JW Marriott Mumbai Sahar launched a unique initiative called 'Female Excellence' to highlight the different ways women have shone at our workplaces. The campaign began on International Chefs Day, bringing together all our female associates involved in creating culinary delights for our guests.

Promoting Equitable Parenting

We believe in promoting gender equality by going beyond traditional gender-specific roles. As a steps towards this mindset, we set up a diaper changing station inside one of the men's washrooms at the Four Points By Sheraton Navi Mumbai, Vashi.

Prevention of Sexual Harassment (POSH) Training

We prioritize sensitizing our associates on ways of preventing sexual harassment and the grievance mechanisms available to address any violations through POSH training sessions.

Occupational Health and Safety

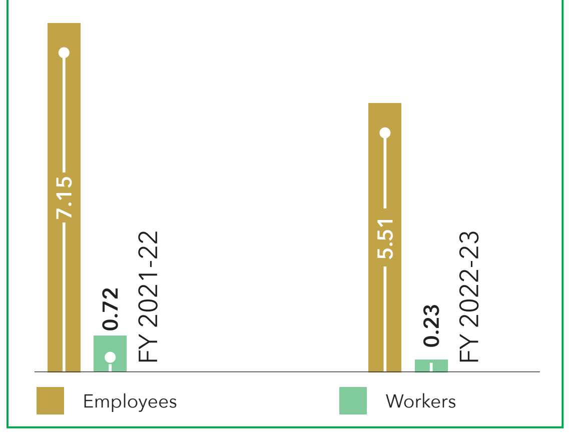
We offer employees a safe and healthy workplace to improve morale and engagement, reduce absenteeism and turnover, and increase productivity and profitability. Our Employee Well-being Assistance Program (EWAP) outlines the health, safety and care standards we follow at Chalet Hotels.

Initiatives under Employee Well-being Assistance Program (EWAP)

- Group Health insurance
- Personal Accident Insurance
- Term Life Insurance
- Access to EWAP 24*7 Helpline Number
- Regular health and dental check-up camps
- Enhanced cleaning and sanitation protocols
- Proper signage at our properties for providing safety information
- Regular safety training organised for all employees

Lost Time Injury Frequency Rate (LTIFR)

(per one million-person hours worked)



- High standards of health, safety and care for employees is led by the Health and Safety Committee
- Zero fatalities were reported across all four financial years of 2019-2020, 2020-21, 2021-22 and 2022-23

> Bengaluru Marriott Hotel Whitefield organised first aid training for its associates to equip them with the necessary skills to respond to emergencies. Participants were taught how to use an automated external defibrillator (AED) on a person experiencing a cardiac arrest and administering first aid, including cardiopulmonary resuscitation (CPR).

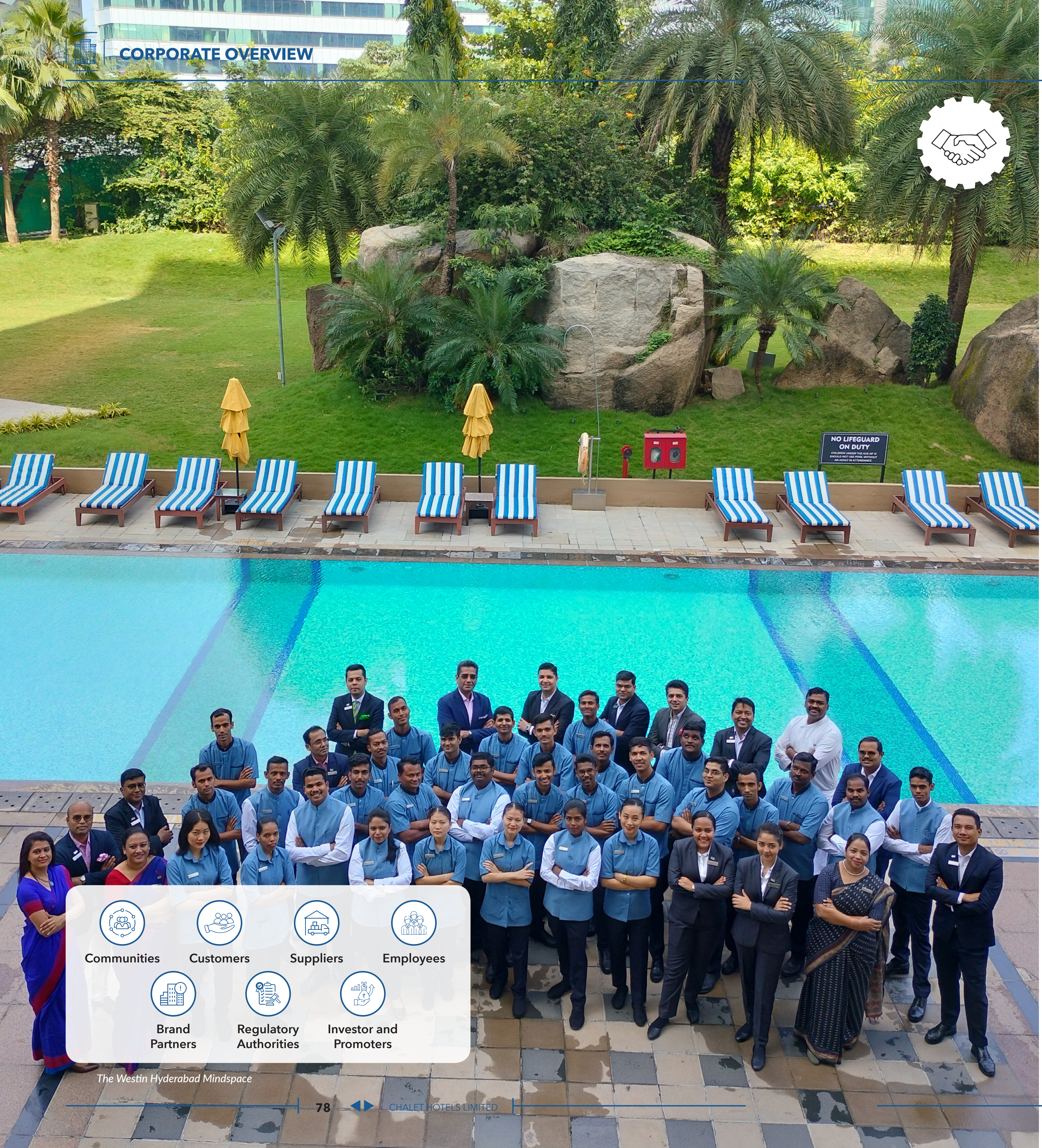
Human Rights

Chalet Hotels is dedicated to promoting ethical business practices in line with the United Nations' Sustainable Development Goals (UN SDGs). We have zero tolerance towards forced labour, child labour, slavery or human trafficking across our operations and the value chain. Our extensive framework of human rights policies details our approach to protecting human rights

- Human Rights Policy
- Business Responsibility Policy
- Pride Policy
- Environment, Social and Governance (ESG) Policy
- Vigil Mechanism and Whistle Blower Policy
- POSH Policy
- Supplier Code of Conduct
- Employee's Code of Conduct
- Board Diversity Policy
- Code of Conduct for Board and Senior Management
- Internet Social Media Policy / Information Security Policy

Read here: Chalet Hotels Corporate Policies

Chalet Hotels views Human Rights Due Diligence (HRDD) as a risk management strategy that assists in identifying, responding to, mitigating, and preventing adverse human rights impacts in its' operations and supplier chains. Ensuring full compliance with legal requirements of established HRDD frameworks has become imperative. In FY 2023, Chalet Hotels conducted one exception based HRDD assessment by a third party at The Westin Mumbai Powai Lake, in line with global frameworks such as OECD guidelines. No human right violations were identified in this assessment.



The Westin Hyderabad Mindspace

SOCIAL AND RELATIONSHIP CAPITAL

Our strong foundation of social and relationship capital reflects the trust-based partnerships we share with our customers, value chain and brand partners and the surrounding community. These relationships powered by shared values and purpose scales the reach and impact of our value-creation activities for stakeholders, deepen brand loyalty and strengthen our social licence to operate.

SDGs Impacted

Stakeholders Impacted

Material Topics

- Responsible Procurement
- Customer Delight
- Community Initiatives

Highlights: FY 2023

Brand Associations across asset classes

10

Suppliers

~6,700

Trade body memberships

6

Our Approach

Our continuous and incremental efforts that create a meaningful difference for our stakeholders help us secure their active participation to help us run the business seamlessly and strengthen our brand and reputation. We engage with our customers, brand partners, suppliers, vendors, and community members through multiple channels and initiatives to stay abreast of their expectations and foster holistic and inclusive well-being for all.

Brand and Reputation

As one of the country's leading Hospitality Company, we have an edge in creating superior value for our partners and customers. Our expertise in robust asset management and commitment to providing high-quality properties built to exacting standards has helped us build mutually beneficial relationships with our partners. This approach has made us a respected and valued name in the hospitality industry and a preferred brand for our customers.

Celebrating food

We curate world-class experiences for our guests, drawing on our partnerships with globally recognized hospitality brands. As part of this, we have organised several events to bring a range of global cuisines to our customers.

World on a Plate

The Westin Mumbai Powai Lake collaborated with India's biggest gourmet food festival, 'World on a Plate' to host Chef Sashi Cheliah, the winner of Australia's Masterchef Season 10. The event featured a meal specially curated for guests at Nawab Saheb.

Another event in collaboration with World on a Plate was the Mexican Flavours event hosted by the JW Marriott Mumbai Sahar. The Chef of Honour was Chef Colibri Jimenez, an acknowledged master of Mexican cuisine.

Hotel Activities Misc

Partners in Excellence

We are proud to host business travellers from leading companies who are our top customer accounts and exemplify excellence in their industries. Our annual event, Partners in Excellence, hosted by Four Points By Sheraton Navi Mumbai, Vashi allows us to convey our gratitude to our partners. This year's event saw participation from several blue-chip clients like Reliance Industries, IndusInd Bank, PSA Mumbai, APEDA, Zoetis and many others.

Customer Delight

Our extensive expertise in the hospitality industry drives us to relentlessly pursue and maintain the highest quality of guest service. Our hotels are located in cities with a significant volume of business travel and near places of work and leisure for the convenience of our guests. Within the hotels, we offer services and amenities comparable to the best in the world. We continuously engage with our customers through periodic surveys to understand their evolving preferences, experiences, and satisfaction levels, fostering deeper relationships with our brand partners.

Global Customer Appreciation Week (GCAW)

Our annual Global Customer Appreciation Week (GCAW) allows us to convey our gratitude to our corporate customers for choosing our properties on their travels and was hosted by The Westin Mumbai Powai Lake in November 2022. A series of activities were planned for our partners, including a visit to a non-profit organisation where we celebrated Children's Day. Other activities included property shows, tree plantation activities, cocktail parties, dinner spreads and more.

The customer appreciation week also saw several activities planned at the JW Marriott Mumbai Sahar as well, including a networking event at the JW Sahar, Café Patio.

BW Hotelier IHA Summit

The Indian Hospitality Awards (IHA) is among the industry's most coveted networking and annual award ceremonies. Chalet Hotels was honoured to be designated platinum hospitality partner. The two-day event saw CXOs from hospitality majors share their insights and discuss future trends.

Investor Relations

We disseminate all material information in a timely manner to the Stock Exchanges where we are listed. This includes the National Stock Exchange of India Limited (NSE) and the BSE Limited (BSE) so that our shareholders are informed of all material developments within the Company on time and transparently. Such information is also published on our website *http://www.chalethotels.com.* We regularly interact with stakeholders through announcements, investor calls, investor meetings, annual disclosures/reports, results, press releases, media interactions, interviews and our website.

Community Development

We are committed to empowering the communities in the areas where we operate. Our Corporate Social Responsibility (CSR) Policy guides our community development initiatives in compliance with the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy provides guidelines for conceptualizing, developing and funding programs that can benefit the underprivileged, with a special focus on people with disabilities and those from the economically weaker sections of society. A Board-level CSR Committee oversees our community-facing activities, approves related budgets, and reviews and monitors their outreach and impact.

We collaborate with appropriate agencies like TRRAIN to provide skill-based training opportunities to the youth to make them employable.

Our CSR funding for FY 2023 had a total proposed outlay of ₹ 0.81 million, which was used to develop skill-based training for people with disabilities (PwDs) with the Trust for Retailers and Retail Associates of India (TRRAIN) and sponsoring equipment for a diagnostic centre.

In addition to our CSR initiatives, we also involve the local communities by offering a platform to display their local cuisines, art & culture. For example, we inclused local delicacies as part of the regular buffets.

Our CSR initiaves are aligned to UN SDGs. We look forward to reach out to communities to create a positive impact and have identified three focus areas for our CSR outreach activies as follows:

- **Skill Development**
- **Infrastructural Support**
- **Women Empowerment**

Community Initiatives: FY 2023

Blood Donation Camp

The unavailability of blood for accident victims or patients undergoing major surgeries is still a cause for concern in India. At Bengaluru Marriott Hotel Whitefield, we organized a blood donation camp along with Mediscope Blood Bank to increase awareness of the need for healthy people to donate blood. At JW Marriott Mumbai Sahar, similar camp was organized with 43 associates who came forward for a noble cause of a Blood Donation Camp held in association with Tata Memorial Hospital.

Partnership with the Girija Welfare Foundation at New Panvel

The Girija Welfare Foundation runs old age homes and orphanages that provides a better life for those with no one to care for them. Chalet Hotels partners with the Girija Welfare Foundation to implement some of our social outreach programs such as tree plantation, eye check-up camp, Republic Day celebration, Ganesh Chaturthi and Diwali celebration, etc.

Visit to Bal Bhavan

Our associates from the Bengaluru Marriott Hotel Whitefield cluster visited the children at Bal Bhavan to spend time with and motivate them. The children were served a delicious lunch arranged by us and later given stationery kits.

Supporting Chinmaya Diagnostic Centre

The Chinmaya Diagnostic Centre at Chembur in Mumbai has been offering pathological tests and diagnostic services as a part of the Central Chinmaya Mission Trust, which serves patients from all socioeconomic backgrounds for very nominal charges. We selected Chinmaya Diagnostic Centre to donate the funds that were raised through the participation of our associates in the Tata Mumbai Marathon.

Celebrating festivals with Salam Balak Trust

Salam Balak Trust is a Delhi-based NGO that protects and cares for street children around the country. JW Marriott Mumbai Sahar collaborated with the organisation to spread happiness among the underprivileged children of Mumbai during Diwali. Our associate volunteers conducted a donation camp, curating a sparkling collection of gifts for the children enrolled with Salam Balak Trust.

Makar Sankranti, a festival marked by vibrant decor, fairs, dances, kite-flying, bonfires, and feasting, is celebrated across various regions in India. To share in the festive spirit, we invited 58 children from Salam Balak to join us at JW Marriott Mumbai Sahar for a delightful kite-flying session followed by snacks.

On the eve of Easter, associate volunteers of JW Marriott Mumbai Sahar organized an Easter egg painting activity with the Salam Balak kids, providing them with painting materials like Easter egg balloons, colour paintings, brushes, pallets, colour pencils and sketch pens.

Visit to the Cottolengo Special School

The Cottolengo Special School in Bengaluru has been educating children with autism and cerebral palsy. As part of New Year celebrations, a group of associates from the Bengaluru Marriott Hotel Whitefield visited the students of this school to stand by their side and encourage them. The children were gifted with clothes and stationery donated by our associates.

Responsible Supply Chain

The services we provide to our partners and customers are dependent on the inputs from our value chain partners. We focus on ensuring our partners are aligned with our sustainability goals. Our hotels engage with local NGOs to source products that empower women suppliers. Wherever possible, we employ local labour and provide them with transportation to and from the workplace.

We undertake stringent due diligence and assess critical suppliers/vendors before association on predetermined criteria based on various environmental, social and governance aspects. The suppliers are selected based on their overall performance and categorised on their ability to impact business operations and our progress on sustainability goals positively.

We implement measures to identify critical dependencies and risks and evaluate substitutes that can be kept in readiness for removing dependencies across our systems, processes, applications, people, facilities, vendors, suppliers, and other resources needed to run our operations smoothly.

The Westin Hyderabad Mindspace

FINANCIAL CAPITAL

Financial Capital refers to the monetary resources that an organisation possesses to invest in its operations and expansion. Effectively managing financial capital with prudence and consideration of risks is paramount for Chalet Hotels' long-term value creation ability.

SDGs Impacted

Stakeholders Impacted

Material Topics

- Sustainability Profitability and ROI
- Risk Management

Performance Highlights: FY 2023

Consolidated Revenue
₹ 11,780 mn

Hospitality Revenue
₹ 10,285 mn

Consolidated PAT
₹ 1,833 mn

ROCE
13.5%

Consolidated EBITDA Margin %
42.6%

Our Approach

We undertake stringent monitoring of capital allocation, informed and risk-considered financial decisions and transparent reporting and disclosures to strengthen our financial capital, preserve value for our stakeholders and drive consistent and sustained business growth.

Key Performance Highlights: FY 2023

Particulars	FY19	FY20	FY21	FY22	FY23
ADR	8,210	8,482	4,040	4,576	9,169
Occupancy	77%	71%	30%	51%	72%
RevPAR	6,283	6,022	1,214	2,355	6,605
Total Income	**10,348**	**10,090**	**3,167**	**5,297**	**11,780**
EBITDA from continued operations	**3,668**	**3,708**	**290**	**1,204**	**5,023**
EBITDA Margin %	36%	37%	9%	23%	43%
Profit / (Loss) for the year	**-76**	**996**	**-1,391**	**-815**	**1,858**
Capital Employed	28,348	32,816	32,276	35,821	38,531
Investments*	656	3,277	1,433	3,489	5,985
Inventory					
Hotels	6	7	7	7	8
Rooms	2,311	2,554	2,554	2,554	2, 634
Net Worth	14,469	15,492	14,329	13,410	15,415
Net Debt (Excl Pref Capital & ICD from Promoters)	14,472	16,570	18,711	22,338	24,368
Net Debt to Equity Ratio	1.0	1.2	1.4	1.76	1.67
Cost of Debt	9.4%	9.2%	8.0%	7.5%	8.8%
Cash Flow from Operations	3,603	2,564	602	622	4,769

**Investments includes capex spent during the year and acquisitions.*

The Westin Mumbai Powai Lake

Awards and Accolades for FY 2023

Mr. Sanjay Sethi, CEO & MD of Chalet Hotels Limited, was conferred with the IHC Outstanding Contribution to the Hospitality Industry Award at the IHC International Hospitality Awards 2022.

Mr. Sanjay Sethi, CEO and MD of Chalet Hotels Limited, was conferred the 'Hotelier of the Year 2022' Award in the Ace Alpha Awards 2022.

- Chalet Hotels has been certified by Great Place to Work® India from February 2023 - February 2024 for 3 years in a row!
- Chalet Hotels has been recognized among India's Top 25 Best Mid-Sized Workplaces™ 2023 in Building a culture of Innovation by All by Great Place to Work®!
- Chalet Hotels has been recognized among India's Top 10 Best Mid-Sized Workplaces™ for Women 2022 by Great Place to Work® for 3 years in a row!
- Chalet Hotels has been recognized among Asia's 100 Best Small & Medium Workplaces™ 2022 by Great Place to Work® for 2 years in a row!
- Chalet Hotels has been recognized among India's Great Mid-Sized Workplaces™ 2023 by Great Place to Work® for the 4th consecutive year!

Four Points By Sheraton Navi Mumbai, Vashi:

- Recognized amongst the 'Top Organizations with Innovative HR Practices' by The Times Ascent 21st Edition of Asia Pacific HRM Congress.
- Awarded 'The Most Iconic Business Hotel' at the Indian Achievers Awards FY 2023.
- Recognized as the 'Cleanest Hotel in Navi Mumbai' in 'Swachh Survekshan 2022' as part of the Navi Mumbai Swachh Bharat Mission.
- Received Indian Achievers' Award for the 'Most Iconic Business Hotel'.

Four Points By Sheraton Navi Mumbai, Vashi

The Westin Hyderabad HITEC City

The Westin Hyderabad Mindspace:

- Awarded the 'Best 5-Star Hotel in Telangana State' by the Department of Tourism Government of Telangana on World Tourism Day.
- Listed among the Best Business Hotels in Hyderabad published by CNBC.
- Nominated for six categories and awarded Kangan (Best North Indian: Premium Dining) and Daily Treats (Best Bakery: Premium Dining) at The Times Food & Nightlife Awards 2023.
- The Heavenly Spa by Westin was awarded the 'Best New Resort Spa' at the Global Spa Awards 2022.

JW Marriott Mumbai Sahar:

- Recognized among the 'Best Business Hotels' in the Asia-Pacific region, ranking among the top five business hotels in Mumbai by CNBC Travel.
- Awarded the 'Best Luxury Conference & Convention Centre' at the 17th Hospitality India Travel Awards.
- The JW Café was recognized as the Best Multicuisine Restaurant at the 2022 ET Hospitality World Restaurants & Nightlife awards.

JW Marriott Mumbai Sahar

REPORT OF THE BOARD OF DIRECTORS

Dear Members,
Chalet Hotels Limited

The Board of Directors present your Company's Thirty Eighth Annual Report along with the Audited Financial Statements for the Financial Year ended March 31, 2023.

FINANCIAL HIGHLIGHTS

Your Company's financial performance for the Financial Year ended March 31, 2023 is summarized below:

(₹ in million)

Particulars	Standalone		Consolidated	
	For the year ended		For the year ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Revenue from Operations	11,284.67	5,078.07	11,284.67	5,078.07
Other Income	509.14	219.27	494.87	219.32
Total Income	**11,793.81**	**5,297.34**	**11,779.54**	**5,297.39**
Total Expenses	**6,733.13**	**4,090.74**	**6,756.50**	**4,093.30**
EBITDA from Continuing operations	**5,060.68**	**1,206.60**	**5,023.04**	**1,204.09**
(Loss) from Discontinued operations	-	**(65.37)**	**-**	**(65.37)**
EBITDA	5,060.68	1,141.23	5,023.04	1,138.72
Depreciation and Amortisation Expenses	1,173.09	1,184.23	1,173.09	1,184.23
Finance Costs	1,538.14	1,440.67	1,544.74	1,444.13
Profit / (Loss) before Exceptional Items and Tax	**2,349.45**	**(1,483.66)**	**2,305.21**	**(1,489.64)**
Exceptional Items	423.08	(44.58)	423.08	(44.58)
Profit / (Loss) before Tax	**2,772.53**	**(1,528.23)**	**2,728.29**	**(1,534.22)**
Tax expense/(credit)	894.88	(719.53)	895.39	(719.53)
Profit/(Loss)for the year	**1,877.65**	**(808.72)**	**1,832.90**	**(814.69)**
Total Comprehensive Income / (Expense) for the year	1,873.01	(807.22)	1,828.26	(813.19)
Earnings per equity share Basic (₹)	9.16	(3.94)	8.94	(3.98)
Earnings per equity share Diluted (₹)	9.15	(3.94)	8.94	(3.98)

Note: The Financial Statements of the Company have been approved by the Board of Directors at the meeting held on July 3, 2023, after giving effect to the Scheme of Arrangement and Amalgamation of Belaire Hotels Private Limited and Seapearl Hotels Private Limited (wholly owned subsidiaries) into the Company.

The year under review started on a positive note. The Company witnessed a sharp bounce back in business with the Company recording all-time high Revenue and EBITDA in three out of four quarters. Various strategic and tactical initiatives by the Company continue to yield positive results. The Company has maintained its focus on growth and prudent capital allocation along with its unwavered commitment to the environment and sustainability goals.

This year also marked two strategic initiatives:

- Entering into a long-term license agreement for development of a ~400 room Hotel at Terminal 3 at Delhi International Airport. The development of the Hotel at New Delhi is being undertaken through a Special Purpose Vehicle set up for the purpose, viz. Chalet Airport Hotel Private Limited, which is a Wholly Owned Subsidiary of the Company, and will give the Company an entry into the North India market.
- Acquisition of 'The Dukes Retreat' at Lonavala, the Company's maiden leisure property. This was purchased through acquisition of shares of The Dukes Retreat Private Limited and Sonmil Industries Private Limited.

The two initiatives are in line with the planned strategy of diversification of geography and segments.

The Company's overall performance showed considerable improvement with Total Income at ₹11,793.81 million, a leap of 2.2 times over the previous year and PAT at ₹1,877.65 million. Rental & Annuity Revenue of ₹999.98 million contributed 8% to the Company's Total Revenue as on March 31, 2023, as against ₹1,019.75 million, which was 19% of the Company's Total Revenue in the previous year.

During the year under review, the Company completed various projects as per details given below:

- renovation of 121 rooms and the banquet facilities at 'The Westin Mumbai Powai Lake';

- expansion work on 88 rooms at Novotel Pune Nagar Road;
- construction of the commercial tower at Whitefield, viz. CIGNUS Whitefield Bangalore®- Tower 1 has been completed and three floors have been handed over to the tenants for fit-out;
- conversion of the mall at Bengaluru to commercial premises.

Work on the 168 room hotel i.e. The Westin Hyderabad, HITEC City has been completed and the Hotel has commenced operations from June 04, 2023.

DEVELOPMENT PIPELINE

- **Hospitality**
  - Conversion of the commercial centre (erstwhile Accenture Learning Centre) at Bengaluru to Hotel rooms is in final stages of designing and approval as on the date of this Report.
  - The detailed design and plans are being worked upon for the construction of a 5-star Hotel at Terminal 3, Delhi International Airport having ~400 rooms. This Hotel is expected to be completed in FY2026.
- **Rental & Annuity**
  - The Company had repurposed the land use of earlier proposed 150 room Hotel at The Westin Complex, Powai to a Commercial office space with potential leasable area of ~0.75 million sq. ft.. The Project is at the design and approval stage.
  - The superstructure for the commercial project at Powai has been completed and internal work is being carried out towards receipt of Occupancy Certificate. The premises are expected to be ready for handover to tenants in Q2 FY2024.
- **Residential Project – Koramangala, Bengaluru**

  The Company has received all approvals to recommence work in respect of the residential project at Koramangala, Bengaluru and work is in full swing. Sales are expected to commence in Q2 FY2024. The Company will also be developing a Commercial building for strata sale on the same land parcel.

GOING CONCERN

During the year under review, the Hospitality sector saw a significant improvement in business and the Hospitality Revenues grew by 2.5 times to ₹10,284.69 million. Total Revenue for the Company grew by 2.2 times to ₹11,793.81 million. The Company has followed prudent cash flow management and rationalised various processes to tighten, control and manage costs. All monetary obligations for the Company were met out of cash generated from operations. Accordingly, the Financial Statements for the year under review have been prepared on a Going Concern basis.

During the year under review, there has been no change in the nature of business of the Company.

CAPITAL STRUCTURE

Authorised Share Capital

Pursuant to the amalgamation of Belaire Hotels Private Limited and Seapearl Hotels Private Limited into the Company, the Authorised Share Capital of your Company increased from ₹4,451,000,000 to ₹5,981,000,000.

Paid-up Equity Share Capital

During the year under review, the Paid-up Equity Share Capital of your Company increased by ₹10,000 consequent to the exercise of 1,000 Stock Options into 1,000 fully paid-up Equity Shares having a face value of ₹10 each under Chalet Hotels Limited – Employee Stock Option Plan 2018. The Paid-up Equity Share Capital of your Company as on March 31, 2023 stands at ₹2,050,248,640.

Paid-up Preference Share Capital

During the year under review, fourth and final call of ₹250,000,000 was made in respect of the Series B Zero Coupon Non-Cumulative, Non-Convertible, Redeemable Preference Shares ('NCRPS') resulting in an increase in the Paid-up Preference Share Capital of the Company from ₹1,910,000,000 to ₹2,160,000,000, thereby making both, Series A and Series B NCRPS, fully paid up. The amounts raised have been utilised in line with the Subscription Agreement referred to hereinbelow.

Your Company had entered into a Subscription Agreement dated June 04, 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). Further, the Promoters of the Company have also agreed to provide additional funds as may be required to meet the project expenses and have accordingly provided additional funds by way of an interest-free loan amounting to ₹450 million as on March 31, 2023 and ₹800 million as on the date of this Report, towards meeting the project expenses.

BORROWINGS

During the year under review, the Company availed of additional borrowing facilities, which were deployed, inter-alia, for meeting Project requirements and repayment of high-cost debt. At the end of the year, the Company's borrowing on a standalone basis stood at ₹25,658.46 million and at ₹25,696.41 million on a consolidated basis (both excluding Preference Share Capital and Loan from Promoter-Director of ₹2,242.30 million) as at March 31, 2023, as compared to ₹23,557.16 million on a standalone basis and ₹23,593.15 million on consolidated basis (both excluding Preference Share Capital of ₹1,746.67 million) as at March 31, 2022.

All foreign currency borrowings were repaid during the Financial Year 2023. The same were at USD15.11 million, as at March 31, 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/wordpress/wp-content/uploads/2021/04/Dividend-Distribution-Policy.pdf.

In line with the Dividend Distribution Policy, no dividend is being recommended by the Board of Directors on the Equity Shares of the Company for the year under review.

As per the terms of issue of the 0.001% Non-Cumulative, Redeemable Preference Shares ('NCRPS') of ₹100,000 each and subject to the Articles of Association of the Company, the NCRPS (other than the Subscription Securities) issued are, subject to the availability of profits during any financial year, entitled to a nominal dividend of ₹1 on each Preference Share per year, which amounts to ₹1,600 for the year under review.

Further, an amount of ₹1,873.01 million has been transferred to Retained Earnings for the year under review.

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.

DEPOSITS

Your Company has neither accepted nor renewed any amount falling within the purview of provisions of Section 73 of the Act read with the Companies (Acceptance of Deposits) 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

Pursuant to the Subscription Agreement entered into with the Company on June 04, 2018, Mr. Ravi Raheja and Mr. Neel Raheja, Promoters and Non-Executive Directors of the Company had agreed to provide financial support for the Koramangala Project in addition to the Initial Subscription as and when required. In view of the same and pursuant to the approval of the Board of Directors and the Members of the Company, Mr. Ravi Raheja and Mr. Neel Raheja have extended interest free loans aggregating to ₹450 million to the Company during the year under review.

LOANS, INVESTMENTS, GUARANTEES AND SECURITIES

Your Company is engaged in 'infrastructural activities' covered under Schedule VI of the Act and is therefore exempt from the provisions of Section 186 of the Act with regards to Loans, Investments, Guarantees and Securities. Details of loans given, guarantee and 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 Revised Standalone Financial Statements.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, your Company earned foreign exchange of ₹3,465 million as compared to ₹392 million in the previous year.

The total foreign exchange outgo of your Company during the year under review was ₹915 million as compared to ₹562 million in the previous year.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company has four subsidiaries and two associates as on the date of this Report. There has been no material change in the nature of the business of the subsidiaries. The Company does not have any Joint Venture.

Brief updates with regard to each subsidiary for the year under review are as given below:

- Chalet Hotels & Properties (Kerala) Private Limited is a subsidiary of your Company, which had insignificant or no operations during the year under review.
- Chalet Airport Hotel Private Limited ('CAHPL') is a wholly-owned subsidiary of the Company which was incorporated on August 18, 2022 having the same line of business as its Holding Company. The Company was incorporated as an SPV for the implementation of the Hotel project at Delhi. The Company entered into a long-term License Agreement for development of a ~400 room hotel at Terminal 3 at Delhi International Airport.
- The Board of Directors of the Company on March 22, 2023, approved the acquisition of 100% of the Equity Shares of Sonmil Industries Private Limited (Sonmil) and accordingly post completion of the transaction, Sonmil has become a wholly owned subsidiary of the Company on March 23, 2023. Sonmil earns income from leasing of land and reported a Total Income of ₹3.16 million and Net Loss (after tax) of ₹0.09 million.
- The Board of Directors of the Company on March 22, 2023, approved the acquisition of 82.28% of the Equity Shares of The Dukes Retreat Private Limited ('Dukes') and accordingly post completion of the transaction, Dukes has become a subsidiary of the Company on March 23, 2023. The balance 17.72% of the Equity Shares of Dukes are held by Sonmil, wholly owned subsidiary of the Company. Dukes reported a Total Income of ₹332.58 million and Net Profit (after tax) of ₹69.79 million.

The Company had filed a Scheme of Arrangement and Amalgamation of Belaire Hotels Private Limited and Seapearl Hotels Private Limited (together referred as "Transferor Companies") 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 ('Hon'ble NCLT'), meetings of the Equity Shareholders and Preference Shareholders of the Company were held on April 12, 2021, wherein they accorded their approval to the said Scheme. The Hon'ble NCLT vide its Order dated May 19, 2023, approved the Scheme and the Effective Date of the Scheme is June 19, 2023.

Further, the Company has considered March 31, 2023 as the acquisition date for the purpose of purchase price allocations/consolidation in respect of Dukes and Sonmil, since the financial performance of these entities for the period from March 23, 2023 to March 31, 2023 is not material to the consolidated financial performance of the Company.

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 holds 33.1% 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 Revised 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 5 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/wordpress/wp-content/uploads/2021/04/Policy-for-Determination-of-Material-Subsidiaries.pdf.

MANAGEMENT DISCUSSION & ANALYSIS, CORPORATE GOVERNANCE AND BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTS

A detailed note on the state of the Company's affairs is covered in the Management Discussion & Analysis section of the Annual Report.

Your Company has complied with the Corporate Governance requirements under the Act and Listing Regulations, the details of which are mentioned in a separate section viz. Report on Corporate Governance.

Further, the Business Responsibility & Sustainability Report, also forms an integral part of this Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors of the Company at its Meeting held on May 01, 2023 had, based on the recommendation of the Compensation, Nomination and Remuneration Committee re-appointed Mr. Hetal Gandhi and Ms. Radhika Piramal for a second term of Five years and Mr. Joseph Conrad D'souza and Mr. Arthur William DeHaast as Independent Directors for a second term of Four years, all of which would be effective June 12, 2023. The re-appointments were also approved by the Members of the Company by way of Postal Ballot on June 5, 2023.

Further, Mr. Sanjay Sethi, Managing Director and CEO of the Company holds office upto February 8, 2024. On the basis of the recommendation of the Compensation, Nomination and Remuneration Committee, the Board of Directors at the meeting held on May 9, 2023, have approved the re-appointment of Mr. Sanjay Sethi as the Managing Director and CEO of the Company for a further period upto January 31, 2026. The same is also being placed for approval of the Members of the Company at the forthcoming Annual General Meeting ('AGM').

In accordance with the Act and the Articles of Association of the Company, Mr. Ravi Raheja is liable to retire by rotation and being eligible, has offered himself for re-appointment. Accordingly, the re-appointment of Mr. Ravi Raheja is being placed for approval of the Members at the ensuing AGM. The information pertaining to the Directors being re-appointed as required pursuant to the Listing Regulations and Secretarial Standard-2, forms part of the Notice convening the AGM.

During the year under review, 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.

During the year under review, there were no changes in the Directors and Key Managerial Personnel of the Company.

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 draft Annual Return of your Company in Form MGT-7 for the Financial Year 2023, is hosted on the website of your Company at www.chalethotels.com/annual-reports/.

NUMBER OF BOARD MEETINGS

During the Financial Year 2023, 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 2023.

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, 2023, 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 profit of your Company for the Financial Year ended March 31, 2023;

(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, 2023 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 2024. 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.

AUDITORS & AUDITORS' REPORT

Statutory Auditors

The Audit Committee and the Board of Directors 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 of the Company for a second term of five years i.e. from the conclusion of the 37th AGM till the conclusion of the 42nd AGM, which was also approved by the Members at the 37th AGM of the Company held on September 14, 2022.

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 Revised Report on the Revised Financial Statements for the Financial Year 2023. However, the Statutory Auditors have drawn attention i.e. Emphasis of Matter with regard to Note 39I(c)of the Revised Standalone Financial Statements, in their report, details of which are as follows:

"Emphasis of Matter

We draw attention to Note 39I(c) to the revised standalone financial statements regarding the ongoing litigation in respect of leasehold rights to proportionate undivided interest in land and building at Vashi (Navi Mumbai) purchased 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 under two public interest litigations. On 21 November 2014, the Honourable High Court at Bombay ordered K Raheja Corp Private Limited to restore the land to its original condition (which would interalia require the buildings thereon to be demolished) and hand over the vacant possession thereof to CIDCO within six months of the date of judgement. K Raheja Corp Private Limited has filed a special leave petition against the abovementioned order in the Honourable Supreme Court of India. The Hon'ble Supreme Court of India on 21 January 2015 has passed Status Quo Order and the matter is currently pending with it. The agreement for purchase of leasehold rights between the Company and K Raheja Corp Private Limited was subject to the outcome of the litigation and the management does not expect any potential material loss to be borne by the Company. Pending the outcome of proceedings and a final closure of the matter, no adjustments have been made in the revised standalone financial statements as at 31 March 2023 to the carrying value of the leasehold rights (reflected as prepayments) aggregating to ₹48.54 million (31 March 2022: ₹49.74 million) and the hotel assets thereon (reflected as property, plant and equipment) aggregating to ₹348.46 million as at 31 March 2023 (31 March 2022: ₹372.12 million). Our opinion is not modified in respect of this matter."

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

Detailed explanation in respect of the matter has been provided under Note 39I(c) of the Revised 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. KDA & Associates, Company Secretaries in Practice, to undertake Secretarial Audit for Financial Year 2023. 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

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 2023, at the remuneration approved by the Members at the previous AGM.

During the year under review, none of the Auditors as mentioned above have reported any fraud 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 by the Independent Directors, Compensation, Nomination & Remuneration Committee and the Board of Directors at their respective meetings. 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 Director to whom online self-assessment proficiency test was applicable, has 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 and ESG ('CSR and ESG') Committee

Your Company had adopted a CSR Policy indicating the Company's broad philosophy and objectives, which is available on the website of your Company at www.chalethotels.com/wordpress/wp-content/uploads/2021/09/CSR-Policy.pdf.

The annual report on CSR activities and details about the composition of CSR and ESG 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 salient features of the said Policy are outlined in the Corporate Governance Report. The same is available on the website of your Company viz. www.chalethotels.com/wordpress/wp-content/uploads/2021/04/Policy-for-Appointment-of-Directors-Remuneration-of-Director-and-Senior-Management.pdf.

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/employees 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) paid to Directors and Senior Management including KMP of the Company is determined by the CNR Committee and are as per the terms laid down in the said Policy. The Managing Director & CEO of your Company does not receive remuneration or commission from any of the subsidiaries of your Company.

Audit Committee

The Committee comprises of three Independent Directors i.e. Mr. Joseph Conrad D'Souza (Chairperson), Mr. Hetal Gandhi (Member) and Mr. Arthur DeHaast (Member) and Mr. Ravi C. Raheja, Promoter and Non-Executive Director (Member). During the year under review, Mr. Arthur DeHaast was appointed as the member of the Committee by the Board of Directors at the meeting held on January 24, 2023. During the year under review, all the recommendations made by the Committee were accepted by the Board.

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 the Eligible Employee under the Chalet Hotels Limited - Employee Stock Option Plan 2018, to vest in three tranches. The Board of Directors of the Company, based on the recommendation of CNR Committee had approved variation in the terms of the Scheme and recommended extension of the exercise period from two years to four years, which was also approved by the Members of the Company by way of Postal Ballot by requisite majority on June 20, 2022.

Based on the recommendation of the CNR Committee at its meeting held on April 20, 2022, the Board of Directors at its meeting held on May 10, 2022 approved the CHL Employee Stock Option Plan 2022 and thereby granted 12,17,831 Options exercisable into an equal number of Equity Shares of the Company to the Eligible Employees as per the Scheme. The same was also approved by the Members of the Company by way of Postal Ballot by requisite majority on June 20, 2022.

Presently, your Company has the following ESOP Schemes:

- Chalet Hotels Limited - Employee Stock Option Plan 2018
- CHL Employee Stock Option Plan 2022

The applicable disclosures as stipulated under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 have been made available on the website of the Company at www.chalethotels.com/annual-reports/. Further, a certificate from M/s. KDA & Associates, Secretarial Auditors of the Company, with respect to implementation of ESOP and confirming that the Scheme is in compliance with the relevant SEBI Regulations and the Members approval obtained; shall be available for inspection by 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/wordpress/wp-content/uploads/2022/12/CHL-Related-Party-Policy.pdf.

During the year under review, the transactions / contracts / arrangements entered into by the Company with related party(ies) as defined under the provisions of the Act and Listing Regulations, were in the Ordinary Course of Business at arms' length and were entered into with the prior approval of the Audit Committee and the Board of Directors of the Company. The disclosure in Form AOC-2 is not applicable to the Company for the Financial Year 2022-23 and hence does not form part of this Report.

Approval of the Members was sought at the AGM held on September 14, 2022 in respect of a Material Related Party Transaction for raising of funds from the Promoters of the Company upto an amount of ₹1,000 million and the Company has availed of ₹450 million as on March 31, 2023.

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

The Committee comprises of two Independent Directors i.e. Mr. Arthur William DeHaast (Chairperson) & Mr. Joseph Conrad D'Souza (Member), Mr. Neel C. Raheja, Promoter and Non-Executive Director (Member) and Mr. Sanjay Sethi, Managing Director & CEO (Member) and two members of Senior Management i.e. Mr. Milind Wadekar, Chief Financial Officer (Member) and Mr. Rajneesh Malhotra, Chief Operating Officer (Member). There were no changes in the composition of the Committee during the year under review. 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 needs varying approaches for mitigation. The risk management framework defines the risk management approach across the enterprise. The risk framework which seeks to create transparency, minimise adverse impact on business objective and enhance your Company's competitive advantage, is reviewed by the 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 and additional steps taken by the Company to further mitigate the risks. The Policy is available on the Company's website at www.chalethotels.com/wordpress/

wp-content/uploads/2021/12/Risk-Management-Policy-renamed-as-on-October-28-2021.pdf.

Details of the key risks faced by your Company and measures for mitigation have been provided on pages 43 and 44 of the Integrated Reporting section of the Annual Report.

Vigil Mechanism / Whistle Blower Policy

Your Company has, in accordance with Section 177 of the Act and Regulation 22 of the Listing Regulations, formulated a Vigil Mechanism / Whistle Blower Policy for its Directors and Employees, to enable reporting of any wrongdoing within the Company / branches / hotels that fall short of your Company's business principles on ethics and good business practices.

Your Company's Vigil Mechanism / Whistle Blower Policy provides a formal mechanism to the Directors and all the employees of the Company to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The said policy is available on the Company's website at www.chalethotels.com/wordpress/wp-content/uploads/2023/05/Vigil-Mechanism-and-Whistle-Blower-Policy-Rev-May-09-2023.pdf.

The Policy covers the adequate safeguards against victimisation of Directors and employees who avail of the mechanism and have also 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

During the year under review, there were no significant and material orders passed by Regulators, Courts or Tribunals impacting the Going Concern status and Company's operations in future.

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/wordpress/wp-content/uploads/2023/05/POSH-Policy_Rev_May-09-2023.pdf.

During the year under review, your Company received 7 complaints on sexual harassment, out of which 6 were resolved and 1 complaint remained pending as at the year end and has been resolved as on the date of this Report. Appropriate actions were 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 listed as a Great Place to Work® in 2023 for the fourth year in a row.

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 organisation's strategy, governance framework, performance and prospects of value creation based on the six forms of capital viz. financial, manufactured, intellectual, human, social & relationship and natural capitals. The Integrated Report also includes ESG parameters and Company's performance vis-à-vis these.

ENVIRONMENTAL INITIATIVES AND ENERGY MANAGEMENT

The Company was 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, the Company 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 as part of its committed goals on climate.

Towards this, during the year under review, the Company completed installation of EV charging stations at all its properties, accessible to both, employees as well as visitors. The Company continues its endeavor to maintain a balance with the environment and a steady focus on sustainability and various initiatives continue to be rolled out. Detailed reporting on the aspects of ESG are covered in the Integrated Section of this Annual Report.

Towards achieving its Net Zero target, GHG emissions inventorisations exercise is under progress and completion of Net Zero timeline commitment to the Science Based Targets Initiative (SBTi) is targeted for December 2023.

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

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

MATERIAL CHANGES AND COMMITMENTS

The Hon'ble NCLT on May 19, 2023, approved the Scheme of Amalgamation of Belaire Hotels Private Limited and Seapearl Hotels Private Limited with the Company. The Appointed Date for the same is April 1, 2020 and the Effective Date is the date of filing of the Scheme with the Registrar of Companies i.e. June 19, 2023.

Other than the one mentioned above, 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.

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 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

Place: Mumbai
Date: July 3, 2023

Sanjay Sethi
Managing Director & CEO
DIN: 00641243

Joseph Conrad D'Souza
Director
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 maximising shareholders' value.
- The Policy sets forth the broad principles for guiding the Board and the Management in matters concerning declaration and distribution of dividend, with a view to ensure fairness, transparency, sustainability and consistency in the decision for distributing profits to shareholders.
- The Company believes that driving growth creates maximum shareholder value. Thus, the Company would first utilise its profits inter-alia for working capital requirements, capital expenditure to meet expansion needs, reducing borrowings, earmarking reserves for growth opportunities and thereafter distributing the surplus profits in the form of dividend to the shareholders.
- The Policy shall broadly specify the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend and how the retained earnings shall be utilised, etc.

REGULATORY FRAMEWORK

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

a) Internal Factors:

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

b) External Factors:

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

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

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

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

d) **Utilisation of Retained Earnings**

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

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

DISCLOSURES

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

POLICY REVIEW AND AMENDMENTS

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

ANNEXURE II

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 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 & 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 01, 2022 to March 31, 2023	Indian Rupees	277.88	(320.26)	51.78	94.16	NIL	0.00	(4.20)	0.04	(4.24)	NIL	90%
2	Chalet Airport Hotel Private Limited	August 18, 2022	August 18, 2022 to March 31, 2023	Indian Rupees	1.00	(6.23)	304.17	309.40	NIL	0.00	(11.27)	0.47	(11.74)	NIL	100%
3	The Dukes Retreat Private Limited	March 23, 2023	April 01, 2022 to March 31, 2023	Indian Rupees	22.57	287.17	346.73	36.99	NIL	314.91	94.31	24.52	69.79	NIL	82.28%
4	Sonmil Industries Private Limited	March 23, 2023	April 01, 2022 to March 31, 2023	Indian Rupees	3.01	18.37	22.87	1.49	5.63	0.85	1.66	1.75	(0.09)	NIL	100%

Notes:

Names of subsidiaries which are yet to commence operations: NIL

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

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	Extent of Holding %				Considered in Consolidation	Not Considered in Consolidation
				(₹ in million)				(₹)	(₹)	(₹)
Krishna Valley Power Private Limited	January 08, 2019	March 31, 2022	991,345	19.91	33.1%	There is no significant influence.	Your Company has for securing the supply of renewable energy acquired 33.1% 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 05, 2017	March 31, 2022	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)

Milind Wadekar
Chief Financial Officer
Membership No.: 116372

Christabelle Baptista
Company Secretary
Membership No.: ACS17817

Place: Mumbai
Date: July 3, 2023

ANNEXURE III

ANNUAL REPORT ON CSR ACTIVITIES

Financial Year 2022-23

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 programme towards providing healthcare initiatives by supporting an initiative by Central Chinmaya Mission Trust and also touched the lives of 40 'Persons with Disabilities' ('PwDs') through a vocational and skill enhancement programme, which was instrumentalised by TRRAIN (Trust for Retailers and Retail Associates of India). Also, at the operating properties, the Company along with its operating partners 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 and 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/2022/09/CSR-PLAN-2022-23.pdf

4. DETAILS OF IMPACT ASSESSMENT ALONG WITH WEB-LINK(S) OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY) 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) RULES, 2014 AND AMOUNT REQUIRED FOR SET OFF FOR THE FINANCIAL YEAR, IF ANY.

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	2021-22	664,958	NIL
Total		**664,958**	**NIL**

6. Average net profit of the Company as per section 135(5): **Loss: ₹829.61 million**

7. (a) Two percent of average net profit of the Company as per section 135(5): **N.A.**
   (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: **NIL**
   (c) Amount required to be set off for the financial year, if any: **NIL**
   (d) Total CSR obligation for the financial year (7a+7b-7c): **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
814,000	Nil	-	N.A.	Nil	-

(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 Imple-mentation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registra-tion 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 implementa-tion - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Skill Development / Digital Education of Persons with Disabilities (40 trainees)	Schedule VII - Clause ii - Promoting education and employment enhancing vocation skills among differently abled and livelihood enhancement projects	Yes	Maharashtra - Mumbai District		**501,000**	No	Trust for Retailers and Retail Associates of India	CSR00002617
2.	Purchase of assets for the smooth functioning of the Chinmaya Diagnostic Centre	Schedule VII - Clause i - Contribution to promoting health care including preventive health.	Yes	Maharashtra - Mumbai District		**313,000**	No	Central Chinmaya Mission Trust	CSR00008084
Total						**814,000**			

(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): **₹814,000**

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

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per section 135(5)	**N.A.**
(ii)	Total amount spent for the Financial Year	**814,000**
(iii)	Excess amount spent for the financial year [(ii)-(i)]	**814,000**
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	**NIL**
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	**814,000**

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	
1.							
	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
1								
	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

For and on behalf of Chalet Hotels Limited

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 MARCH 31, 2023

[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',
Next to Bank of Baroda, 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** (hereinafter called "the Company"), incorporated on **January 06, 1986** having **CIN: L55101MH1986PLC038538** and Registered office at Raheja Tower, Plot No. C-30, Block 'G', Next to Bank of Baroda, Bandra Kurla Complex, Bandra (E), Mumbai - 400051. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **March 31, 2023** ("audit period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the Financial Year ended on **March 31, 2023**, according to the following provisions of (including any statutory modifications, amendments or re-enactment thereof for the time being in force):

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and the Bye-Laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and External Commercial Borrowings - **Not Applicable for the period under review in respect of Overseas Direct Investment**;

(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 ("Listing Regulations"); and

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

f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not Applicable for the period under review**;

g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- **Not Applicable for the period under review**

h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not Applicable for the period under review**;

i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- **Not Applicable for the period under review**

j) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021- **Not Applicable for the period under review**

We have relied on the representation made by the Company and its officers for the systems and the mechanism formed by the Company for the Compliances under the applicable Acts and the regulations to the Company.

We have also examined compliance with the Secretarial Standards issued by the Institute of Company Secretaries of India

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Non-Independent Directors and Non-Executive Independent Directors and Woman Director. There were no changes in the Composition of the Board of Directors and Key Managerial Personnel that took place during the period under review.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent as per the provisions of the Companies Act, 2013 and the rules made thereunder, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting including meeting through the video conference.

All decisions have been approved with the unanimous consent of the Board of Directors and recorded as part of the minutes.

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

We further report that during the audit period, the following specific events took place which had a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc:

i. Allotment of 2,000 (Two Thousand) Secured, Unlisted, Non-Rated, Non-Cumulative, Redeemable and Non-Convertible Debentures to International Finance Corporation on May 6, 2022.

ii. The Company formulated CHL Employee Stock Option Plan 2022, and granted 12,17,831 Options, exercisable into 12,17,831 Equity Shares of ₹10 each for the benefit of the employees.

iii. The Company approved the variation in certain terms of the Chalet Hotels Limited - Employee Stock Option Plan 2018 including, an increase in exercise period from existing two years to four years.

iv. The Company allotted 1,000 Equity Shares under Chalet Hotels Limited - Employee Stock Option Plan 2018, resulting in an increase in the paid-up share capital of the Company from ₹2,05,02,38,640 to ₹2,05,02,48,640.

v. Incorporation of Chalet Airport Hotel Private Limited on August 18, 2022, as a wholly owned subsidiary of the Company.

vi. The Members of the Company at the 37th Annual General Meeting of the Company held on September 14, 2022 approved raising of funds from the Promoters by way of Unsecured Loans or Inter Corporate Deposits or any combination thereof not exceeding ₹100 Crore, a material transaction with Related Parties.

vii. The Members of the Company at the 37th Annual General Meeting of the Company held on September 14, 2022, approved the issue of Cumulative / Non-Cumulative, Listed or Unlisted, Secured, Redeemable, Non-Convertible Debentures (NCD's) for an amount not exceeding ₹500 Crore.

    Pursuant to above approval, the Finance Committee of the Board of Directors of the Company at its meeting held on March 06, 2023 approved the proposed offer of Secured, Unlisted, Non-Cumulative, Redeemable and Non-Convertible Debentures (non-rated) upto an amount of ₹100 crore to 'International Finance Corporation' on a Private Placement basis. However, the offer for issue of NCD's was not opened by the Company.

viii. On March 23, 2023, the Company acquired two entities viz. 'Sonmil Industries Private Limited' and 'The Dukes Retreat Private Limited'. Upon acquisition, Sonmil Industries Private Limited became a Wholly Owned Subsidiary (WOS) of the Company and The Dukes Retreat Private Limited became a Subsidiary of the Company.

ix. The Company in the previous financial year 2021-22 had filed a Scheme of Amalgamation with National Company Law Tribunal (NCLT), Mumbai Bench for amalgamation of Belaire Hotels Private Limited and Seapearl Hotels Private Limited, its wholly owned subsidiaries with the Company under section 230 -232 of the Companies Act, 2013 and rules made thereunder. The petition was heard and reserved for Orders by the Hon'ble NCLT as on the date of this report.

For **KDA & Associates**
(Formerly known as KDT & Associates)
Practicing Company Secretaries

Ritesh Rajput
Partner
M. No: A69004 CP No: 25678
PR No.: 2154/2022
UDIN: A069004E000276486

Date: May 09,2023
Place: Mumbai

ANNEXURE A

To,
The Members,
CHALET HOTELS LIMITED
Raheja Tower, Plot No.C-30, Block 'G',
Next to Bank of Baroda, Bandra Kurla Complex,
Bandra(E), Mumbai 400051

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provides a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on a test check basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **KDA & Associates**
(Formerly known as KDT & Associates)
Practicing Company Secretaries

Ritesh Rajput
Partner
M. No: A69004 CP No: 25678
PR No.: 2154/2022
UDIN: A069004E000276486

Date: May 09,2023
Place: Mumbai

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 2023:

Name of Directors	Designation	Ratio of Remuneration of each Director to median remuneration	Remuneration (₹)
Mr. Hetal Gandhi	Non-Executive Chairperson and Independent Director	2.5	850,000
Mr. Ravi C. Raheja	Non-Executive Director	1.7	575,000
Mr. Neel C. Raheja	Non-Executive Director	2.0	675,000
Mr. Joseph Conrad D'Souza	Independent Director	2.7	900,000
Mr. Arthur De Haast[2]	Independent Director	8.4	2,833,156
Ms. Radhika Piramal	Independent Director	1.4	475,000
Mr. Sanjay Sethi	Managing Director and CEO	146.7	49,280,185

II The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the Financial Year 2023 as compared to Financial Year 2022:

Name of Directors and KMPs	Designation	% increase / decrease in Remuneration
Mr. Hetal Gandhi	Non-Executive Chairperson and Independent Director	(10.53)
Mr. Ravi C. Raheja	Non-Executive Director	(36.11)
Mr. Neel C. Raheja	Non-Executive Director	0.00%
Mr. Joseph Conrad D'Souza	Independent Director	(5.26)
Mr. Arthur De Haast[2]	Independent Director	(7.72)
Ms. Radhika Piramal	Independent Director	5.56
Mr. Sanjay Sethi	Managing Director and CEO	10.53
Mr. Milind Wadekar	Chief Financial Officer	34.89
Mr. Rajneesh Malhotra	Chief Operating Officer	33.45
Ms. Christabelle Baptista	Company Secretary	16.04

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.

III The percentage increase in the median remuneration of employees in 2022-23:

The percentage increase in the median remuneration of all employees in the Financial Year was 1.83%.

IV The number of permanent employees on the rolls of Company as on March 31, 2023:

The number of permanent employees on the rolls of Company as on March 31, 2023 was 1,725.

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 FINANCIAL YEAR 2022-23

The energy conservation measures undertaken during the financial year under review have been broadly categorized into 2 sections – Projects and Operations:

A. Projects:

Your Company continues to deploy the principles of USGBC 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 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 by-product. Moreover, this helps in reducing the CO2 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

New upcoming projects to 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.

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.
- Low approach CT which further improves HVAC efficiency
- IOT automation system enabled with machine learning and analytics

2) Water Management:

- All properties are designed to treat 100% wastewater through Sewage Treatment Plants (STPs) 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, to improve the water table of surrounding areas.
- Waterless urinals are being installed in the common areas
- Sensor based taps and low flow fixtures (with aerators) are being installed
- Dual flush tanks being implemented

3) Waste Management:

- Organic Waste Composter installed to convert wet waste into manure to be 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
- Disposal of E-waste and hazardous waste through Authorised Recyclers.

MANAGEMENT DISCUSSION AND ANALYSIS

"It's not about speed, it's about momentum." – Anonymous

The flywheel effect

OVERVIEW OF THE YEAR

It has been a year full of actions and outcomes for the Company.

Chalet entered 2 new geographies: New Delhi and Lonavala, entered a new segment: leisure, took several steps to get closer to the Company's sustainability goals, achieved back to back quarters of best performances and delivered new industry leading operating margins.

ECONOMY OUTLOOK

The World Bank group president in a recent media briefing highlighted, "Global growth is expected to be weak this year, slowing to 2% from 3.1% in 2022."[1] He further added, "Several factors are weighing on the second half outlook: Oil prices have jumped back above USD80/barrel. The recent banking sector stress dampens activity. And inflation pressures persist." He goes on to say, *"I'll note two exceptions to the slowdown: China and India…. India continues to be one of the fastest-growing major economies in the world. We're looking for growth of 6.3% in their FY23/24."*

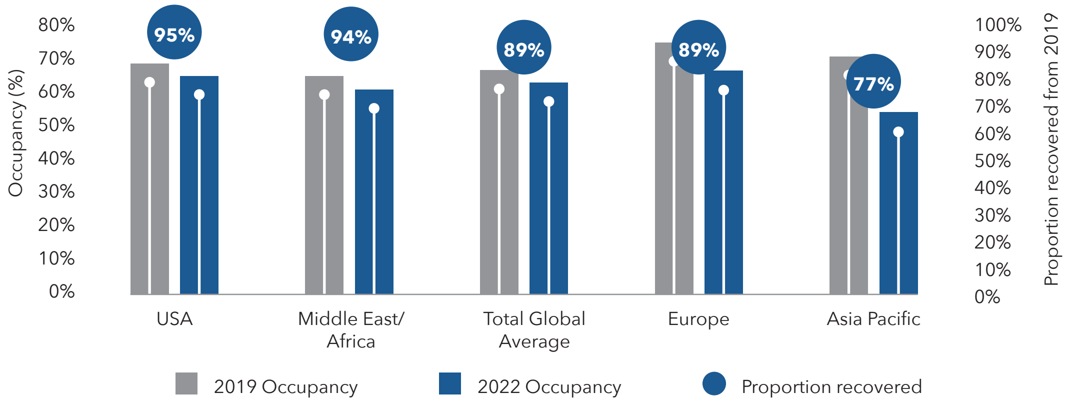
The global monitoring agencies also have a more positive outlook on India. As per the recent 'India Development Update' report by The World bank, "Indian economy continues to show resilience amid global uncertainties". It further clarifies, "Although significant challenges remain in the global environment, India was one of the fastest growing economies in the world with real GDP growing 7.7% year-on-year during Q1-Q3 fiscal year 2022/23. Growth was underpinned by robust domestic demand – strong investment activity bolstered by the government's capex push and buoyant private consumption, particularly among higher income earners."

India continues to be the most attractive country for investment and capital growth. Favourable policy environment, rapid improvement in infrastructure, strong international relations, highest concentration of qualified workforce, increasing purchasing power to name a few are key drivers for this.

THE GLOBAL HOSPITALITY INDUSTRY OUTLOOK

As per JLL's Global Hotel Investment Outlook | 2023, "The global hospitality industry experienced another uplifting year 2022 boosted largely by leisure demand and notable international tourism events including the World Expo Dubai, Formula One Grand Prix, FIFA World Cup, and the Winter Olympics. The lift in global travel demand accelerated the recovery of hotel fundamentals despite the war in Ukraine and rise in geopolitical tensions that exacerbated economic volatility with record-high inflation, labor shortages, and supply chain disruptions. As at year-end 2022, global hotel occupancy reached 89% recovery relative to 2019 levels, proving its resilience. While uncertainty looms over the impact of economic headwinds on the global hotel industry outlook in 2023, expect pent-up travel demand to remain resilient, particularly as China and other international borders reopen and consumers consistently demonstrate a desire to travel. Moreover, hotel's ability to outperform inflation combined with slowdown in new supply should present opportunity to owners and investors in 2023."

2022 Occupancy recovery by region



Source: JLL's Global Hotel Investment Outlook | 2023, STR

[1]The World Bank: Spring Meetings 2023 Media Call

THE INDIA OPPORTUNITY & OUTLOOK

India offers one of the most dense and complex geographical and cultural diversities in the world making it a leading country in terms of international tourism expenditure. Travel and tourism are two of the largest industries in India, with a total contribution USD 178 billion to the country's GDP. This is expected to reach USD 512 billion by 2028 according to IBEF[2]. International tourist arrivals are expected to reach 30.5 million by 2028 from 10.9 million in 2019.

The government has increased its thrust, which started with e-visas, then progressed to 'Dekho Apna Desh' to promote inbound tourism, '50 tourist destinations' to be developed under Swadesh Darshan, formulation of a 'National Strategy and Roadmap for Medical and Wellness Tourism' to boost medical tourism in the country, the 'UDAN' scheme increasing air connectivity between tier 2 towns, and now the '1st Global Tourism Investors' Summit 2023' is being organized. The main objective of the Summit is to promote the Indian travel and tourism industry as an 'Investment Destination' and provide a common platform for the Central/State governments and the investors to discuss investment possibilities in the tourism industry of India.

Hospitality sector in India witnessed strong performance largely led by strong resurgence of domestic travel. As highlighted by HVS Anarock in its India Hospitality Industry Overview 2022, "While leisure destinations continued to thrive, the resurgence of corporate travel and large-ticket conferences and events helped in reshaping the fortunes of commercial markets and popular MICE (Meetings, Incentives, Conferences and Exhibitions) destinations. Meanwhile, the resumption of regular international flights in India in March 2022 helped kickstart outbound and inbound travel in the country. However, due to the inconsistencies in COVID protocols across countries, visa challenges, and high airfares, international travel continued to be volatile, aiding the continued growth in domestic tourism. The "Big Fat Indian Wedding" also made a comeback after two years of waiting, with several hotels being sold out during the wedding season."

Given the high borrowing cost, inflation and the fact that several players in the industry are still recovering from the impact of the past few years, the supply side continues to remain muted in the key markets of India.

The current tailwinds, such as the opening up of airspace, the increasing number of international flights, strong domestic business demand, and low inventory supply, along with the government's continued emphasis on infrastructure development, provide strong visibility for the growth of the hospitality industry in the near to mid-term. The industry continues to explore newer and non-traditional business lines, such as food delivery, villa rentals, workcations, and experiential stays, as part of its complimentary offerings.

All India ADR crossed ₹ 6,000 after 10 years;

INDIA KPIs 2022

▲ INCREASED
▼ DECREASED

Occupancy
59-61%
▲ **15-17 pp** Y-O-Y
▼ **-5-7 pp** 2019

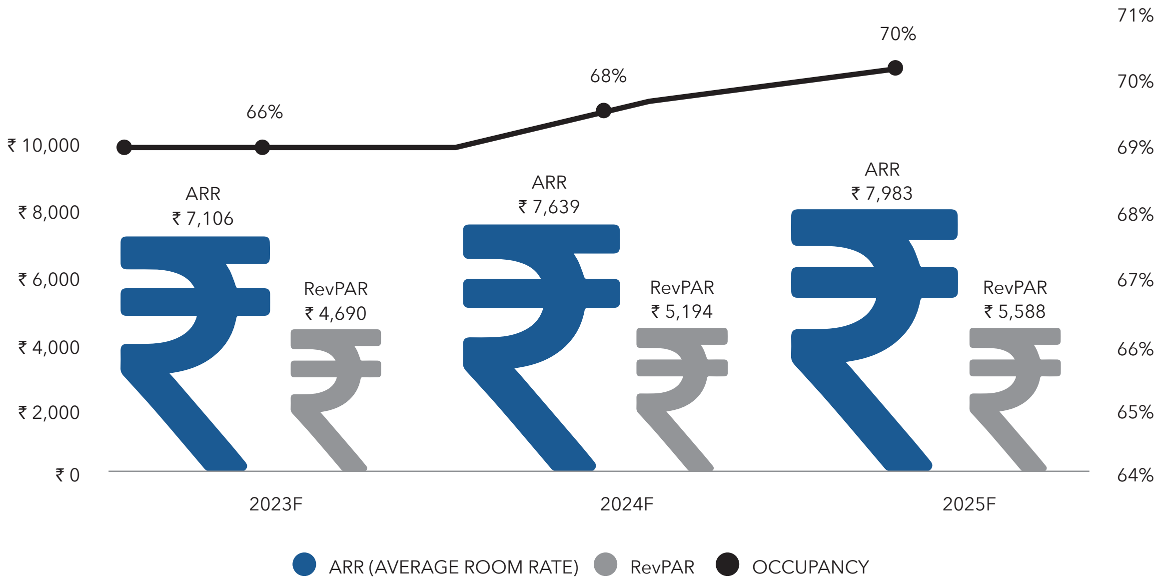
ARR
INR
6,000-6,200
▲ **37-39%** Y-O-Y
▲ **1-3%** 2019

RevPAR
INR
3,500-3,700
▲ **89-91%** Y-O-Y
▼ **-7-9%** 2019

Source: HVS Anarock, India Hospitality Industry Overview 2022

[2] India Brand Equity Foundation (IBEF)

Performance Outlook



Source: HVS Anarock, India Hospitality Industry Overview 2022

CHALET HOTELS LIMITED

Chalet currently has 9 operating hotels across 5 cities with a cumulative inventory of 2,802 keys and 1.2 mn. sq. ft. of commercial assets in 2 cities under operations as part of hotel led mixed use development. In addition, it has a pipeline of >1,000 keys and 1.8 mn. sq. ft. of commercial assets to developed over the next 3 years. Majority of the pipeline is operationalizing in FY2024.

Hospitality:

The financial year FY 2023 saw quarter on quarter improvement in business performance. Within the key geographies, the recovery started with a pick-up in occupancy based on several events such as the IPL 2022 and pent-up demand in leisure and socials. As domestic travel restrictions moved behind us, the Company saw a 100% volume recovery vs 2019 in the first quarter of the financial year itself driven by a surge from both business and leisure travellers. This momentum continued and ADRs (Average Daily Rates) followed suit, to record the best seasonal numbers, touching decadal highs.

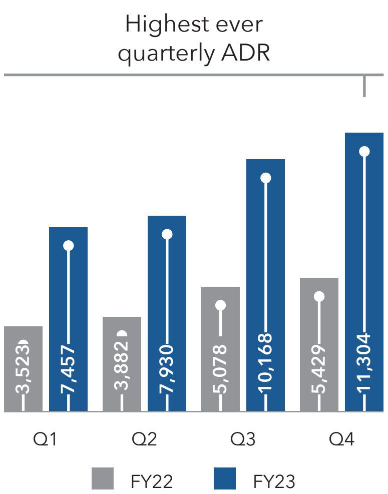
International travel picked-up pace from November 2022 with direct flights recommencing from Mumbai, Bengaluru and Delhi to US, e-Visas got reactivated by Government of India and new international airport opened at Goa, while a new terminal opened at Bengaluru. This created the much-needed tailwind for international demand, which resulted 70% recovery in foreign guest for the Company at the end of the year.

Thus, for the second half of the financial year, the hotels portfolio witnessed ADRs of ₹ 10,168 and ₹ 11,304 in Quarter 3 and Quarter 4, respectively. The year closed with double digit growth on rates as compared to 2019.

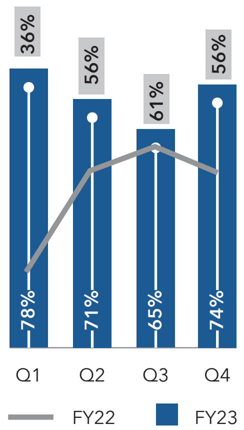
Geographically, Mumbai and Pune markets were first to recover while Hyderabad and Bengaluru trailed as these locations were heavily dependent on IT & ITES industries which had a lag on back-to-office work format.

ROBUST ADRs

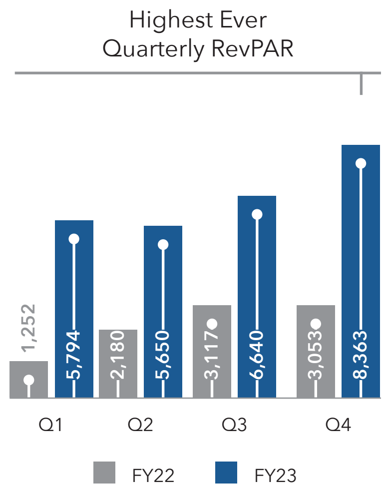
ADR (₹)



Occupancy %



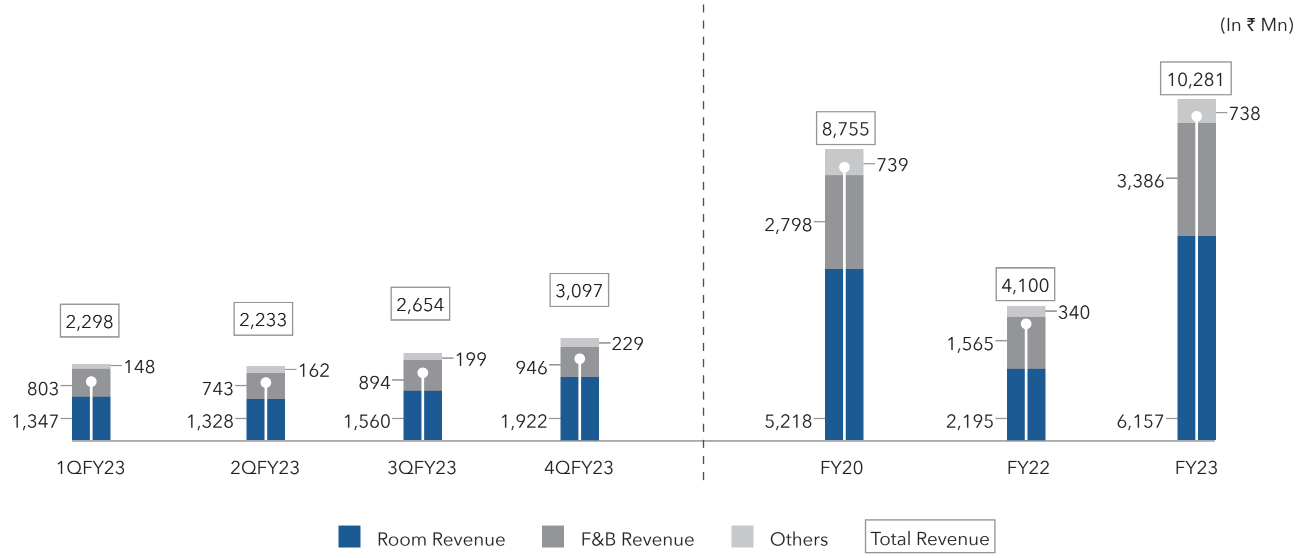
RevPar (₹)



HOSPITALITY CITY-WISE PERFORMANCE

	Q1FY23	Q2FY23	Q3FY23	Q4FY23	FY23	FY22
ADR (₹)						
MMR	7,988	8,134	11,037	11,976	9,741	4,714
Bengaluru	7,344	7,702	9,495	10,818	8,825	4,403
Hyderabad	6,980	8,992	10,462	12,532	9,624	4,850
Pune	5,099	5,377	5,582	5,819	5,460	3,505
Combined	**7,457**	**7,930**	**10,168**	**11,304**	**9,169**	**4,576**
Occupancy%						
MMR	81%	71%	67%	77%	74%	58%
Bengaluru	59%	67%	50%	66%	61%	28%
Hyderabad	77%	69%	64%	67%	69%	45%
Pune	89%	83%	81%	82%	84%	64%
Combined	**78%**	**71%**	**65%**	**74%**	**72%**	**51%**
RevPAR (₹)						
MMR	6,477	5,788	7,405	9,208	7,211	2,715
Bengaluru	4,356	5,195	4,784	7,145	5,363	1,220
Hyderabad	5,340	6,197	6,733	8,355	6,650	2,169
Pune	4,556	4,465	4,529	4,785	4,583	2,253
Combined	**5,794**	**5,650**	**6,640**	**8,363**	**6,605**	**2,355**

Hospitality Revenue Breakup



The portfolio F&B revenues continued to have a healthy pace of growth backed by increasing MICE demand and revival of non-residents business in our restaurants.

Given the stabilization of operations and a high inflationary environment, the overall expense base of the hospitality division was higher by 10% for the financial year as compared to FY 2020. This is against a revenue growth of 17% driving overall **margin expansion of 330 bps to 42%** for the year. This has been led by the cost saving strategies implemented over the last 3 years, focus on asset management and efforts of the hotel teams.

Rental and annuity:

Chalet currently has an operating asset under rental and annuity of 0.5 mn sqft at the JW Marriott, Sahar complex. The asset is over 95% leased and recorded a revenue of ₹ 1 billion with an 84% operating margin for the financial year under discussion. Your Company has received Occupancy Certificate (OC) for its commercial asset of 0.66 mn. sq. ft. at Bengaluru and is in process of leasing it.

Residential:

The residential project at Koramangala made significant progress in the past financial year. With all the local developmental approvals in place, the construction work has recommenced on site. The RERA (Real Estate Regulatory Authority) registration, as per the revised plans, has also been completed, and sales are expected to commence within the first half of theFY 2024.

Business expansions:

During the year, your Company participated and emerged as a successful bidder to develop a hotel at Terminal 3 of IGI airport in New Delhi. This ~400 room luxury hotel with state-of-the-art amenities will be branded under the 'Taj,' the most iconic Indian brand and most suitable for the location. The hotel is expected to be commissioned in 2025-26, giving Chalet a strong foothold in North India and access to the very important market of New Delhi. The hotel will be on a cold shell lease from DIAL (Delhi International Airport Limited) until 2066.

Chalet completed its first hotel acquisition post-pandemic and its second to date with the iconic 'The Dukes Retreat,' an 80-key leisure property overlooking the valleys of Lonavala. The property has been a sought-after destination for leisure travellers, wedding celebrations, and corporate events. This property, given its unique location, has the potential to be positioned as an upper-upscale green, lifestyle resort. Chalet will commence renovation, upgradation, and inventory addition on this property over the next few months.

The acquisition was through purchase of equity shares of The Dukes Retreat Private Limited (Owner of hotel structure and business) and Sonmil Industries Private Limited (Owner of the land of the hotel) for a cumulative Enterprise Value of ₹ 1,330 million.

LARGE CAPEX HEADING TO STRONG EBITDA

As on March 31, 2023 the Company had Capital Work in Progress (CWIP) of ₹ 9,557 million in the balance sheet. Additionally, ₹ 3,101 million of assets capitalized for the new 0.66 mn. sq. ft. commercial asset **'CIGNUS Whitefield Bangalore® Tower 1'** which will be revenue generative in FY 2024.

To be operational within 2023-24:

- Additional 88 rooms at **Novotel Pune Nagar Road Hotel** is ready taking the full inventory to 311 rooms. We are awaiting the full OC of the building to start commercial usage.
- **The Westin Hyderabad HITEC City** with 168 rooms commenced operations in June 2023.
- **CIGNUS Powai®, Tower 1** the commercial tower at **The Westin Complex Powai** is in the final stages of completion.
- Handover to tenants commenced at **CIGNUS Whitefield Bangalore® Tower 1**, the commercial tower at Marriott Complex, Whitefield, Bengaluru.
- Handover at **CIGNUS Whitefield Bangalore® Tower 2**, the re-purposed mall at Whitefield Bengaluru, expected to commence in Q2 FY 2024.

Other assets:

- Newly acquired **The Dukes Retreat**, will be renovated and upgraded with additional rooms over the next 6 -8 quarters.
- For the **5-star Hotel** at **Terminal 3, Delhi Airport** with ~400 rooms, the initial designs have been closed and the project work is as per schedule with expected completion in FY 2026.
- 0.1 mn sqft of office space at old commercial tower at Bengaluru to be converted to additional ~140 guest rooms under the existing hotel. This will take the total inventory to **~530+ rooms at the Bengaluru Marriott Hotel Whitefield**, making it one of the largest single brand inventories in the city.
- **CIGNUS Powai®, Tower 2** at Westin Complex Powai is at the planning and approval stage.

CONSCIOUS GROWTH

As a responsible corporate, the Company aims to lead the path of Sustainable Development by embedding Environmental Social and Governance (ESG) goals as part the Company's business model, operational framework, and value chain. During the year the Company made progress towards its ESG commitments that are supported by three key pillars.

Environmental Stewardship

Reducing ecological impacts on the immediate environment through:

- Energy Stewardship - The Company is reducing & managing operational and value chain GHG emissions footprint through green power and green mobility. Over 78% of the electricity consumption is powered by renewable sources. All the properties are equipped with EV charging stations for the use of guests as well as associates.
- Water Stewardship- by installing Low flow fixtures, Rainwater Harvesting system, Sewage Treatment Plants. Recycling wastewater which is reused for horticulture, flushing, housekeeping, and cooling and achieved zero waste water discharge. During the reporting year, these various initiatives have resulted in water consumption reduction by 43%.
- Waste Management- Minimizing Single-Use Plastic by installing water bottling plants for glass water bottles to replace plastic water bottles, using wooden stirrers, paper straws, cloth laundry bags, and bathroom amenities with dispensers. The Company has been recycling 100% of our wet waste in Organic Waste Composters (OWC), that converts organic wet waste into manure which is being used for horticultural purposes.

Empowering Employees and Communities

Empowering employees though developing employee centric policies, benefits learning and development platforms and encouraging diversity, equity & inclusion. **The Westin Hyderabad HITEC City**, which recently started operations, is the first hotel for Chalet that is an all-women staff Hotel. Chalet Hotels has been listed in the 2022 list of 'India's Best Workplaces™ for Women 2022 – Mid-size (Top 10)' by Great Place to Work® India. This is the third consecutive time that we have been recognized and featured on this prestigious list, a testament to our core values that emphasize diversity, inclusion, and overcoming barriers to gender equality.

Resilient Business

Your Company is creating long-term value with ethical business conduct through ESG disclosures & ESG governance mechanism, responsible procurement and implementing cutting edge technology solutions to achieve sustainable development. During the year Chalet's DJSI score improved from **31 to 43**. Of the major materials being consumed around 96% is getting sourced locally*. Your Company also implemented IoT enabled automation such as Digital check-ins, Mobile key, Building Management System, IOT system for HVAC.

For further details please refer to the sections on Natural, Human and Intellectual Capital on Pages 51 to 77 of this Report.

THREATS & RISKS

Details of risks have been enumerated in the integrated reporting section. For further details please refer to page 43 and 44.

*Sourced within India

HUMAN RESOURCES

Chalet Hotels Limited has 2,544 employees (including contractual) spread 6 cities resulting in a good mix of cultural diversity. There are 78% millennials in Chalet's workforce and 80% of the associates are customer facing. With the employees constantly facing moments of truth with end customers it becomes highly critical for the Human Resources (HR) and Learning & Development (L&D) teams to enable and empower the employees with the right skills, will and attitude which in turn helps them deliver Chalet's values.

The work culture is built on openness respect and trust between employees which helps us move towards excellence. Your Company constantly strives to ensure that all people practices around talent development and engagement are such that they assess the people for their strengths and areas of development while providing unique opportunities and career paths for them through various initiatives such as Wellbeing, Building People capability, Building skills, Rewards & Recognition and Diversity & Inclusion. The women strength in the workforce across the organization including contractual has increased from 13% to 18% within a year while the same in Chalet's corporate office is 38%. All the above and more, makes Chalet a great place to work.

INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY

Your Company has well-established policies and procedures, for internal control of operations and activities. On a consistent basis, Your Company strives to integrate the entire organization – from strategic support functions to core operational functions. In line with this, Chalet follows standards that enables robust implementation of internal financial control across the organisation. 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.

Revised Results of Operations for the year ended March 31, 2023

The Group's Revised Consolidated financial performance for the year ended March 31, 2023

(₹ in million)

Particulars	For the year ended		Change %
	31-Mar-23	31-Mar-22	
Revenue from Operations	11.284.67	5.078.07	122%
Other Income	494.87	219.32	126%
Total Income	**11,779.54**	**5,297.39**	122%
Total Expenses	**6,756.50**	**4,093.30**	65%
EBITDA from Continuing operations	**5,023.04**	**1,204.09**	317%
Depreciation and amortisation expenses	1.173.09	1,184.23	(1%)
Finance costs	1.544.74	1,444.13	7%
Profitl(Loss) before exceptional items and tax from Continuing operations	**2,305.21**	**(1424.27)**	
Exceptional items	423.08	(44.58)	
Profitl(Loss) before income tax from Continuing operations	**2,728.29**	**(1468.85)**	
Tax Expense	895.39	(719.53)	
Profitl(Loss) for the period/ year from Continuing operations	**1,832.90**	**(749.32)**	
(Loss) for the year from discontinued operations	-	(65.37)	
Profitl(Loss) for the year	**1.832.90**	**(814.69)**	

Particulars	**Q4FY23**	**Q3FY23**	**Q2FY23**	**Q1FY23**
Revenue from Operations	3,378.74	2,897.45	2,478.42	2,530.06
Other Income	79.09	320.56	26.25	68.97
Total Income	**3,457.83**	**3,218.01**	**2,504.67**	**2,599.03**
Total Expenses	**1,855.12**	**1,762.53**	**1,627.55**	**1,511.30**
EBITDA from Continuing operations	**1,602.71**	**1,455.48**	**877.12**	**1,087.73**
Depreciation and amortisation menses	298.42	281.21	296.37	297.09
Finance costs	405.31	368.12	380.01	391.30
Profit/(Loss) before exceptional items and tax from Continuing operations	**898.98**	**806.15**	**200.74**	**399.34**
Exceptional items	(184.39)	605.00	12.56	(10.09)
Profit/(Loss) before income tax from Continuing operations	**714.59**	**1,411.15**	**213.30**	**389.25**
Tax Expense	348.28	387.63	55.83	103.65
Profit/(Loss) for the year from Continuing operations	**366.31**	**1,023.52**	**157.47**	**285.60**
(Loss) for the year from discontinued operations	-	-	-	-
Profit/(loss) for the year	**366.31**	**1,023.52**	**157.47**	**285.60**

Revenue increased from ₹ 2,599 million in Q1 2022-23 to ₹ 3,458 million in Q4 2022-23.

Revenue break – up

(₹ in million)

Particulars	**For the year ended**		**Change %**
	31-Mar-23	**31-Mar-22**	
Hospitality	**10,284.69**	**4,099.74**	**151%**
Room Revenue	6,157.02	2,195.09	180%
Food & Beverage Revenue	3,385.90	1,565.44	116%
Other Revenue	741.77	339.21	119%
Rental & Annuity	**999.98**	**1,019.75**	-2%
Lease Rent	886.78	933.64	-5%
Maintenance and other recoveries	95.81	70.95	35%
Revenue from other services	17.39	15.16	15%
Other Inccme	**494.87**	**177.90**	**178%**
Total Income	**11,779.54**	**5,297.39'**	**122%**

Hospitality FY 2023 performance:

- Hospitality revenue increased by 151% against previous year and formed 87% of the consolidated revenues
- Room revenue increased by 180% against the previous year, driven by 100% increase in Average Daily Rates (ADR) for the year and Occupancy expanded by 21 pp to 72% for the same period
- Food and Beverages revenue increased by 116% to ₹ 3,386 million
- Other Revenue increased by 119% over the previous year

Rental and Annuity:

- Rental revenues from commercial segment remained steady

Real Estate:

- No revenue was recorded for this segment as sales have not commenced in respect of the residential project at Koramangala, Bengaluru

Operating Expenses:

Operating expenses for the period were higher by 65% against the previous year due to recovery of hotels business post pandemic.

Particulars	For the year ended		Change %
	31-Mar-23	31-Mar-22	
Real estate development cost	85.06	221.66	-62%
Changes in inventories of finished good and construction work in progress	-	(12.80)	100%
Food and beverages consumed	999.19	538.63	86%
Operating supplies consumed	392.66	243.76	61%
Employee benefits expense	1,510.96	999.76	51%
Rates and taxes	292.42	275.38	6%
Other expenses	3.476.21	1.826.91	90%
Total Expenses	**6,756.50**	**4,093.30**	**65%**

- Real Estate development cost was at ₹ 85 million against ₹ 222 million in the previous year
- Food and Beverages Consumed for the period was higher by 86 % due to recovery of hotels business post pandemic.
- Operating Supplies Consumed higher by 61% and other expenses higher by 90% due to recovery of business post pandemic and cost control initiatives
- Employee benefit expenses were higher by 51% as compared to previous year. Employee cost was 13% of revenue from operations for the year as compared 20% of revenue from operations in previous year, led by initiatives taken to imporve employee productivity and efficiency

EBITDA

Earnings before interest, tax, depreciation and amortization (EBITDA) before exceptional items was at ₹ 5,023 million as compared to the previous year of ₹ 1,139 million. EBITDA margin for the period was at 42.6% against 21.5% for the previous year.

Depreciation and amortization expenses were steady at ₹ 1,173 million for the year as compared to ₹ 1,184 million in the previous year.

Finance costs were at ₹ 1,545 million which has increased by ₹ 101 million from the previous year. The average cost of Rupee loans for the year was 8.75% as compared to 7.52% for the previous year.

Exceptional Items

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
-Reversal of provision for estimated cost in relation to potential cancellation	423.08	(44.58)
Total	**423.08**	**(44.58)**

The Company had commenced a residential project at Bengaluru after obtaining requisite approvals. During FY 2014, 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, the NOC from HAL and municipal/regulatory approvals has been received.

The Holding Company has received necessary approvals for the project.

During the year, on account of various approval in place, the Management has considered reversal of earlier created provision for interest in relation to potential cancellation for the said flats above 10th floor amounting to ₹ 584.82 million and same is included in provision utilized during the year.

Profit/(Loss) for the year

Profit for the year was at ₹ 1,833 million against a loss of ₹ 815 million in the previous year. The cash burn from operations (EBITDA less Finance Cost) for the Company was at ₹ 1,259 million as against a cash burn of ₹ 305 million in the previous year.

Equity & Debt

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Equity share capital	2,050.25	2,050.24
Other equity	13,369.14	11,362.30
Non Controlling interests	(4.06)	(2.62)
Total equity	**15,415.33**	**13,409.92**
Gross Debt (Excl Pref Capital & ICD from Promoters)	25,696.41	23,593.15
Debt / Equity	**1.67**	**1.76**

- The capital expenditure for 2022-23 was at ₹ 4,398 million towards ongoing projects

Equity

Total equity was higher by ₹ 2,005 million.

Working Capital movement

Particulars	For the year ended		Change %
	31-Mar-23	31-Mar-22	
Debtors Turnover[1]	**22.01**	**13.69**	**61%**
Inventory Turnover[2]	**10.05**	**6.30**	**59%**
Current Ratio[3]	**0.64**	**0.75**	**-14%**
Interest Coverage Ratio[4]	**3.25**	**0.83**	**290%**
Return on Net Worth[5]	**17%**	**-9%**	

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, tax, depreciation and amortization (EBITDA)/ Finance Costs

5: Return on Net Worth higher due to recovery of hotels business post pandemic

Cashflow:

Particulars	For the year ended	
	31-Mar-23	31-Mar-22
Net Cash from Operating Activities	4,768.84	622.20
Net Cash from Investing Activities	-5,924.03	-3,960.98
Net Cash from Financing Activities	1,260.45	4,109.46
Net Change in Cash and Cash Equivalent	**105.27**	**770.69**

Standalone Financials

Particulars	For the year ended		Change %
	31-Mar-23	31-Mar-22	
Revenue from Operations	11,284.67	5,078.07	122%
Other Income	509.14	219.27	132%
Total Income	**11,793.81**	**5,297.34**	123%
Total Expenses	**6,733.13**	**4,090.74**	65%
EBITDA from Continuing operations	**5,060.68**	**1,206.60**	319%
Depreciation and amortisation expenses	1,173.09	1,184.23	-1%
Finance costs	1,538.14	1,440.67	7%
Profit/(Loss) before exceptional items and tax from Continuing operations	**2,349.45**	**-1,418.30**	
Exceptional items	423.08	-44.58	
Profit/(Loss) before income tax from	**2,772.53**	**-1,462.87**	
Continuing operations			
Tax Expense	894.88	-719.53	
Profit/(Loss) for the period/ year from	**1,877.65**	**-743.33**	
Continuing operations			
(Loss) for the period / year from discontinued operations	-	-65.37	
Profit/(Loss) for the period / year	**1,877.65**	**-808.7**	

Standalone Revenue from Operations of the year grew by 122% to ₹ 11,284.67 million against previous year led by 153% increase in Hospitality segment

Earnings before interest, tax, depreciation and amortization (EBITDA) was at ₹ 5,060.68 million with margin of 42.91% for the year as compared to ₹ 1,141.23 million with a margin of 21.5% in the previous year.

Profit for the year was at ₹ 1,877.65 million as compared to loss of ₹ 808.72 million in the previous year.

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 high standards of corporate governance and believes that all its actions must serve the underlying goal of enhancing the overall stakeholder value over a sustained period of time and that profitability must go hand in hand with a sense of responsibility towards all stakeholders. While the fundamentals of values and ethics are resolute, adaptation to the evolving regulatory framework is essential. Moreover, the Company believes that compliance and governance should abide not only by the letter but also by the spirit of the law.

The Company through its Board of Directors and Management 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, 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 Directors seeking re-appointment at the forthcoming 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	Attendance at Meetings							
	Category of Director	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 (September 14, 2022)
No of Meetings held in 2022-23		5	5	3	1	2	2	1
Independent Directors								
Mr. Hetal Gandhi (DIN: 00106895)	Chairperson & Independent Director	5	5	-	-	2	-	1
Mr. Joseph Conrad D'Souza (DIN: 00010576)	Independent Director	5	5	3	1	-	2	1
Mr. Arthur DeHaast (DIN: 07893738)	Independent Director	5	-	3	-	-	2	1
Ms. Radhika Piramal (DIN: 02105221)	Independent Director	4	-	1	-	2	-	1
Non-Executive Directors								
Mr. Ravi C. Raheja (DIN: 00028044)	Promoter, Non – Executive Director	4	3	-	0	-	-	0
Mr. Neel C. Raheja (DIN: 00029010)	Promoter, Non – Executive Director	5	-	3	1	2	1	1
Executive Director								
Mr. Sanjay Sethi (DIN: 00641243)	Managing Director & Chief Executive Officer	5	-	-	1	2	2	1

CNR: Compensation, Nomination and Remuneration
CSR: Corporate Social Responsibility
ESG: Environmental, Social and Governance

Video Conferencing facility is also made available at the Board / Committee Meetings for the Directors / Members to attend the meetings. Further, during the Financial Year under review, in view of the Circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India, from time to time, meetings of the shareholders were held through Video Conferencing facility. The proceedings of all meetings were seamless.

Requisite 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 presentations 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 10, 2022, July 28, 2022, October 21, 2022, January 24, 2023 and March 22, 2023;
- the Audit Committee met five times i.e. on April 26, 2022, May 10, 2022, July 28, 2022, October 21, 2022 and January 24, 2023;
- the Compensation, Nomination and Remuneration ('CNR') Committee met thrice i.e. on April 20, 2022, July 22, 2022 and March 23, 2023;
- the Stakeholders' Relationship Committee met once i.e. on May 10, 2022;
- the Corporate Social Responsibility and ESG ('CSR and ESG') Committee met twice i.e. on May 10, 2022 and January 24, 2023; and
- the Risk Management Committee met twice i.e. on May 10, 2022 and November 01, 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 serving as Independent Directors on our Board are 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 & Perks for 2022-23 (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	5	4	2	N.A.	--	850,000	0
Mr. Joseph Conrad D'Souza (DIN:00010576)	5 years w.e.f. June 12, 2018	2	9	5	N.A.	--	900,000	689
Mr. Arthur DeHaast (DIN:07893738)	5 years w.e.f. June 12, 2018	1	1	0	N.A.	--	625,000	0
Ms. Radhika Piramal (DIN: 02105221)	5 years w.e.f. June 12, 2018	2	1	0	N.A.	--	475,000	0
Non-Executive Directors								
Mr. Ravi C. Raheja (DIN: 00028044)	September 04, 1995	3	8	1	N.A.	--	575,000	5,163,159
Mr. Neel C. Raheja (DIN: 00029010)	December 12, 1996	3	7	0	N.A.	--	675,000	10,326,318
Executive Directors								
Mr. Sanjay Sethi (DIN: 00641243)	3 years w.e.f. February 09, 2021	1	2	0	49,280,185	Outstanding: 133,000 Options under ESOP 2018 Scheme and 717,697 Options under ESOP 2022 Scheme	N.A.	1,000

ESOP 2018 Scheme refers to Chalet Hotels Limited – Employee Stock Option Plan 2018

ESOP 2022 Scheme refers to CHL Employee Stock Option Plan 2022

Notes:

1. Mr. Hetal Gandhi is an Independent Director of Ami Organics Limited, Shilpa Medicare Limited and Syrma SGS Technology Limited and a Non-Executive Director in Singer India Limited.
2. Mr. Joseph Conrad D'Souza is an Independent Director of Camlin Fine Sciences Limited.
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.
6. All the Non-Independent Directors are liable to retire by rotation.

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

Familiarisation Programme

The Policy on Familiarisation Programmes for Independent Directors and details of such programmes 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 programmes 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 markets, 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 & 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 Housing Development Finance Corporation Limited since 1984 and is currently Member of Executive Management & Chief Investor Relations Officer. His responsibilities include corporate planning and budgeting, corporate finance and investor relations. He was earlier Treasurer of HDFC. He has also been a consultant in mortgage finance to multilateral institutions in Asia, Africa and Eastern Europe.
Mr. Arthur DeHaast	- Bachelors Degree in Hotel Management, University of Strathclyde	Mr. Arthur DeHaast has been associated with Jones Lang LaSalle incorporated since August 4, 1987 in a variety of senior roles, including the Global Chief Executive Officer and then Chairman of its hotels and hospitality group. Currently, he is Chairman of 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. Mr. DeHaast has over 38 years of experience in Hospitality and Real Estate sector and has led many transactional and advisory assignments. He has been elected as a Life Fellow of the Institute of Hospitality. He is also a Member on the Board of InterContinental Hotels Group PLC and a member of the Advisory Board of 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 VIP 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 revitalising 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 27 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 Programme from Harvard Business School	Mr. Neel C. Raheja is the Group President at 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 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 green initiatives for the Group. He chairs some of the most important committees that shape key industry developments.
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 35 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, competencies 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 Committee, 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 ESOPs to Managing Director:

Mr. Sanjay Sethi, Managing Director & CEO was reappointed by the Members of the Company at the Annual General Meeting held on August 12, 2021, 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	38,304,109
Perquisites	-
Superannuation	-
Bonus (Statutory, Retention and Performance)	10,976,076
Total	49,280,185
Number of outstanding stock options granted	*133,000 Options under ESOP 2018 Scheme and 717,697 Options under ESOP 2022 Scheme equivalent to same number of Equity Shares*

Mr. Sanjay Sethi, Managing Director & CEO has been granted Stock Options under the Chalet Hotels Limited - Employee Stock Option Plan 2018 ('ESOP 2018 Scheme') and CHL Employee Stock Option Plan 2022 ('ESOP 2022 Scheme'). The Board of Directors of the Company at the meeting held on May 10, 2022, based on the recommendation of the CNR Committee had a) approved the variation in the terms of the ESOP 2018 Scheme and recommended extension of the exercise period from two years to four years and b) approved the ESOP 2022 Scheme. The said variation in ESOP 2018 Scheme and approval of the ESOP 2022 Scheme was approved by the Members of the Company by way of Postal Ballot with requisite majority on June 20, 2022. Further, Mr. Sanjay Sethi had exercised 1,000 Options granted under the ESOP 2018 Scheme and the CNR Committee had vide its resolution passed by circulation on September 05, 2022, approved the issue and allotment of 1,000 fully paid-up Equity Shares having a face value of ₹10 each. ESOP expense amounting to ₹46,546,471 has been recognized during the Financial Year ended on March 31, 2023.

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 ₹ 2.2 million during the year under review, pursuant to approval of the Shareholders at their Meetings held on August 02, 2017 and June 13, 2018.

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 ₹100,000 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 with Section 197 of the Act.

Meeting of Independent Directors

During the year under review, one meeting of the Independent Directors was held on February 13, 2023 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 2022-23 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 comply 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 2022-23. 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 to the 'Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting Trading by Designated Persons' and 'Code of Practices and Procedures 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 at www.chalethotels.com/wordpress/wp-content/uploads/2021/09/Code-of-Internal-Procedures-and-Conduct-for-Regulating-Monitoring-and-Reporting-Trading-by-Designated-Persons.pdf and www.chalethotels.com/wordpress/wp-content/uploads/2021/04/CODE-OF-PRACTICES-AND-PROCEDURES-FOR-FAIR-DISCLOSURE-OF-UNPUBLISHED-PRICE-SENSITIVE-INFORMATION.pdf.

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, Mr. Arthur DeHaast, 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 Chief Internal Auditor who reports to the Audit Committee oversees the Internal Audit function of the Company. 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 Listing Regulations.

The Committee also receives the report on compliance under the Code of Conduct for SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Vigil Mechanism and 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 Operating 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 26, 2022	May 10, 2022	July 28, 2022	October 21, 2022	January 24, 2023
Mr. Joseph Conrad D'Souza	Chairperson and Independent Director	Yes	Yes	Yes	Yes	Yes
Mr. Hetal Gandhi	Member and Independent Director	Yes	Yes	Yes	Yes	Yes
Mr. Arthur DeHaast (appointed as a Member w.e.f. January 24, 2023)	Member and Independent Director	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Ravi C. Raheja	Member and Non-Executive Director	Yes	No	Yes	No	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, Ms. Radhika Piramal, 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		
		April 20, 2022	July 22, 2022	March 23, 2023
Mr. Joseph Conrad D'Souza	Chairperson and Independent Director	Yes	Yes	Yes
Mr. Arthur DeHaast	Member and Independent Director	Yes	Yes	Yes
Ms. Radhika Piramal (appointed as a Member w.e.f. January 24, 2023 and as a Chairperson we.f. May 9, 2023)	Member and Independent Director	N.A.	N.A.	Yes
Mr. Neel C. Raheja	Member and Non-Executive Director	Yes	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 10, 2022
Mr. Joseph Conrad D'Souza	Chairperson and Independent Director	Yes
Mr. Ravi C. Raheja	Member and Non-Executive Director	No
Mr. Neel C. Raheja	Member and Non-Executive Director	Yes
Mr. Sanjay Sethi	Member and Managing Director & Chief Executive Officer	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 and ESG 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 10, 2022	January 24, 2023
Mr. Hetal Gandhi	Chairperson and Independent Director	Yes	Yes
Ms. Radhika Piramal	Member and 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'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	
		May 10, 2022	November 01, 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 last three Annual General Meetings held:

Year	Particulars of Meeting	Location	Number and Nature of Special Resolutions passed, if any
2022-23	Wednesday, September 14, 2022 at 3:00 p.m.	Through Audio-Video Conference Deemed Venue: Raheja Tower, Bandra Kurla Complex, Mumbai.	Two Special Resolutions - To raise funds from the Promoters by way of Unsecured Loans or Inter Corporate Deposits or any combination thereof - Issue of Non-Convertible Debentures on a Private Placement basis
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

POSTAL BALLOT

Details of Special Resolutions passed in FY2023 through Postal Ballot:

The Company had sought approval of the Shareholders by way of Special Resolutions through Notice of Postal Ballot dated May 10, 2022 for the following proposals:

– Approval of the CHL Employee Stock Option Plan 2022

– Approval for variation in the terms of Chalet Hotels Limited - Employee Stock Option Plan 2018.

The said resolutions were approved by the Members of the Company on June 20, 2022.

The person who conducted the postal ballot exercise:

Mr. Makarand M. Joshi (Membership No: 5533), Partner of M/s. Makarand M. Joshi & Co., Practising Company Secretaries, Mumbai, was appointed as the Scrutinizer to scrutinize the Postal Ballot process in a fair and transparent manner.

Details of the voting pattern:

Resolution Item No. 1: Special Resolution: Approval of the CHL Employee Stock Option Plan 2022.

Category	No. of shares held	No. of votes polled	% of Votes Polled on out-standing shares	No. of Votes - in favour	No. of Votes-Against	% of Votes in favour on votes polled	% of Votes against on votes polled
	[1]	[2]	[3]={[2]/[1]}"100	[4]	[5]	[6]={[4]/[2]}*100	[7]={[5]/[2]}*100
Promoter & Promoter Group	146902680	146902680	100.00	146902680	0	100.00	0.00
Public Institutions	47797398	46184567	96.63	29145819	17038748	63.11	36.89
Public Non-Institutions	10323786	339387	3.29	338782	605	99.82	0.18
Total	**205023864**	**193426634**	**94.34**	**176387281**	**17039353**	**91.19**	**8.81**

Resolution Item No. 2: Special Resolution: Approval for variation in the terms of 'Chalet Hotels Limited - Employee Stock Option Plan 2018.

Category	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes-Against	% of Votes in favour on votes polled	% of Votes against on votes polled
	[1]	[2]	[3]={[2]/[1]}"100	[4]	[5]	[6]={[4]/[2]}*100	[7]={[5]/[2]}*100
Promoter & Promoter Group	146902680	146902680	100.00	146902680	0	100.00	0.00
Public Institutions	47797398	46184567	96.63	41283614	4900953	89.39	10.61
Public Non-Institutions	10323786	339387	3.29	338883	504	99.85	0.15
Total	**205023864**	**193426634**	**94.34**	**188525177**	**4901457**	**97.47**	**2.53**

Details of Special Resolutions proposed to be conducted through Postal Ballot:

None of the businesses proposed to be transacted at the ensuing AGM requires passing of a Special Resolution through Postal Ballot.

Procedure of Postal Ballot:

The Special Resolutions were passed by way of Postal Ballot which was conducted pursuant to and in compliance with the provisions of Section 110 and all other applicable provisions, if any, of the Act, Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, read with General Circular No. 14/2020 dated April 08, 2020, No. 17/2020 dated April 13, 2020, and No. 20/2021 dated December 08, 2021 issued by the Ministry of Corporate Affairs, respectively (collectively referred to as the "**MCA Circulars**") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Regulation 44 of the Listing Regulations, and pursuant to other applicable laws and regulations by remote e-voting process. The Notice was sent through email to all the Members who have registered their email addresses with the Company or Depository / Depository Participants. The Remote E-voting commenced on Sunday, May 22, 2022 from 9.00 a.m. (IST) and ended on Monday, June 20, 2022 at 5.00 p.m. (IST). Mr. Makarand M. Joshi (Membership No:

5533), Partner of M/s. Makarand M. Joshi & Co., Practising Company Secretaries, Mumbai, was appointed as the Scrutinizer for conducting the Postal Ballot through Remote Evoting in a fair and transparent manner. The Scrutinizers submitted their report and the results along with the Scrutinizer's Report were made available on the website of the Company viz. www.chalethotels.com/disclosure/ and on the website of KFin Technologies Limited viz. https://evoting.kfintech.com and were also communicated to National Stock Exchange of India Limited and BSE Limited.

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/financials/.

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

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

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 Depository / Depository Participant / 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/annual-reports/.

GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting:

Date:	Thursday, August 10, 2023
Time:	3.00 p.m.
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 01, 2022 to March 31, 2023
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 and number of Equity Shares of the Company traded during each month in the Financial Year 2023 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 2022	332.70	275.00	6,359,385	332.15	275.35	600,337
May 2022	315.00	275.30	5,432,934	314.95	276.60	988,346
June 2022	323.65	276.70	5,603,585	323.80	278.30	480,695
July 2022	345.00	306.70	7,001,732	345.00	306.85	526,089
August 2022	361.00	308.05	4,965,664	361.05	308.45	455,077
September 2022	363.00	320.20	6,498,486	362.85	318.20	665,808
October 2022	410.00	349.80	5,906,272	409.85	349.50	657,029
November 2022	404.95	303.95	4,473,087	400.60	304.05	298,045
December 2022	376.30	313.30	2,205,350	375.45	312.40	191,503
January 2023	366.90	327.00	5,213,780	366.00	329.00	166,957
February 2023	387.55	347.55	3,463,454	387.80	345.90	241,804
March 2023	382.00	357.00	2,388,818	380.75	354.25	111,329

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 2022	298.75	14,783.35	298.45	23,551.65
May 2022	297.05	14,119.60	297.10	22,497.64
June 2022	314.65	13,387.55	314.75	21,324.54
July 2022	317.85	14,665.65	318.30	23,359.64
August 2022	322.30	15,325.05	322.55	24,437.22
September 2022	353.35	14,829.35	354.90	23,642.46
October 2022	365.25	15,424.00	364.10	24,589.55
November 2022	372.40	15,946.15	371.40	25,406.76
December 2022	347.55	15,448.85	347.20	24,605.78
January 2023	355.15	14,935.50	352.70	23,778.46
February 2023	366.70	14,518.75	366.75	23,084.79
March 2023	363.15	14,557.85	362.70	23,160.01

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.: INR000000221

Share Transfer System:

In terms of Regulation 40(1) of 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 dematerialized 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, 2023				As on March 31, 2022			
	Number of Share-holders	% to Total Number of Shareholders	Amount in ₹	% to Total Amount	Number of Share-holders	% to Total Number of Shareholders	Amount in ₹	% to Total Amount
upto 5000	30793	95.00	17799780	0.87	28760	93.71	19181740	0.94
5001 - 10000	915	2.82	6713650	0.33	1013	3.30	7619060	0.37
10001 - 20000	340	1.05	4930190	0.24	427	1.39	6298530	0.31
20001 - 30000	88	0.27	2262480	0.11	152	0.50	3905320	0.19
30001 - 40000	49	0.15	1734790	0.08	59	0.19	2072990	0.10
40001 - 50000	46	0.14	2168990	0.11	61	0.20	2924870	0.14
50001 - 100000	72	0.22	5282730	0.26	86	0.28	6252340	0.30
100001 & Above	111	0.34	2009356030	98.01	134	0.44	2001983790	97.65
	32414	**100.00**	**2050248640**	**100.00**	**30692**	**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 dematerialised 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 dematerialised 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 and accordingly there is no likely impact on the Equity Share Capital.

Commodity price risk or foreign exchange risk and hedging activities

The Company had booked forward cover for USD 5.8 million during the Financial Year under review.

Unit locations:

Hospitality Portfolio:

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

The 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.

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

Hospitality Portfolio of Subsidiary (The Dukes Retreat Private Limited)

The Dukes Retreat
Pune – Mumbai Road, Lonavala 410301.

Rental & Annuity Portfolio:

CIGNUS Whitefield Bangalore®
Plot No 75, EPIP Area, Whitefield, Bengaluru 560 066.

The Orb, 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+(Negative)	IND BBB+ /Positive
	Non-Fund based Working Capital limits	IND A2	IND A2+
ICRA Limited	Term Loans, Long-Term Fund Based limits	ICRA BBB+(Negative)	ICRA BBB+(Stable)
	Short Term Non-Fund based limits	ICRA A2	ICRA A2 Reaffirmed

OTHER DISCLOSURES

Materially Significant Transactions with Related Parties

During the year under review, there were no materially significant related party transactions 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 September 14, 2022 in respect of a Material Related Party Transaction for raising of funds from the Promoters of the Company upto an amount of ₹1000 million in respect of the project expenses for Koramangala residential project and as on March 31, 2023, the Company has availed of a loan from the Promoters of ₹450 million.

Details of Compliance

There have been no instances of non-compliance by the Company, imposition of penalties and strictures by the Stock Exchanges, 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 Vigil Mechanism / 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 viz. www.chalethotels.com/wordpress/wp-content/uploads/2023/05/Vigil-Mechanism-and-Whistle-Blower-Policy-Rev-May-09-2023.pdf.

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 viz. www.chalethotels.com/wordpress/wp-content/uploads/2021/04/Policy-for-Determination-of-Material-Subsidiaries.pdf. 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 viz. www.chalethotels.com/wordpress/wp-content/uploads/2022/12/CHL-Related-Party-Policy.pdf.

Disqualification of Directors

M/s. KDA & Associates, Company Secretaries in Practice, have certified that as on March 31, 2023, 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, 2023.

Total fees for services paid to Statutory Auditors and its affiliates

Total fees of ₹17.18 million for Financial Year 2023, 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 41 to the Revised Standalone Financial Statements and Note 41 to the Revised 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 is as follows:

Number of complaints filed during the Financial Year	Number of complaints disposed of during the Financial Year	Number of complaints pending as on end of the Financial Year
7	6	1*

** the matter that was pending as at the end of the Financial Year has been resolved as at the date of this report.*

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, 2023 (in million)
Belaire Hotels Private Limited (Wholly Owned Subsidiary)*	₹1,971.80
Chalet Airport Hotel Private Limited (Wholly Owned Subsidiary)	₹292.50
Chalet Hotels and Properties (Kerala) Private Limited (Subsidiary Company)	₹56.00
Seapearl Hotels Private Limited (Wholly Owned Subsidiary)*	₹1.00

*amalgamated with the Company post end of Financial Year.

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 Investor Relations section. Hence, no half yearly results and significant events were sent to each of household of Shareholders.
- **Modified opinion(s) in audit report:** During the year under review, the Statutory Auditors have given an 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.
- **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:** The Internal Auditors are invited to the meetings of Audit Committee to present their observations during the course of Internal Audit. Further, the Company has appointed a Chief Internal Auditor of the Company to look after the in-house Internal Audit function who reports to the Audit Committee.

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 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, 2023.

For **Chalet Hotels Limited**

Sanjay Sethi
Managing Director & CEO
DIN: 00641243

Date: May 09, 2023
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', Next to Bank of Baroda,
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, 2023. 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 state that in respect of investor's grievance received during the year ended March 31 2023, the Registrar and Transfer Agent of the Company have certified that as at March 31, 2023, there were no investors' grievances remaining unattended / pending to the satisfaction of the investor.

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

For **KDA & Associates**
(Formerly known as KDT & Associates)
Practicing Company Secretaries

Ritesh Rajput
Partner
M. No: A69004 CP No: 25678
PR No.: 2154/2022
UDIN: A069004E000276805

Place: Mumbai
Date: May 09, 2023

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURE

I. Details of the Listed Entity

1	Corporate Identity Number (CIN) of the Listed Entity	L55101MH1986PLC038538
2	Name of the Listed Entity	Chalet Hotels Limited
3	Year of incorporation	1986
4	Registered Office Address	Raheja Tower, Plot No. C-30, Block 'G', Next to Bank of Baroda, Bandra Kurla Complex, Bandra (East), Mumbai 400051
5	Corporate Address	Raheja Tower, Plot No. C-30, Block 'G', Next to Bank of Baroda, Bandra Kurla Complex, Bandra (East), Mumbai 400051
6	E-mail	companysecretary@chalethotels.com
7	Telephone	022 26564000
8	Website	www.chalethotels.com
9	Financial year for which reporting is being done	April 01, 2022 to March 31, 2023
10	Name of the Stock Exchange(s) where shares are listed	The National Stock Exchange of India Limited BSE Limited
11	Paid-up Capital	₹ 4,210,248,640
12	Contact Person	
	Name of the Person	Christabelle Baptista
	Telephone	022 26565496
	Email address	christabelle.baptista@chalethotels.com
13	Reporting Boundary	
	Type of Reporting- Select from the Drop-Down List	Consolidated
	If selected consolidated:	

Sr.	Name of the Subsidiaries / JVs / Associate Companies	CIN Number
1.	The Dukes Retreat Private Limited*	U55200MH1968PTC013933
2.	Sonmil Industries Private Limited	U29253MH1976PTC018883
3.	Chalet Hotels & Properties (Kerala) Private Limited	U55101KL2006PTC020125
4.	Chalet Airport Hotel Private Limited	U55101MH2022PTC388704

Notes:

'The Dukes Retreat Private Limited' was acquired on March 23, 2023, therefore the initiatives relating to that entity have not been considered in this report

Belaire Hotels Private Limited and Seapearl Hotels Private Limited, Wholly Owned Subsidiaries of the Company have been amalgamated into the Company. The Appointed Date as per the Scheme of Arrangement is April 01, 2020 and Effective Date is June 19, 2023.

II. Product/Services

14	**Details of business activities**	**Sr.**	**Description of Main Activity**	**Description of Business Activity**	**% Turnover of the Entity**
		1.	Accommodation and Food Service	Accommodation services provided by Hotel, Inns, Resorts, Holiday Homes, hostel, etc.	87%
		2.	Real Estate	Real estate activities with own or leased property	8%

15	**Products/ Services sold by the entity**	**Sr.**	**Product/Service**	**NIC Code**	**% of Total Turnover contributed**
		1.	Accommodation and Food Service	551	87%
		2.	Real Estate	701	8%

III. Operations

16	**Number of locations where plants and/or operations/offices of the entity are situated:**	**Location**	**Number of plants**	**No. of Offices**	**Total**
		National	0	9	9
		International	0	0	0

17	**Market served by the entity**	**Locations**	**Numbers**
	a. No. of Locations	**National (No. of States)**	3
		International (No. of Countries)	0
	b. What is the contribution of exports as a percentage of the total turnover of the entity?	Not Applicable. The Company does not engage in any exports.	
	c. A brief on types of customers	Customers for the Company comprises of guests staying at the hotels, airline crew, customers at the restaurants, and tenants at the rented commercial spaces.	

IV. Employees

18. Details as at the end of Financial Year:

Sr.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
a.	**Employees and workers (including differently abled)**					
	Employees					
1	**Permanent Employees (A)***	854	693	81.1%	161	18.9%
2	**Other than Permanent Employees (B)****	177	146	82.5%	31	17.5%
3	**Total Employees (A+B)**	**1,031**	**839**	**81.4%**	**192**	**18.6%**
	Workers					
4	**Permanent (C)^**	871	768	88.2%	103	11.8%
5	**Other than Permanent (D)^^**	642	515	80.2%	127	19.8%
6	**Total Workers (C+D)**	**1,513**	**1283**	**84.8%**	**230**	**15.2%**
b.	**Differently abled employees and workers**					
	Employees					
7	**Permanent Employees (E)**	3	3	100%	Nil	Nil
8	**Other than Permanent Employees (F)**	2	2	100%	Nil	Nil
9	**Total Employees (E+F)**	5	5	100%	Nil	Nil

Sr.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
		Workers				
10	**Permanent (G)**	14	14	100%	Nil	Nil
11	**Other than Permanent (H)**	6	5	83%	1	17%
12	**Total Differently Abled Employees (G+H)**	20	19	95%	1	5%

Notes:

*All employees on Roll in Supervisor and above category

**All employees in Fixed Term Contract and outsourced contract in Supervisor and above category

^All employees on Roll in Line Staff or Rank and file category

^^All employees in Fixed Term Contract and outsourced contract in Line staff or Rank and file category

19. Participation/Inclusion/Representation of women

Sr.	Category	Total (A)	No. and % of females	
			No. (B)	% (B/A)
1.	Board of Directors	7	1	14.3%
2.	Key Management Personnel	3	1	33.3%

Notes:

- The Company considers Mr. Sanjay Sethi - Managing Director (MD) and Chief Executive Officer (CEO) as a member of the Board of Directors.
- The Company considers Mr. Rajneesh Malhotra - Chief Operating Officer (COO), Mr. Milind Wadekar - Chief Financial Officer (CFO) and Ms. Christabelle Baptista - General Manager – Legal, Company Secretary & Compliance Officer as Key Management Personnel.

20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Category	2022-23			2021-22			2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	25.51%	28.65%	26.09%	Not Available					
Permanent Workers	38.50%	56.52%	41.24%	Not Available					

Note: Turnover rate in current FY includes Total Employees (permanent+ other than permanent) and Total Workers (permanent+ other than permanent)

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

Sr.	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether it is a holding / Subsidiary / Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Chalet Airport Hotel Private Limited	Subsidiary	100%	No
2.	Sonmil Industries Private Limited	Subsidiary	100%	No
3.	Chalet Hotels & Properties (Kerala) Private Limited	Subsidiary	90%	No
4.	The Dukes Retreat Private Limited	Subsidiary	82.3%	No

Sr.	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether it is a holding / Subsidiary / Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
5.	Krishna Valley Power Private Limited	Associate	33.1%	No
6.	Sahyadri Renewable Energy Private Limited	Associate	26.1%	No

Notes:

– 'The Dukes Retreat Private Limited' was acquired on March 23, 2023, therefore the initiatives relating to that entity have not been considered in this report

– Belaire Hotels Private Limited and Seapearl Hotels Private Limited, Wholly Owned Subsidiaries of the Company have been amalgamated into the Company. The Appointed Date as per the Scheme of Arrangement is April 01, 2020 and Effective Date is June 19, 2023.

VI. CSR Details

22	**a. Whether CSR is applicable as per section 135 of Companies Act, 2013:**	Yes
	Turnover (in million ₹)	11,780
	Net worth (in million ₹)	11,090

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	If Yes, then provide web-link for grievance redressal policy	2022-23			2021-22		
			Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	NA	0	0	NA	0	0	NA
Investors (other than shareholders)	Yes	https://www.chalethotels.com/investors-contact/	0	0	NA	0	0	NA
Shareholders	Yes	https://www.chalethotels.com/wordpress/wp-content/uploads/2023/05/Vigil-Mechanism-and-Whistle-Blower-Policy-Rev-May-09-2023.pdf	0	0	NA	0	0	NA
Employees and workers	Yes		8	1	The complaint pending was resolved post end of the financial year. Necessary procedure was followed and appropriate action was taken.	3	0	Necessary procedure was followed and appropriate action was taken.
Customers	Yes		1	0	The grievance raised by the customer was appropriately redressed.	1	0	
Value Chain Partners	Yes		0	0	NA	0	0	NA

NA is Not Applicable

24. Overview of the entity's material responsible business conduct issues

Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications
Sustainable Profitability & Return on Investment	Opportunity	The company focuses on driving industry leading business efficiency. The efficiency process starts from the design and development stage and is carried forward to our asset and hotel management stages. Combination of right capital allocation, design efficiency along with regular oversight on operations have positioned the portfolio as the sustainable and strong returns model.	-	Positive
Talent Management	Risk	Talent management is one of the greatest risks for the hospitality industry in the post COVID era. The industry saw migration of talent to other industries accompanied by shortage of fresh incoming talent creating a huge void in the talent pool/pipeline. Post recovery of the sector, the attrition which was at an all time high due to sudden increase in demand for talent further added to the void. Being a people business, attracting and retaining talent is critical and the baseline for the success of the company.	The Company has strong HR policies with a high level of employee engagement. There are several employee centric policies like paternity leave, pride policy, Aanchal Policy, women leadership programs etc. There are performance-linked incentive plans as well. This is coupled with a comprehensive succession plan and robust learning and development programs at all levels resulting in a conducive work environment that promotes individual well-being and enhances the performance of its workforce.	Negative
Health & Safety	Risk	Identifying relevant areas of work to provide information on hazards, necessary safety equipment, appropriate usage of equipment and procedures is critical for the well-being of all.	The Company follows health and safety protocols as required by regulatory authorities at its offices, construction sites and facilitates the same at its properties managed by operator brands The Company conducts regular audits / inspections of all the existing projects under operation, new projects under construction along with the supplier /vendor premises to ensure there are no safety violations and endorse the culture of zero workplace incidents	Negative
Human Rights	Risk	The Company views Human Rights Due Diligence (HRDD) as a risk management strategy that assists in identifying, responding to, mitigating, and preventing adverse human rights impacts in its own operations and supply chains	The Company adheres to global best practices in safeguarding human rights of the people we engage through the course of our operations. The Company follows necessary processes to ensure compliance against human rights issues	Negative
Data Privacy and Cyber Security	Risk	The Company's systems and proprietary data is stored electronically, including guests' sensitive personal and financial information, which may be vulnerable to computer viruses, cybercrime, computer hacking and similar disruptions from unauthorized tampering. Such technology systems may also be vulnerable to ransomware attacks, which may block or restrict access to these systems and impair their functionality	The Company is continuously ramping up its digital capabilities which helps in ensuring security of data and systems through cutting-edge technology and strong protocols to detect and respond to breaches, if any	Negative

Material Issue Identified	Indicate whether risk or opportunity	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications
Risk Management	Opportunity	The Company has established a comprehensive risk mitigation framework led by members of the Board. The Company is committed to continuously monitoring changes within the operating environment and proactively responding to these.	-	Positive
Climate Change	Risk	The nature of the business requires the Company to carefully evaluate the environmental impact of our activities. External stakeholders expect and emphasize the Company to adopt environmentally friendly business practices. Business operations are highly dependent on the availability of energy.	The Company recognizes climate change as one of the key emerging risks and is undertaking measures to put an effective management system. The Company is focused on improving the energy productivity of its operations and effectively manage operational emissions	Negative
Operational Efficiency - Energy, Water, Waste	Opportunity	The Company is conscious of the environmental impact of its business operations and is consistently optimizing its operations to minimize electricity usage, reduce water consumption and usage of other natural and man-made materials. The Company also directs significant efforts through technology and infrastructure to minimize the discharge of waste, treat it beforehand and recycle it to the extent possible.	-	Positive
Customer Delight	Opportunity	The Company focuses on its ability to deliver customer delight through operator brands who enjoy global repute and bring years of expertise in the delivery of hospitality services. The Company supports them by providing properties built to facilitate world-class delivery they are known for.	-	Positive
Responsible Procurement	Risk	Any disruption in the supply chain can have a significant impact on operations and customer service.	The Company aspires to transform its value chain and relationships with value chain partners including customers, suppliers and vendors. As part of this effort, the Company relies heavily on its value chain partners to meet daily operations. The Company is in the process of adopting sustainable sourcing practices such as defining and diversifying the supplier base, promoting local sourcing, conducting supplier assessments etc.	Negative
Community Initiatives	Opportunity	As a socially responsible corporate citizen, the Company runs a variety of programs to enrich and empower disadvantaged communities around the areas of operations. The Company's social initiatives fall under the purview of its Board-level Corporate Social Responsibility & ESG Committee. The Company is in the process to strategize its CSR approach to reach out to more people and communities in need and create positive shared value for a better sustainable world.	-	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Policy and Management Processes									
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		The Policies have been approved either by the Board or the Corporate Social Responsibility & 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.								
	c. Web Link of the Policies, if available	Policies - (chalethotels.com)								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Name of the national and international codes/ certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The Company's IT System is ISO 27000 certified and has aligned its assets as per USGBC LEED / IGBC certification.								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Company has the following commitments with respect to the Climate Group Initiatives of RE100, EP100 and EV100: • RE100 (Renewable Energy): Move to 100% renewable energy by FY 2030-31. • EP100 (Energy Productivity): Double energy productivity (revenue per unit of electricity consumed) by FY 2028-29 from a base year FY 2015-16. • EV100 (Electric Vehicles): Move entire fleet to EVs for guest transportation by FY 2024-25.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Performance of the Company against the specific commitments with respect to the Climate Group Initiatives of RE100, EP100 and EV100 are as follows: • **RE100 (Renewable Energy):** The Company sourced 78% of its electricity from renewable sources to facilitate the commitment of moving to 100% renewable energy by FY 2030-31. • **EP100 (Energy Productivity):** The Company is strategically investing in technology and IoT-enabled solutions such as Digital check-ins, Mobile key, Building Management System, IOT system for HVAC to address reduction in energy consumption. • **EV100 (Electric Vehicles):** All Company properties are equipped with EV charging points accessible to both employees and visitors.								

Governance, Leadership and Oversight										
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements Please refer to Page No. 18 of the Company's FY 2022-23 Integrated Annual Report.									
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Company's Corporate Social Responsibility & ESG Committee is the highest authority responsible for implementation and oversight of the Business Responsibility Policy comprising 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.								
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
		The Company's Corporate Social Responsibility & ESG Committee is responsible for decision making on sustainability related issues. The Committee is tasked with the following: • Formulate 'ESG Policy' and 'Environment Policy' for the Company, covering all the areas of ESG initiatives and engagements • 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 • Set appropriate strategic goals / KPIs / associated targets related to ESG and oversee the development and performance against those goals, KPIs and targets • Ensure that the Company provides appropriate information and is transparent in its reporting relating to ESG • Any other matter as the Corporate Social Responsibility & ESG Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time.								

10. Details of Review of NGRBCs by the Company:	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									
Performance against above policies and follow up action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)									
Performance against above policies and follow up action	All the policies are reviewed periodically or as the need may arise								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Compliances are reviewed on an on-going basis and action, if any, are taken								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	**P1**	**P2**	**P3**	**P4**	**P5**	**P6**	**P7**	**P8**	**P9**
	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	TUV India Private Limited provided assurance on non-financial sustainability disclosures based on GRI standards for FY 2022-23								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

NA is Not Applicable

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS

ESSENTIAL INDICATORS

1. **Percentage coverage by training and awareness programmes on any of the NGRBC Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	5#	Anti-Corruption, Information Security, Risk Management, ESG and Diversity & Inclusion.	29%
Key Management Personnel	22	Anti-Corruption, Information Security, ESG, Ethics, CSR, Compliance, Code of Conduct, Anti-Bribery, Social Media usage, GDPR Learning, Business Courtesies and Gifting Policy, Greetings and Grooming, Fire Safety, Security, Sensitization on Diversity & Inclusion, POSH, HR Guidelines, ERT	100%
Employees other than BODs and KMPs	1,484		100%
Workers	4,791		100%

participation of individual members of the Board considered

Note: All of the Company's individual hotel properties except Four Points By Sheraton Navi Mumbai, Vashi and Novotel Pune Nagar Road follow their respective training calendars in a January – December.

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format.**

   a. Monetary

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil

b. Non-Monetary

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

   Not Applicable.

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

   Yes. The Company is in alignment with the Prevention of Corruption Act, 1988, and any applicable legislation in its jurisdiction and ensures that giving bribes to governmental officials and agents, whether directly or indirectly, remains strictly prohibited. As a law-abiding associate/employee of the Company, one will not directly or indirectly pay any bribe to any other associate/employee, Governmental officials, business associates, contractors, vendors, agents, etc. The Company addresses ethics, corruption and bribery through a comprehensive policy framework that includes:

   - Business Responsibility Policy
   - Supplier Code of Conduct
   - Employee's Code of Conduct
   - Code of Conduct for Board and Senior Management Policy
   - Vigil Mechanism and Whistle Blower Policy

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:**

Category	2022-23	2021-22
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. **Details of complaints with regard to conflict of interest:**

Topic	2022-23		2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of KMPs	Nil	NA	Nil	NA

NA is Not Applicable

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

   Not Applicable. There were no cases of corruption and conflicts of interest reported during the reporting period.

LEADERSHIP INDICATORS

1. **Awareness programmes conducted for value chain partners on any of the NGRBC Principles during the financial year:**

Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	Percentage of persons in value chain covered by the awareness programmes
0	0	0

Note:

The Company has planned awareness programmes for value chain partners for the next financial year.

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/ No) If Yes, provide details of the same.**

   Yes. The Company's Code of Conduct for the Board and Senior Management states the following: 'Directors on the Board of the Company and the Senior Management shall not engage in any business, relationship or activity, which may be in conflict with the interest of the Company or the group. A conflict of interest exists where the interest or benefits of one person or entity conflict with the interest or potential benefits of the Company. No employee including key managerial personnel or director or promoter of the Company shall enter into any agreement for himself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company, in terms of provisions of Listing Regulations.'

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

1. **Percentage of R&D and Capital Expenditure (CAPEX) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

Type	2022-23	2021-22	Details of improvement in social and environmental aspects
Research & Development (R&D)	0.5%	Not Available	Reduction in energy consumption
Capital Expenditure (CAPEX)	0	0	--

Note:

Total R&D expenditure percentage during FY 2022-23 out of Total Heat Light Power Cost that includes electricity, fuel, water and utility charges.

The Company will develop a mechanism in FY 2023-24 to measure and disclose the capex investments spent in improving the environmental and social impacts of its services.

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

   Yes, the process is in place as a part of our Green Buildings initiative, three of our properties of the portfolio are already USGB Gold LEED-certified where more than 50% of the materials sourced (by value) are locally sourced (within India).

   In addition, we encourage our suppliers and sub-contractors to accept and agree with the terms and conditions of our Supplier Code of Conduct published in FY 2022-23.We expect our suppliers and vendors to adopt sound labour practices and treat their workers fairly following local laws.

b. **If yes, what percentage of inputs were sourced sustainably?**

in million ₹

Unit of reporting (i.e by Quantity or by Value - please specify)	Total No. of Inputs sourced	No. of Inputs that were sourced sustainably	Percentage of inputs that were sourced sustainably
Value	3,555	3,437	96.69%

Note:

Inputs sourced sustainably is within India.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Product	Process to safely reclaim the product
a. Plastics (including packaging)	The Company recycles plastics and e-waste generated in its operations through third-party authorized recyclers.
b. E-Waste	
c. Hazardous Waste	
d. Other Waste	

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

   Not Applicable.

LEADERSHIP INDICATORS

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

   Not Applicable as no Life Cycle Perspective / Assessments (LCA) was conducted during the year.

Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No) If yes provide web-link
Not Applicable				

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

   Not Applicable as no Life Cycle Perspective / Assessments (LCA) was conducted during the year.

Sr.	Name of the product	Description of the risk	Action Taken
Not Applicable			

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

   Not Applicable.

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	2022-23			2021-22		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics (including packaging)	Not Applicable. The Company is in the hospitality business (services industry).					
E-waste						
Hazardous waste						
Other waste						

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

   Not Applicable.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	%(C/A)	No.(D)	%(D/A)	No. (E)	%(E/A)	No. (F)	%(F/A)
Permanent Employees											
Male	693	693	100%	693	100%	NA	NA	485	70%	110	16%
Female	161	161	100%	161	100%	161	100%	NA	NA	104	65%
Total	**854**	**854**	**100%**	**854**	**100%**	**161**	**19%**	**485**	**57%**	**214**	**25%**
Other than Permanent Employees											
Male	146	146	100%	128	88%	NA	NA	120	82%	80	55%
Female	31	31	100%	30	96%	30	96%	NA	NA	24	76%
Total	**177**	**177**	**100%**	**158**	**89%**	**30**	**17%**	**120**	**68%**	**104**	**59%**

NA is Not Applicable

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% B/A)	No. (E)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	%(F/A)
Permanent Workers											
Male	768	584	76%	584	76%	NA	NA	584	76%	177	23%
Female	103	84	82%	84	82%	84	82%	NA	NA	69	67%
Total	**871**	**668**	**77%**	**668**	**77%**	**84**	**10%**	**584**	**67%**	**246**	**28%**
Other than Permanent Workers											
Male	515	340	66%	340	66%	NA	NA	340	66%	41	8%
Female	127	90	71%	90	71%	90	71%	NA	NA	90	71%
Total	**642**	**430**	**67%**	**430**	**67%**	**90**	**14%**	**340**	**53%**	**131**	**20%**

NA is Not Applicable

2. Details of retirement benefits, for Current FY and Previous Financial Year:

Sr.	Benefits	2022-23			2021-22		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)
1	PF	100%	100%	Yes	100%	100%	Yes
2	Gratuity	100%	100%	Yes	100%	100%	Yes
3	ESI	100%	100%	Yes	100%	100%	Yes

3. **Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

   Yes, the premises / offices of the Company are accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

   Yes. As an Equal Opportunity Employer, the Company ensures an Equal Opportunity Workplace by providing and maintaining equal opportunities at the time of recruitment as well as during the course of employment.

   The Company is committed to building a work environment of mutual trust, where all members are treated with dignity and respect. Members will be recruited, selected, developed, transferred, and advanced basis our principle of meritocracy – requirements of the role and business.

   The Company's commitment further extends to the treatment of all other Members of the Company with dignity, courtesy, respect and with equality irrespective of race, colour, religion, gender identity, age, national origin, sexual orientation, marital status, physical disability, etc. You will not abuse your position and influence other Member(s) for committing any type of offence.

   The Company addresses equal opportunity through a comprehensive policy structure which can be accessed by all stakeholders and includes the following policies:

   - Employee's Code of Conduct
   - Human Rights Policy
   - ESG Policy
   - Business Responsibility Policy

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	100%	100%	100%	100%
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

Category	Yes/No	Details of the mechanism in brief
Permanent Workers	Yes	The Company's Corporate addresses grievances through their Vigil Mechanism and Whistle Blower Policy. All complaints are referred to the Vigil Mechanism / Whistle Blower Committee which includes representatives from Human Resource, Loss Prevention and Executive Committees to address employee grievances. Together, they address employee grievances and report the results of investigations, being reported to the Audit Committee on a quarterly basis. Complaints are filed through an associate's designated email ID, disclosing details and evidence of the matter to the extent possible. Any complaints against any of the member of the Committee are addressed to the Compliance Officer at companysecretary@chalethotels.com who in turn informs the Audit Committee Chairman. All employees and workers receive refresher classroom training sessions to raise awareness on grievance redressal.

Category	Yes/No	Details of the mechanism in brief
Other than Permanent Workers	Yes	Investigation is carried out in a fair manner and without presumption of guilt. All complaints reported under this Policy are thoroughly investigated and all information disclosed during the course of the investigation remains confidential, except as necessary to conduct the investigation and take any remedial action. Feedback regarding the outcome of the investigation is given to the complainant within 7 working days of its completion. The exact nature of any disciplinary action taken against any person remains confidential. The Company addresses grievances related to POSH Act 2013 through an Internal Complaints Committee (ICC) to whom concerns regarding any form of sexual harassment are raised.
Permanent Employees	Yes	Additionally, Marriott offers a direct line to the General Manager and a comprehensive complaint resolution system known as the Guarantee for Fair Treatment (GFT) wherein complaints are passed through successive stages in Marriott's hierarchy, starting with the immediate superior, depending on the nature of employee satisfaction with the redress response given at each stage. Novotel Pune Nagar Road addresses concerns regarding grievances like Fraud, Discrimination the same is notified on the Accor Whistleblowing Hotline namely Accor Integrity Platform: ACCOR Integrity Platform (accor-integrity.com), a third-party based portal which enables a team to whistle blow about any ethical or procedural wrongdoing at the organization, ensuring 100% protection with non-disclosure of the complainant's identity.
Other than Permanent Employees	Yes	

7. **Membership of employees and worker in association(s) or Unions recognized by the listed entity:**

Category	2022-23			2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	%(D/C)
Permanent Employees						
Male	693	Nil	Nil	527	Nil	Nil
Female	161	Nil	Nil	118	Nil	Nil
Total	**854**	**Nil**	**Nil**	**645**	**Nil**	**Nil**
Permanent Workers						
Male	768	437	57%	Not Available		
Female	103	76	74%	Not Available		
Total	**871**	**513**	**59%**	**690**	**Not Available**	

Note: The Company did not record gender-wise bifurcation for FY 2021-22.

8. **Details of training given to employees and workers:**

Category	2022-23					2021-22				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (A)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (B)	% (B/A)	No. (C)	% (C/A)
Employees										
Male	839	839	100%	839	100%	NA	NA	NA	NA	NA
Female	192	192	100%	192	100%	NA	NA	NA	NA	NA
Total	**1,031**	**1,031**	**100%**	**1,031**	**100%**	**645**	**645**	**100%**	**645**	**100%**
Workers										
Male	1,283	1,283	100%	1,283	100%	Not Available				
Female	230	230	100%	230	100%	Not Available				
Total	**1,513**	**1,513**	**100%**	**1,513**	**100%**	**690**	**690**	**100%**	**690**	**100%**

Notes: The Company did not record gender-wise bifurcation for FY 2021-22.

Employees and workers reported in FY 2021-22 covers only permanent employees and permanent workers.

9. Details of performance and career development reviews of employees and worker:

Category	2022-23			2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who had a career review (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who had a career review (D)	% (D/C)
Employees						
Male	839	252	30%	Not Available		
Female	192	79	41%	Not Available		
Total	**1,031**	**331**	**32%**	**645**	**284**	**44%**
Workers						
Male	1,283	NA	0	Not Available	0	0
Female	230	NA	0	Not Available	0	0
Total	**1,513**	**0**	**0**	**690**	**0**	**0**

NA is Not Applicable

Note: The Company did not record gender-wise bifurcation for FY 2021-22.

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No)	Yes. The Company provides care and assistance under its program to address employee health and safety: EWAP (Employee Well-being Assistance Program).
What is the coverage of such system?	The Employee Well-being Assistance Program (EWAP) includes: • Group Mediclaim Insurance • Personal Accident Insurance • Term Life Insurance • Access to EWAP 24*7 Helpline number • Regular health and dental check-up camps • Enhanced cleaning and sanitation protocols • Displaying proper signage and providing safety information and holding host safety training for all employees • COVID-19 vaccine shots
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	The Company implements measures to identify relevant areas of work to provide information on hazards, necessary safety equipment requirements, appropriate usage of equipment and procedures to ensure well-being of all employees. The Company also complies with all the statutory provisions on health and safety. During the construction period, the Company ensures that there is a designated Safety Officer on site to facilitate safe work practices. Furthermore, when the Company hires vendors for construction, they also ensure that the vendors have their safety practices and procedures in place.
c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)	The Company conducts regular audits/inspections of all the existing projects under operation, as well as new projects under construction along with the supplier/vendor premises. This is to ensure there are no safety violations and to endorse a culture of zero workplace incidents.
d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes. The Company organizes training sessions on mental health and well-being as well as health camps such as eye check-ups, dental checks etc. Additionally, the Company also educates and helps associates to avail government schemes and provisions.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	2022-23	2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	5.51	7.15
	Workers	0.23	0.72
Total recordable work-related injuries	Employees	16	13
	Workers	1	3
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

Note:

Total hours worked by all staff has been extrapolated annually for all employees and workers for both current and previous financial years by considering an average of 9 hours for working 6 days a week.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company implements measures to identify relevant areas of work to provide information on hazards, necessary safety equipment requirements, appropriate usage of equipment and procedures to ensure well-being of all employees. To support this endeavor, the Company commits to comply with all the statutory provisions on health and safety and conducts regular audits/inspections of all the existing projects under operation, as well as new projects under construction along with the supplier/vendor premises to ensure there are no safety violations and endorse the culture of zero workplace incidents.

The Company ensures that its suppliers provide their employees with a safe and healthy working environment to prevent accidents and injuries arising out of, linked with, or occurring in the course of work or resulting from supplier operations, with all suppliers doing the following:

- Provide occupational health and safety training to their employees
- Have a system in place for injury and illness reporting
- Identify, evaluate, and control worker exposure to physically demanding tasks, including manual material handling and heavy lifting, prolonged standing and highly repetitive or forceful assembly tasks being identified, evaluated and controlled
- Provide medical treatment and/or compensation as per applicable laws to injured/ill workers arising as a result of working for the Supplier
- Identify, evaluate, and control worker exposure to chemical, biological, and physical agents being identified, evaluated and controlled. When hazardous processes cannot be adequately controlled by engineering and administrative means, workers are provided with appropriate personal protective equipment and adequate safeguards are maintained.
- Ensure Machine safeguarding and other protective measures to prevent injuries/illnesses to workers
- Ensure that workers are provided clean and safe facilities including clean toilet facilities, access to potable water and sanitary food preparation and storage facilities.
- Ensure that workers' dormitories provided by the suppliers are clean, safe, and provide emergency egress, adequate heat and ventilation and reasonable personal space.

13. Number of Complaints on the following made by employees and workers:

Topic	2022-23			2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	NA	Nil	Nil	NA
Health & Safety	Nil	Nil	NA	Nil	Nil	NA

NA is Not Applicable.

14. **Assessments for the year:**

Topic	Percentage of plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. **Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

The Company complies with all the statutory provisions on health and safety and conducts regular audits/inspections of all the existing projects under operation, new projects under construction along with the supplier/vendor premises to ensure there are no safety violations, endorsing the culture of zero workplace incidents.

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).**

   a. Employees (Yes/No): Yes

   b. Workers (Yes/No): Yes

The Company offers a Group Term Life (GTL) Insurance in which a sum ₹ 1,000,000 or 4 times of CTC (whichever is higher) is assured, subject to a maximum of ₹ 3 crore in an event of death of an employee. For Corporate, the Company offers the same in which a sum ₹ 1,000,000 or 1 CTC (whichever is higher) is assured, subject to a maximum of ₹ 3 crore in an event of death of an employee. The Company's Group Mediclaim Policy takes care of any medical difficulties that may arise for employees and their families. This policy covers employees and 3 additional members of his / her family i.e. spouse, children, dependent parents, and dependent in-laws. After an employee joins, this policy becomes applicable from the 11th of the subsequent month.

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners**

We have engaged third party agency 'Core integra' for auditing & managing contractor compliance against the statutory dues.

3. **Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	2022-23	2021-22	2022-23	2021-22
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No).**

Not Applicable. Currently, the Company does not provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.

5. **Details on assessment of value chain partners:**

Topic	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil during 2022-23. However the Company is developing an assessment criteria for the vendors to understand their Environment Social and Governance performance.
Working Conditions	

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

   The Company complies with all the statutory provisions on health and safety and conducts regular audits/inspections of all the existing projects under operation, new projects under construction along with the supplier/vendor premises to ensure there are no safety violations, endorsing the culture of zero workplace incidents.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

1 NO POVERTY | 5 GENDER EQUALITY | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 11 SUSTAINABLE CITIES AND COMMUNITIES | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

ESSENTIAL INDICATORS

1. **Describe the processes for identifying key stakeholder groups of the entity:**

   The Company's process of stakeholder engagement encompasses the identification of key stakeholders, engaging with them across their preferred modes and channels and communicating the feedback obtained to relevant people within the organization, including the senior leadership and the Board. This facilitates strategy development and decision-making processes. The stakeholder engagement process is stakeholder-led, with key focus on understanding their expectations from our brands and the overall performance of the Company as an organization.

   The Company identifies and prioritizes stakeholders considering factors such as inclusivity, dependence, influence and diverse perspectives, enabling all identified stakeholders to participate in and/or influence sustainability topics, including our strategic response to them. It is important to note that stakeholders are responsible for their own behavior and practices, and their expectations significantly impact our approach to sustainability and our responses to their needs and concerns.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:**

   The Company considers all identified stakeholders as persons or groups of persons, such as investors and promoters, customers, employees, communities, suppliers, hotel operators and regulators, who are directly or indirectly affected by the Company's business operations, as well as those who may have interests or abilities to influence the outcomes of a business operation.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly /others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors and Promoters	No	Email, SMS, Newspaper Advertisements, Meetings, Notices, Stock Exchange and Company Website, Press Releases, Annual Report, Investor Presentations, Conferences and Correspondence surveys	Quarterly results, quarterly earnings conference calls and meeting, as and when required	Engagement Significance: • Building investor confidence • Sustainable profitability Key Topics Discussed: • Greater focus on governance • Regulatory compliance Greater transparency and disclosures • Healthy EBITDA margin among hotels • Shareholder confidence

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly /others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Industry conferences Survey and customer satisfaction assessment (through brand partners)	Ongoing	Engagement Significance: • Long-term customer relationship • Understanding customer requirements Key Topics Discussed: • Customer satisfaction • Brand tenets with respective associated hotels managed by the Company • Customer service, hotel facilities, room quality, food and beverage options, activities and events, sustainability efforts
Hotel Operators	No	Business meetings, surveys and web portals	Ongoing	Engagement Significance: • Closely partner to support the goals of the Company and its operating partners Key Topics Discussed: • Operational performance, • Guest experience • Staff retention and development • Sustainability initiatives • Closely partner to support the goals of the Company and its operating partners.
Employees	No	Email, Townhall, Meetings, Notices, Company Website, Annual Report, Personal / Group interactions, Skill Trainings, Surveys	Regular and ongoing	Engagement Significance: • Enhanced employee engagement • Enhanced employee satisfaction • Enhanced employee motivation Key Topics Discussed: • Working conditions • Training and development • Career opportunities, performance feedback • Sustainability initiatives
Suppliers	No	Business meetings and personal interactions	Ongoing	Engagement Significance: • Long-term association, strengthened supplier relationship Key Topics Discussed: • Quality of products and services • Sustainability efforts • Responsible procurement • Supply chain transparency

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly /others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Regulatory Authorities	No	Email, Responses to Notices, Stock Exchange filings, Company Website, Press Releases, Annual Report, Industry representations, Correspondence meetings	As mandated by the regulatory authority	Engagement Significance: • Ethical business conduct going beyond regulatory requirements Key Topics Discussed: • Compliance with laws and regulations, safety and security standards, • Sustainability initiatives, • Community engagement
Communities	Yes	CSR activities, Employee volunteering, meetings, newsletters, surveys, public consultations and events	Ongoing	Engagement Significance: • Community development, awareness and upliftment Key Topics Discussed: • Local community needs and concerns • environmental and social impact, • community development, • Social responsibility initiatives

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The Company engages with its stakeholders through the following methods:

   - Informing and educating all stakeholders through annual general meetings, conferences, personal/group interactions, web portals, newsletters, CSR activities, internal messages, social media and other publications.
   - Gaining information from all stakeholders through various modes of communications, including feedback surveys and anonymous complaints.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, as a part of the materiality assessment carried out for the identification of key material ESG topics for the business, Stakeholder interactions are carried out to understand their perspective on our economic, social, and environmental performance. The detailed process is available on page 44 of the Company's 2022-23 Integrated Annual Report.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   The Company engages with non-governmental organizations (NGOs) to understand the concerns of vulnerable/ marginalized stakeholder groups and take appropriate actions through its CSR initiatives.

   For example, 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 40 such persons.

PRINCIPLE 5: Businesses should respect and promote human rights

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	2022-23			2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	854	854	100%	645	645	100%
Other than permanent	177	177	100%	Nil	Nil	Nil
Total Employees	**1,031**	**1,031**	**100%**	**645**	**645**	**100%**
Workers						
Permanent	871	871	100%	690	690	100%
Other than permanent	642	642	100%	789	789	100%
Total Workers	**1,513**	**1,513**	**100%**	**1,479**	**1,479**	**100%**

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	2022-23					2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	693	Nil	Nil	693	100%	527	Nil	Nil	527	100%
Female	161	Nil	Nil	161	100%	118	Nil	Nil	118	100%
Other than Permanent										
Male	146	Nil	Nil	146	100%	Not Available	Nil	Nil	Not Available	Nil
Female	31	Nil	Nil	31	100%	Not Available	Nil	Nil	Not Available	Nil
Workers										
Permanent										
Male	768	Nil	Nil	768	100%	Not Available	Nil	Nil	Not Available	
Female	103	Nil	Nil	103	100%	Not Available	Nil	Nil	Not Available	
Other than Permanent										
Male	515	Nil	Nil	515	100%	Not Available	Nil	Nil	Not Available	
Female	127	Nil	Nil	127	100%	Not Available	Nil	Nil	Not Available	

Note: Gender-wise split is not available.

3. **Details of remuneration/salary/wages, in the following format:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	6	875,000	1	475,000
Key Managerial Personnel	2	125,49,651	1	36,62,330
Employees other than BoD and KMP	836	539,496	191	519,600
Workers	1,283	274,968	230	223,051

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

   Yes. As per the Company's Policy on Prevention of Sexual Harassment (POSH Policy), the Internal Complaints Committee (ICC) is the dedicated committee responsible for addressing human rights impacts or issues caused or contributed to by the business. The Internal Complaints Committee (ICC) comprises of appropriate members as required under the 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 has been formed by the respective Hotels. The Committees at the Hotels submit reports in the format prescribed to the Company's Committee on a quarterly basis.

   Additionally, the Company's Human Rights Policy enables any grievances related to violations of human rights to be reported at appropriate levels and encourages reporting of observed violations by maintaining confidentiality to the extent reasonably possible within the objectives of the policy.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

   The Company has a dedicated Human Rights Policy that incorporates a grievance redressal mechanism with respect to human rights issues with all relevant stakeholders being consulted on an annual basis (or as needed) to seek feedback. To encourage reporting of observed violations of this policy, confidentiality to the extent reasonably possible within the objectives of this policy is maintained. The Company does not discharge, demote, suspend, threaten, harass or in any other manner discriminate against, such an officer or employee in the terms and conditions of his or her employment. Any person who participates in any such retaliation is subjected to disciplinary action, including termination.

   Additionally, the Company's Policy on Prevention of Sexual Harassment (POSH Policy) addresses grievances related to POSH Act 2013 through an Internal Complaints Committee (ICC) to whom a concern is raised regarding any form a sexual harassment.

   Novotel Pune Nagar Road addresses concerns regarding grievances like Fraud, Discrimination and the same is notified on the Accor Whistleblowing Hotline namely Accor Integrity Platform, a third-party based portal which enables a team to whistle blow about any ethical or procedural wrongdoing at the organization, ensuring 100% protection with non-disclosure of the complainant's identity.

6. **Number of Complaints on the following made by employees and workers:**

	2022-23			2021-22		
	Filed during the year	**Pending resolution at the end of year**	**Remarks**	**Filed during the year**	**Pending resolution at the end of year**	**Remarks**
Sexual Harassment	7	1	The complaints were duly addressed and closed with necessary action being taken.	3	Nil	The complaints were duly addressed and closed with necessary action being taken.
Discrimination at Workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour / Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights related issues	0	0	NA	0	0	NA

   NA is Not Applicable.

7. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

   The Company has a dedicated Policy on Prevention of Sexual Harassment (POSH Policy) with the following mechanism to prevent adverse consequences to the complainant in cases of discrimination and harassment:

   - Employees who experience harassment directly or indirectly submit a complaint of the alleged incident to any member of the Internal Complaints Committee (ICC) in writing with his/her signature within 10 days of occurrence of incident.

- The Committee holds a meeting with the Complainant within a week of the receipt of the complaint.
- The person against whom complaint is made may be called for a deposition before the Committee and an opportunity would be given to him / her to give an explanation, where after, an "Enquiry" shall be conducted and concluded.
- The Committee then immediately proceeds with the Enquiry and communicates the same to the Complainant and person against whom complaint is made.
- The Committee completes the Enquiry within a period of 3 months from the date of commencement of Enquiry. Feedback is provided with regard to outcome of the Enquiry within 10 working days of completion of the Enquiry. The exact nature of any disciplinary action taken against any person remains confidential.
- The exact nature of disciplinary action to be taken is decided by the Managing Director or in his absence by the Executive Director of the Company.
- The Company maintains confidentiality in relation to such complaints and the resultant enquiry.

8. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

   Yes

9. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	100%
Forced/involuntary labor	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	NA

NA is Not Applicable.

10. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

    Not Applicable.

LEADERSHIP INDICATORS

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

   Not Applicable. No business processes are being modified / introduced by the Company as a result of addressing human rights grievances/complaints.

2. **Details of the scope and coverage of any Human Rights Due Diligence conducted.**

   The Company prioritizes human rights as a material topic and views Human Rights Due Diligence (HRDD) as a risk management strategy that assists in identifying, responding to, mitigating, and preventing adverse human rights impacts in its own operations and supply chains. The Company has conducted Human Rights Due Diligence (HRDD) for The Westin Mumbai Powai Lake as per global frameworks (such as OECD guidelines) to make the assessment more robust and comprehensive.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

   Yes. The Company ensures that all hotel premises have the required facilities to accommodate differently abled visitors as per the requirements of the Rights of Persons with Disabilities Act, 2016

4. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed #

Child labour	0%
Forced/involuntary labour	0%
Sexual harassment	0%
Discrimination at workplace	0%
Wages	0%
Others – please specify	NA

Note: NA is Not Applicable.

Self-declarations have been obtained from critical value chain partners accounting for 25% of the Company's total procurement, post end of the Financial Year

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

   Not Applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

ESSENTIAL INDICATORS

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	2022-23	2021-22
Total Electricity Consumption (A) (GJ)	1,59,882.13	1,29,617.63
Total Fuel Consumption (B) (GJ)	65,801.17	51,355.83
Energy Consumption through other sources (GJ)	-	-
Total Energy Consumption (A+B+C) (GJ)	2,25,683.31	1,80,973.46
Energy Intensity per million ₹ of turnover (Total energy consumption/turnover in rupees) **(GJ per million ₹)**	21.95	44.14
Energy Intensity (optional) – the relevant metric may be selected by the entity	-	-

Notes:

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, External assurance has been carried out by TUV India Private Limited

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

   Yes, Bengaluru Marriott Hotel Whitefield has been identified as a designated consumer (DC) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India. Targets have been set under the PAT scheme and currently, the Company is in the measurement and verification stage. The results for the same would be disclosed in the next reporting cycle.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	2022-23	2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	Nil	Nil

Parameter	2022-23	2021-22
(ii) Groundwater	132,551.91	127,136.60
(iii) Third party water	4,02,857.09	258,782.40
(iv) Seawater / desalinated water	Nil	Nil
(v) Others (Rainwater storage)	Nil	Nil
Total volume of Water Withdrawal (in kilolitres) (I + ii + iii + iv + v)	**5,35,409.00**	**385,919**
Total volume of Water Consumption (in kilolitres)	5,35,409.00	385,919
Water Intensity per rupee of turnover (Water consumed / turnover) (kl per million ₹)	52.08	92.71
Water Intensity (optional) – the relevant metric may be selected by the entity	-	-

Note:

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, External assurance has been carried out by TUV India Private Limited

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Yes. The Company has a zero-wastewater discharge mechanism for all its properties through Sewage treatment plants, Effluent Treatment Plants & Ultra Filtration plants. The recycled water gets utilized for flushing, horticulture, colling towers needs.

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	2022-23	2021-22
NOx	mg/m3	Within permissible Limit	Within permissible Limit
SOx	mg/m3	Within permissible Limit	Within permissible Limit
Particulate matter (PM)	mg/m3	Within permissible Limit	Within permissible Limit
Persistent organic pollutants (POP)	mg/m3	Nil	Nil
Volatile organic compounds (VOC)	mg/m3	Nil	Nil
Hazardous air pollutants (HAP)	mg/m3	Nil	Nil
Others - CO	Kg	Within permissible Limit	Within permissible Limit

Note:

(i) As a part of regular monitoring process, the Company measures other air emissions periodically by authorized environmental agencies as mandated by State Pollution Control Board. As per the reports received during the reporting year, the emissions are within the permissible limits.

(ii) Indicate if any independent assessment/ evaluation/assurance has been carried out by an externalagency? (Y/N) If yes, name of the external agency.

Yes, External assurance has been carried out by TUV India Private Limited

6. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	2022-23	2021-22

Total Scope 1 Emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	4,168.61	3,275.13
Total Scope 2 Emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	7,022.62	10,113.51
Total Scope 1 and Scope 2 Emissions	tCO2e	11,191.23	13,388.64
Total Scope 1 and Scope 2 Emissions per rupee of turnover	tCO2e	1.09	3.27

Note:

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, External assurance has been carried out by TUV India Private Limited

7. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details**

To reduce Green House Gas (GHG) emissions, the Company has the following initiatives to address its commitments with respect to the Climate Group Initiatives of RE100, EP100 and EV100:

- **RE100 (Renewable Energy):** The Company sourced 78% of its electricity from renewable sources to facilitate the commitment of moving to 100% renewable energy by FY 2030-31.
- **EP100 (Energy Productivity):** The Company is strategically investing in technology and IoT-enabled solutions such as Digital check-ins, Mobile key, Building Management System, IOT system for HVAC to address reduction in energy consumption to facilitate the commitment of doubling its energy productivity (revenue per unit of electricity consumed) by FY 2028-29.
- **EV100 (Electric Vehicles):** All Company properties are equipped with EV charging points accessible to both employees and visitors to facilitate the commitment of moving its entire fleet to EVs for guest transportation by FY 2024-25.

8. **Provide details related to waste management by the entity, in the following format:**

Parameter	**2022-23**	**2021-22**
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	39.68	13.56
E-waste **(B)**	4.11	4.34
Bio-medical waste **(C)**	Not Available	Not Available
Construction and demolition waste **(D)**	22.00	Not Available
Battery waste **(E)**	1.53	0.126
Radioactive waste **(F)**	0	0
Other Hazardous waste. Please specify, if any. **(G)**	8.33	2.62
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	1,069.64	683.87
Total (A+B + C + D + E + F + G+ H)	**1,145.30**	**704.52**

Parameter	2022-23	2021-22
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	222.75	210.30
(ii) Re-used	-	-
(iii) Other recovery operations (Composting)	900.55	494.21
Total	**1,123.30**	**704.52**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	22.00	NA
(iii) Other disposal operations	-	-
Total	**22.00**	**-**

Note:

Indicate if any independent assessment/ evaluation/assurance has been carried out by an externalagency? (Y/N If yes, name of the external agency.

Yes, External assurance has been carried out by TUV India Private Limited

9. **Briefly describe the waste management practices adopted in your establishments. Describethe strategy adopted by your company to reduce usage of hazardous and toxic chemicalsin your products and processes and the practices adopted to manage such wastes.**

The Company has set up water bottling plants to minimize single-use plastic consumption by replacing plastic water bottles with glass bottles. The Company actively refrains from using single-use plastics, such as plastic straws, stirrers, bags, and cutlery. Furthermore, it has embraced a more sustainable approach by introducing bulk dispensers in the guest rooms. The Company is also recycling 100% of its wet waste through Organic Waste Converter (OWC) and converts organic wet waste into manure which is being used for horticultural purposes. The Company also recycles its Biomedical waste, E-Waste & other Hazardous waste through authorized waste recyclers.

10. **If the entity has operations/offices in/around ecologically sensitive areas (such as nationalparks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

Not applicable, as the Company does not have operations around ecologically sensitive areas.

11. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Not Applicable, as no Environmental Impact Assessment was undertaken during the reporting period.

12. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes, The Company is compliant with the applicable environmental law / regulations / guidelines in India.

Sr.	Specify the law / regulation / guidelines which was not complied with	Provide details of non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Nil				

LEADERSHIP INDICATORS

1. **Provide break-up of the total energy consumed (in Giga Joules/GJ) from renewable and non-renewable sources, in the following format:**

Parameter	2022-23	2021-22
From renewable sources		
Total electricity consumption (A)	1,24,523.52	78,696.48
Total fuel consumption (B)	-	-
Energy consumption through other sources	-	-
Total energy consumed from renewable sources (A+B+C)	**1,24,523.52**	**78,696.48**
From non-renewable sources		
Total electricity consumption (D)	35,358.62	50,921.15
Total fuel consumption	65,801.17	51,355.83
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	**101,159.79**	**102,276.98**

Note:

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, External assurance has been carried out by TUV India Private Limited

2. **Provide the following details related to water discharged:**

The Company has achieved zero-discharge of wastewater for both FY 2022-23 and FY 2021-22 by recycling 100% of water and harvesting rainwater. All of the Company's properties are equipped with a rainwater harvesting system, wherein rainwater collected in the harvesting tank is pumped to the water treatment plant to be filtered through a series of sand filters, carbon filters and UV filters, Rainwater harvesting systems at JW Marriott Mumbai Sahar and Novotel Pune Nagar Road have storage tanks of up to 100 KL while Four Points By Sheraton Navi Mumbai, Vashi utilizes a 20 KL storage tank which is then used for flushing needs.

Note:

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, External assurance has been carried out by TUV India Private Limited

3. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

Not applicable as the Company does not have operations in water stressed areas.

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area: Not Applicable

(ii) Nature of operations: Not Applicable

(iii) Water withdrawal, consumption, and discharge in the following format:

Note:

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, External assurance has been carried out by TUV India Private Limited

4. **Please provide details of total Scope 3 emissions & its intensity, in the following format**

   Not available for FY 2022-23. Currently, the Company is assessing its Scope 3 Emissions footprint and shall prepare an action plan to manage the same.

   Note:

   Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

5. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

   Not applicable, as the Company does not have operations around ecologically sensitive areas.

6. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

Sr.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Organic Waste Converter (Onsite)	The Company has installed Organic Waste Converter at all properties which helps to recycle its wet waste.	Manure that is used for horticultural purposes
2	Bottling Plant	Five of the Company's largest hotels have replaced plastic-packaged water bottles in guest rooms with water-packaged on-site glass bottles.	Reduction in single-use plastic bottles
3	Chiller Plant Optimization	This technology helps in optimizing air conditioning operations to reduce energy consumption and ensure ongoing operational efficiency.	Improved energy efficiency
4	Low Approach Cooling tower	This type of cooling tower provides high rate of heat transfer and increased efficiency of the HVAC system.	Improved energy efficiency
5	Heat Recovery Wheel (HRW)	Provides high rate of heat transfer and increased efficiency of cooling tower.	Improved energy efficiency
6	Pressure Independent Control Valves (PICV)	Controls chilled water for Air Handling Units; Implemented for Fan Coil units for accurate temperature control, thereby improving guest comfort.	Improved energy efficiency
7	Building Management System (BMS)	BMS enables real-time & remote monitoring and management of utilities like lighting and HVAC equipment.	Improved resource utilization

7. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

   Various measures towards risk mitigation have been implemented by the Company to ensure business continuity and stability in operations. The Company's Risk Management Committee has formulated a detailed Risk Management Policy which includes a risk management plan for identification of internal and external risks, measures for risk mitigation including systems and processes for internal control of identified risks and a Business Continuity Plan to address uncertainty in financial markets, market conditions, threats from project failures (at any phase in design, development and operations), legal liabilities, credit risks, accidents, natural causes and disasters as well deliberate attacks from an adversary or events of uncertain or unpredictable root cause.

8. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

   No, there are no significant adverse impacts to the environment, arising from the Company's value chain.

   The Company's Supplier Code of Conduct requires all value chain partners to comply with all applicable laws, codes or regulations relating to environmental, occupational health and safety, and labour practices of the countries, states, and localities in which they operate. Currently, the Company is also assessing its Scope 3 Emissions footprint and shall prepare an action plan to manage the same.

9. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impact**

   Not Applicable

PRINCIPLE 7: Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

1. a) **Number of affiliations with trade and industry chambers/ associations.**

   The Company has 6 affiliations with trade and industry chambers/ associations

   b) **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

Sr.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers / associations (State/National)
1.	Confederation of Indian Industry (CII)	National
2.	Hotel Association of India (HAI)	National
3.	Hotel and Restaurant Association (Western India) (HRAWI)	State
4.	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
5.	The Economic Times India Leadership Council	National
6.	The Federation of Hotels & Restaurant Associations of India (FHRAI)	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities**

   Not Applicable as there were no instances of non-compliance reported during FY 2022-23.

Name of Authority	Brief of the case	Corrective action taken
Not Applicable		

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.

ESSENTIAL INDICATORS

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

   No Social Impact Assessments (SIAs) were carried out by the Company during the reporting period.

Name and brief details of project	SIA notification no.	Date of notification	Whether conducted by independent external agency (Yes / No)	Resulted communicated in public domain	Relevant Web Link
Not Applicable					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:**

   No Rehabilitation and Resettlement (R&R) projects were undertaken by the Company during the reporting period.

Sr.	Name of project for which R&R is ongoing	State	District	No of Project Affected Families	% of PAF covered by RAR	Amount Paid to PAFs in the FY (in ₹)
Not Applicable						

3. **Describe the mechanisms to receive and redress grievances of the community**

   The Company has a dedicated email ID (whistleblower@chalethotels.com) for receiving grievances from all the stakeholders including the community. The Company also has a dedicated webpage which contains the contact information.

4. **Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:**

	2022-23	2021-22
Directly sourced from MSMEs/Small producers	Not Available	Not Available
Sourced directly from within the district and neighboring districts	96%	Not Available

LEADERSHIP INDICATORS

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

   Not Applicable

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

   Not applicable as the Company has not undertaken CSR projects in designated aspirational districts identified by government bodies

Sr.	State	Aspirational District	Amount Spent in ₹
Not Available			

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

No. However, the Company has Supplier Code of Conduct and sustainable sourcing practices that enables preferential procurement from the suppliers from marginalized / vulnerable groups.

(b) **From which marginalized /vulnerable groups do you procure?**

Not Available

(c) **What percentage of total procurement (by value) does it constitute?**

The Company is developing a mechanism to report the data on inputs sourced from Marginalized/ vulnerable groups.

Unit of reporting (i.e by Quantity or by Value - please specify)	Total No. of Inputs sourced from all suppliers	No. of Inputs sourced from marginalized / vulnerable groups	Percentage of Inputs sourced from marginalized / vulnerable groups
Not Available			

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge**

Not Applicable.

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Not Applicable, as there were no disputes related to usage of traditional knowledge.

6. **Details of beneficiaries of CSR Projects.**

Sr.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1	Pankh - Skill Development / Digital Educational of Persons with Disabilities	40	100%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in responsible manner

ESSENTIAL INDICATORS

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Customer satisfaction is of high importance for the Company. At all of its hotel properties, customers can raise complaint through online & offline platform. The Company ensures that the complaints of its customers are redressed in timely manner. Additionally, the Company also has an online mechanism to receive feedback from its customers.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information.**

Type	As a percentage to total turnover
Environment and Social parameters relevant to product	Not Applicable
Safe and responsible usage	
Recycling and/or safe disposal	

3. **Number of consumer complaints**

	2022-23			2021-22		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services	0	0	NA	0	0	NA
Restrictive Trade Practices	0	0	NA	0	0	NA
Unfair Trade Practices	0	0	NA	0	0	NA
Others	0	0	NA	0	0	NA

NA is Not Applicable.

4. **Details of instances of product recalls on account of safety issues**

	Number	Reason for recall
Voluntary recalls	Not Applicable as the Company operates in the service industry.	
Forced recalls		

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes. The Company is ISO 27001:2013 certified and has a robust structure for monitoring and implementation of the Information Security Management Systems (ISMS) framework. The Company has in place a Cyber Security and Data Privacy policy which is available internally.

Additionally, the Company's following policies to address cyber security and risks related to data privacy:

- ESG Policy
- Employee's Code of Conduct

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

Sr.	Topic	Corrective Actions
1.	Advertising	NA
2.	Delivery of essential services	NA
3.	Cybersecurity & Data Privacy	NA
4.	Product Recalls	NA
5.	Product safety/Services	NA

NA is Not Applicable.

LEADERSHIP INDICATORS

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   All information on the services provided by the Company can be accessed on the Company's website.

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   The Company communicates its sustainability efforts on energy and water conservation & waste reduction initiatives to its customers (guests) through digital and offline signages, information cards. For example, communication to increase awareness about minimizing single-use plastic usage, low flow fixtures and dual plumbing fixtures etc.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   The Company has standard operating procedures, emergency helplines etc. in place, in case of disruption or discontinuation of its services to the guests.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)? If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

   Not Applicable. The Company has an online mechanism to collect feedback on the services rendered to its guests at all of the hotel premises.

5. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches along-with impact**

      Not Applicable. There were no data breaches for FY 2022-23.

   b. **Percentage of data breaches involving personally identifiable information of customers**

      Not Applicable. There were no data breaches for FY 2022-23.

FINANCIAL STATEMENTS

REVISED INDEPENDENT AUDITOR'S REPORT

To,
The Members,
Chalet Hotels Limited

REPORT ON THE AUDIT OF THE REVISED STANDALONE FINANCIAL STATEMENTS

This Report supersedes our Report dated 9 May 2023

Opinion

We have audited the revised standalone financial statements of Chalet Hotels Limited (the "Company") which comprise the revised standalone balance sheet as at 31 March 2023, and the revised standalone statement of profit and loss (including other comprehensive income), revised standalone statement of changes in equity and revised standalone statement of cash flows for the year then ended, and notes to the revised standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid revised 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 2023, and its profit and other comprehensive loss, 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 Revised* 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 revised standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the revised standalone financial statements.

Emphasis of Matters

a. We draw attention to Note 39(I)(c) to the revised standalone financial statements regarding the ongoing litigation in respect of leasehold rights to proportionate undivided interest in land and building at Vashi (Navi Mumbai) purchased 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 under two public interest litigation. On 21 November 2014, the Honourable High Court at Bombay ordered K Raheja Corp Private Limited to restore the land to its original condition (which would interalia require the buildings thereon to be demolished) and hand over the vacant possession thereof to CIDCO within six months of the date of judgement. K Raheja Corp Private Limited has filed a special leave petition against the abovementioned order in the Honourable Supreme Court of India. The Hon'ble Supreme Court of India on 21 January 2015 has passed Status Quo Order and the matter is currently pending with it. The agreement for purchase of leasehold rights between the Company and K Raheja Corp Private Limited was subject to the outcome of the litigation and the management does not except any potential material loss to be borne by the Company. Pending the outcome of proceedings and a final closure of the matter, no adjustments have been made in the revised standalone financial statements as at 31 March 2023 to the carrying value of the leasehold rights (reflected as prepayments) aggregating to ₹ 48.54 million (31 March 2022 49.74 million) and the hotel assets thereon (reflected as property, plant and equipment) aggregating to ₹ 348.46 million as at 31 March 2023 (31 March 2022: ₹ 372.12 million).

b. We draw attention to Note 1 and Note 50 of the revised standalone financial statements which states that the standalone financial statements approved by the Board of Directors on 09 May 2023 are revised basis the approval of the Scheme of amalgamation ("the Scheme") of the Company and its two wholly owned subsidiaries (Belaire Hotels Private Limited and Seapearl Hotels Private Limited) by the National Company Law Tribunal (NCLT) vide its order dated 19 May 2023 with appointed date 1 April 2020. A certified copy of the order sanctioning the Scheme has been filed by the Company with the Registrar of the Companies. Maharashtra on 19 June 2023. As per the requirements of Appendix C to Ind AS 103 "Business Combinations", the merger has been given effect to as if it had occurred from the beginning of

INDEPENDENT AUDITOR'S REPORT (Contd.)

the preceding period in these revised standalone financial statements.

We had issued an auditor's report dated 09 May 2023 on the standalone financial statements to the members of the Company. In accordance with the provisions of Standard on Auditing 560 (Revised) 'Subsequent Events' issued by The Institute of Chartered Accountants of India, our audit procedures, in so far as they relate to the revision to the standalone financial statements, have been carried out solely on impact of the Scheme and no additional procedures have been carried out for any other events occurring after 9 May 2023 (being the date of our earlier audit report on the earlier standalone financial statements). Our earlier audit report dated 09 May 2023 on the earlier standalone financial statements is superseded by this revised report on these revised standalone financial statements.

Our opinion is not modified in respect of these matters.

Key Audit Matters

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

Revenue recognition

See Note 1.2 B to revised standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company is principally engaged as a hotel owner and property owner. It's revenue comprises hotel revenue (including hotel room revenue, food and beverage revenue and other hotel-related revenue) and rental income from investment properties. The accounting policies for the different revenue streams are set out in Note 1.2 B to the Standalone financial statements. Revenue is a key performance indicator of the Company and there is risk of overstatement of revenue due to fraud resulting from pressure to achieve targets and earnings expectations. Based on the above we have identified revenue recognition as a Key Audit Matter.	Our audit procedures included: • Tested the Company's revenue recognition accounting policies and its compliance with Ind AS 115 • Tested design, implementation and operating effectiveness of the controls, assisted by IT specialists, of the revenue recognition process • Tested the general information technology controls and key application controls surrounding revenue recognition. • Tested on a sample basis revenue recognized in the correct financial period by tracing it to invoices, receipts, etc. • Tested the adequacy of disclosures relating to the Revenue recognition in the financial statements. • Tested on a sample basis invoices recorded during the year for identification of point in time for transfer of control to the customer. • Performed substantive analytical procedures including year on year variance analysis and cash to sales reconciliation for the financial year.

Litigations and Claims

See Note 10, 27 and 39(I)(c) to revised standalone financial statements

The key audit matter	How the matter was addressed in our audit
During the year ended 31 March 2023, the Company had 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.	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.

The key audit matter	How the matter was addressed in our audit
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	• 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; • Additionally, considered effect of new information post 1 April 2023 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 2023; and • 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 revised financial statements and revised auditor's report(s) thereon.

Our opinion on the revised 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 revised 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 revised 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 Revised 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 revised 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 revised 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 revised standalone financial statements, the 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 Revised Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the revised standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an revised 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 revised standalone financial statements.

INDEPENDENT AUDITOR'S REPORT (Contd.)

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 revised 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 revised 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 revised auditor's report to the related disclosures in the revised 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 revised 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 revised standalone financial statements, including the disclosures, and whether the revised 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 revised standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our revised auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by 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, 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, except that the back-up of certain units which form part of the 'books of account and other relevant books and papers in electronic mode' have not been maintained on the servers physically located in India (refer note 57).

   c. The revised standalone balance sheet, the revised standalone statement of profit and loss (including other comprehensive income), the revised standalone statement of changes in equity and the revised standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid revised standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f. the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A (b) above.

g. With respect to the adequacy of the internal financial controls with reference to revised financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's 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 2023 on its financial position in its revised standalone financial statements - Refer Note 10 and 39 to the revised standalone financial statements.

b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 14 b to the revised 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 the Note 56 to the revised 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 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 ("Ultimate Beneficiaries") or provide any guarantee, security or the like 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 the Note 56 to the revised standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), 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 by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been 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), as provided under (i) and (ii) above, contain any material misstatement.

INDEPENDENT AUDITOR'S REPORT (Contd.)

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

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Revised Auditor's 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 Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. 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

Suhas Pai
Partner
Membership No.: 119057
ICAI UDIN: 23119057BGWTBP2098

Place: Hyderabad
Date: 03 July 2023

ANNEXURE A

to the Revised Independent Auditor's Report on the Revised Standalone Financial Statements of Chalet Hotels Limited for the year ended 31 March 2023

(REFERRED TO IN PARAGRAPH 1 UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE)

This Report supersedes our Report dated 9 May 2023

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(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 by which all property, plant and equipment, right of use assets and investment properties are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment 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. The discrepancies noticed on verification were not material and have been properly dealt with in books of account.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the Note 2 and 4 and read with Note 39(I)(c) of the revised standalone financial statements are held in the name of the Company , except for the following which are not 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 revised standalone financial statements, the lease agreement are duly executed in favour of the Company.

Amount (₹ in Millions)

Description of property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Property held since	Reason for not being held in the name of the Company. Also indicate if in dispute
Freehold Land	880.97	Belaire Hotels Private Limited	NA	2007-08	Properties are in the name of Belaire Hotels Private Limited which got merger into Chalet Hotels Limited. Refer note 50 of Revised Standalone Financial Statement.
Building	1,726.88	Belaire Hotels Private Limited	NA	2013-14	Properties are in the name of Belaire Hotels Private Limited which got merger into Chalet Hotels Limited. Refer note 50 of Revised Standalone Financial Statement.

(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 the 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 and procedures and coverage as followed by management were appropriate. 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.

ANNEXURE A TO THE REVISED INDEPENDENT AUDITOR'S REPORT (Contd.)

(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 or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except as follows:

Amount (₹ in Millions)

Quarter	Name of bank	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Whether return/ statement subsequently rectified
June 2022	Indian Overseas Bank	Inventory	22.91	23.55	(0.64)	No
September 2022	Indian Overseas Bank	Inventory	21.13	21.77	(0.64)	No
December 2022	Indian Overseas Bank	Inventory	22.88	22.82	0.06	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 not made any investments in companies, firms, limited liability partnership or any other parties. The Company has provided guarantee and loans to companies during the year in respect of which the requisite information is as below. The Company has not provided any guarantee and loans to firms, limited liability partnership or any other parties during the year. The Company has not provided any security or advances in the nature of loans, secured or unsecured, to companies, limited liability partnership or any other parties during the year.

Amount (₹ in millions)

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount during the year				
Subsidiaries*	**-**	**-**	346.00	-
Others	5.98	-	5.00	-
Balance outstanding as at balance sheet date				
Subsidiaries*	-	**-**	354.56	-
Others*	**5.98**	**-**	-	-

**As per the Companies Act, 2013*

(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, in the case of loans given, in our opinion the repayment of principal and payment of interest has not been stipulated and the repayments or receipts are repayable on demand. As informed to us, the Company has not demanded repayment of the loan and interest during the year. Thus, there has been no default on the part of the party to whom the money has been lent.

Amount (₹ in Millions)

Name of the entity	Amount	Remarks
Chalet Hotels & Properties (Kerala) Private Limited	56.00	There is not stipulation of schedule of repayment of principal or payment of interest
Chalet Airport Hotel Private Limited	292.50	There is not stipulation of schedule of repayment of principal or payment of interest

Further, the Company has not given any advance in the nature of loan to any party during the year.

ANNEXURE A TO THE REVISED INDEPENDENT AUDITOR'S REPORT (Contd.)

(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 or advances in the nature of loans to its Promoters and related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):.

Amount (₹ in Millions)

	All Parties	Promoters	Related Parties
Aggregate of loans/advances in nature of loan			
- Repayable on demand (A)	-	-	354.56
- Agreement does not specify any terms or period of Repayment (B)	-	-	-
Total (A+B)	**-**	**-**	**354.56**
Percentage of loans/advances in nature of loan to the total loans	-	-	100%

(iv) 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 complied with the provision of Section 185 of the Act. According to the information and explanation 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, "infrastructural facilities" means the facilities specified in Schedule VI of the Act. Accordingly, compliance under Section 186 of the Companies Act, 2013 ("the Act") in respect of loans given, providing guarantees and securities are not applicable to the Company. In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(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 services provided by it and are of the opinion that prima facie, the prescribed accounts and records 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 Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Professional 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 Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable, except as mentioned below:

ANNEXURE A TO THE REVISED INDEPENDENT AUDITOR'S REPORT (Contd.)

Amount (₹ in Millions)

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Due date	Date of payment	Remarks, if any
Maharashtra Labour Welfare Fund Act, 1953	Unpaid Salaries	0.15	February 2019 - September 2019	February 2022 - September 2022	Unpaid	

(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 Services 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:

Amount (₹ in million)

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Finance Act, 1994	Denial of CENVAT credit of service tax paid on Marriott fees paid	64.65	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	4.77	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	FY 2010-11 to 2012-13	Deputy Commissioner, Hyderabad	0.40 deposited on account of dispute
TVAT Act, 2002	VAT demand on sale of cocktail and others	1.76	FY 2013-14 to FY 15-16	Deputy Commissioner, Hyderabad	1.41 deposited on account of dispute
Income Tax Act, 1961	Section 14A of Income-tax Act, 1961 disallowance	190.71	FY2015-16 to FY 2017-18	Commissioner of Income tax (Appeals)	
Income Tax Act, 1961	Depreciation disallowance	18.44	FY 2012-13 to FY 2017-18	Commissioner of Income tax (Appeals)	
Income Tax Act, 1961	Deemed rental income on house property	22.95	FY 2015-16 FY 2016-17	Commissioner of Income tax (Appeals)	
Income Tax Act, 1961	Disallowance of Sahar retail and commercial interest	169.43	FY 2018-19	Commissioner of Income tax (Appeals)	
Foreign Trade Policy (Duty of Customs)	Recovery of deposit on import of TV sets	11.53	FY 2021-22	Additional Commissioner of Customs	

ANNEXURE A TO THE REVISED INDEPENDENT AUDITOR'S REPORT (Contd.)

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Foreign Trade Policy (Duty of Customs)	Recovery of SFIS benefits granted to foreign brands	5.74	FY 2017	Karnataka High Court	
Finance Act, 1994	Non-Payment Of Interest for delay in filling of return and offset of liability	0.31	FY 2018-19 and 2019-20	Office of the Dy. Commissioner Of state tax	
TVAT Act, 2002	Disallowed claimed exemptions in returns.	0.38	FY 2016-17 and 2017-18	Deputy Commissioner, Hyderabad	
Customs Act, 1962	Interest obligation for non fulfilment of export obligation	8.63	2021-22	Custom Authority	

(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 revised 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 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 (as defined under the Act).

(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.

(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.

ANNEXURE A TO THE REVISED INDEPENDENT AUDITOR'S REPORT (Contd.)

(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, 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 revised 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 not incurred cash losses in the current year. The Company had incurred cash losses of ₹ 346.56 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 revised 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

Suhas Pai
Partner
Membership No.: 119057
ICAI UDIN: 23119057BGWTBP2098

Place: Hyderabad
Date: 03 July 2023

ANNEXURE B

to the Revised Independent Auditor's Report on the revised standalone financial statements of Chalet Hotels Limited for the year ended 31 March 2023

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE AFORESAID REVISED STANDALONE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

This Report supersedes our Report dated 9 May 2023

Opinion

We have audited the internal financial controls with reference to financial statements of Chalet Hotels Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the revised 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 financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to 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").

Emphasis of matter

We draw attention to Note 1 and Note 50 of the revised standalone financial statements which states that the standalone financial statements approved by the Board of Directors on 09 May 2023 are revised basis the approval of the Scheme of amalgamation ("the Scheme") of the Company and its two wholly owned subsidiaries (Belaire Hotels Private Limited and Seapearl Hotels Private Limited by the National Company Law Tribunal (NCLT) vide its order dated 19 May 2023 with appointed date 1 April 2020. A certified copy of the order sanctioning the Scheme has been filed by the Company with the Registrar of the Companies. Maharashtra on 19 June 2023. As per the requirements of Appendix C to Ind AS 103 "Business Combination", the merger has been given effect to as if it had occurred from the beginning of the preceding period in the revised standalone financial statements.

We had issued an auditor's report dated 09 May 2023 on the standalone financial statements to the members of the Company. In accordance with the provisions of Standard on Auditing 560 (Revised) 'Subsequent Events' issued by The Institute of Chartered Accountants of India, our audit procedures, in so far as they relate to the revision to the standalone financial statements, have been carried out solely on impact of the Scheme and no additional procedures have been carried out for any other events occurring after 09 May 2023 (being the date of our earlier audit report on the earlier standalone financial statements). Our earlier audit report dated 09 May 2023 on the earlier standalone financial statements is superseded by this revised report on these revised standalone financial statements.

Our opinion is not modified in respect of this matter.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control

ANNEXURE B TO THE REVISED INDEPENDENT AUDITOR'S REPORT (Contd.)

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 revised 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 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 standalone 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 standalone 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 revised standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to 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 revised 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

Suhas Pai
Partner
Membership No.: 119057
ICAI UDIN: 23119057BGWTBP2098

Place: Hyderabad
Date: 03 July 2023

REVISED STANDALONE BALANCE SHEET

as at March 31, 2023

₹ in million

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	2	19,963.05	19,741.37
Right of Use assets	38	524.67	589.55
Capital work-in-progress	3	922.81	322.27
Investment property	4	16,473.85	13,560.39
Goodwill	5	226.11	226.11
Other intangible assets	6	8.25	16.48
Financial assets			
(i) Investments in subsidiaries	7	1,592.07	-
(ii) Other investments	8	63.47	62.79
(iii) Others	9	533.76	387.04
Deferred tax assets (net)	21	1,448.48	2,352.68
Non-current tax assets (net)		152.89	207.67
Other non-current assets	10	408.56	343.70
Total non-current assets		**42,317.97**	**37,810.05**
Current assets			
Inventories	11	4,127.17	3,934.97
Financial assets			
(i) Trade receivables	12	582.94	436.02
(ii) Cash and cash equivalents	13 a	363.43	244.58
(iii) Bank balances other then cash and cash equivalents	13 b	455.29	753.22
(iv) Loans	**14 a**	354.56	2.50
(v) Others	14 b	129.87	150.63
Other current assets	15	972.99	901.78
Total current assets		**6,986.25**	**6,423.70**
TOTAL ASSETS		**49,304.22**	**44,233.75**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	2,050.25	2,050.24
Other equity	17	13,445.81	11,397.84
Total equity		**15,496.06**	**13,448.08**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	18	22,077.13	21,428.13
(ia) Lease liabilities	38	548.56	591.47
(ii) Others	19	252.74	159.59
Provisions	20	82.85	80.41
Deferred tax liabilities (net)	21	-	11.93
Other non-current liabilities	22	154.78	139.80
Total non-current liabilities		**23,116.06**	**22,411.33**
Current liabilities			
Financial liabilities			
(i) Borrowings	23	5,823.63	3,875.70
(ia) Lease liabilities	38	42.91	39.70
(ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises and	24	138.70	89.83
(b) Total outstanding dues to creditors other than micro enterprises and small enterprises	24	1,344.56	776.65
(iii) Other financial liabilities	25	1,030.03	623.65
Other current liabilities	26	2,203.83	2,116.72
Provisions	27	108.44	852.09
Total current liabilities		**10,692.10**	**8,374.34**
TOTAL EQUITY AND LIABILITIES		**49,304.22**	**44,233.75**

Significant Accounting Policies 1
Notes to the Revised Standalone Financial Statements 2-57
The notes referred to above form an integral part of the Revised Standalone financial statements.

As per our revised audit report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

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

Suhas Pai
Partner
Membership No. 119057

Sanjay Sethi
Managing Director & CEO
(DIN. 00641243)

Joseph Conrad Dsouza
Director
(DIN. 00010576)

Milind Wadekar
Chief Financial officer
(Membership No: 116372)

Christabelle Baptista
Company Secretary
(Membership No: A17817)

Hyderabad
July 03, 2023

Mumbai
July 03, 2023

REVISED STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2023

₹ in million

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from Continuing operations			
Revenue from operations	28	11,284.67	5,078.07
Other income	29	509.14	219.27
Total income (A)		**11,793.81**	**5,297.34**
Expenses from Continuing operations			
Real estate development cost	30 a	85.06	221.65
Changes in inventories of finished good and construction work in progress	30 a	-	(12.80)
Food and beverages consumed	30 b	999.19	538.63
Operating supplies consumed	30 c	392.66	243.76
Employee benefits expense	31	1,510.96	999.76
Other expenses	33	3,745.26	2,099.74
Total expenses (B)		**6,733.13**	**4,090.74**
Earnings before interest, depreciation, amortisation and tax (EBITDA) before exceptional items from Continuing operations (C) (A-B)		5,060.68	1,206.60
Depreciation and amortisation expenses	2,4,6,38	1,173.09	1,184.23
Finance costs	32	1,538.14	1,440.67
Profit / (Loss) before exceptional items and tax from Continuing operations (D)		**2,349.45**	**(1,418.30)**
Exceptional items (E)		423.08	(44.58)
Provision for estimated loss on account of cancellations	34	423.08	(44.58)
Profit / (Loss) before income tax from Continuing operations (F) (D+E)		**2,772.53**	**(1,462.88)**
Tax expense (G)		894.88	(719.53)
Current tax (includes tax for the earlier years)	21	178.14	(37.76)
MAT credit entitlement		(178.41)	-
Deferred tax expense / (credit)	21	895.15	(681.77)
Profit / (Loss) for the year from Continuing operations (H) (F-G)		**1,877.65**	**(743.35)**
Discontinued Operations	48		
(Loss) from discontinued operations before tax		-	(65.37)
Tax expense of discontinued operations		-	-
(Loss) from discontinued operations (I)		-	(65.37)
Profit / (Loss) for the year (H + I)		1,877.65	(808.72)
Other comprehensive (expense) from Continuing operations			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		(7.51)	1.65
Income tax Credit on above		2.87	(0.15)
Other comprehensive (expense) /Income for the year, net of tax (J)		**(4.64)**	**1.50**
Total comprehensive income / (expense) for the year (K) (J+I+H)		**1,873.01**	**(807.22)**
Earnings per equity share - Continuing operations (Face value of ₹ 10 each)			
Basic	35	9.16	(3.63)
Diluted	35	9.15	(3.63)
Earnings per equity share - Discontinued operations (Face value of ₹ 10 each)			
Basic	35	-	(0.32)
Diluted	35	-	(0.32)
Earnings per equity share - Continuing and Discontinued operations (Face value of ₹ 10 each)			
Basic	35	9.16	(3.94)
Diluted	35	9.15	(3.94)

Significant Accounting Policies	1
Notes to the Revised Standalone Financial Statements	2-57

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

As per our revised audit report of even date attached

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

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

Suhas Pai
Partner
Membership No. 119057

Sanjay Sethi
Managing Director & CEO
(DIN. 00641243)

Joseph Conrad Dsouza
Director
(DIN. 00010576)

Milind Wadekar
Chief Financial officer
(Membership No: 116372)

Christabelle Baptista
Company Secretary
(Membership No: A17817)

Hyderabad
July 03, 2023

Mumbai
July 03, 2023

REVISED STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit /(Loss) before tax from Continuing operations	**2,772.53**	**(1,462.88)**
(Loss) before tax from discontinued operations	-	(65.37)
Adjustments for :		
Interest income from instruments measured at amortised cost	(323.03)	(57.13)
Depreciation and amortisation expenses	1,173.09	1,184.23
Finance costs	1,538.14	1,440.67
Unrealised exchange loss	25.85	-
Provision for estimated cost	(423.08)	44.58
Profit on sale of property, plant and equipment (net)	(5.78)	(3.66)
Property, plants and equipment written off	-	21.25
Profit on sale of investment	(1.99)	(0.12)
Provision for doubtful debts, advances and bad debt written off	6.55	5.46
Employee stock option expense	78.98	1.02
Export benefits and entitlements	(36.91)	(59.42)
Provision for mark to market on derivative contract	(0.75)	(12.18)
Provision for stock obsolescence	-	3.04
Proposed dividend*	(0.00)	-
Sundry balance written back	-	(0.28)
Total	**2,031.07**	**2,567.46**
Operating Profit before working capital changes	**4,803.60**	**1,039.21**
Adjustments		
(Increase) in trade receivables and current assets	(276.61)	(222.53)
(Increase) in inventories	(376.59)	(10.33)
Increase / (Decrease) in trade payables and current liabilities	734.19	(219.43)
Total	**80.99**	**(452.29)**
Income Taxes (net of refund)	55.07	37.67
NET CASH GENERATED FROM OPERATING ACTIVITIES (A)	4,939.66	624.59
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)	(1,782.35)	(415.92)
Proceeds from sale of property, plants and equipments and investment property	36.88	19.51
Purchase of investments (including investment property and investment property under construction)	(4,278.71)	(3,019.00)
Sale/redemption of Investments	-	0.31
Loans given (refer note 46)	(351.00)	-
Loans received (refer note 46)	5.00	(2.50)
Interest income received	38.42	56.01
Fixed deposits matured / (placed) (net)	274.01	(598.76)
Margin money matured / (placed) (net)	(92.12)	(3.12)
NET CASH (USED IN) FROM INVESTING ACTIVITIES (B)	**(6,149.87)**	**(3,963.47)**

REVISED STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

₹ in million

C.	**CASH FLOW FROM FINANCING ACTIVITIES :**		
	Issue of equity shares	0.32	**-**
	Issue of preference shares	250.00	500.00
	Proceeds from long-term borrowings	9,976.13	7,233.66
	Repayment of long-term borrowings	(7,951.35)	(2,280.99)
	Intercorporate Deposit taken	450.00	-
	Payment of lease liability	(88.67)	(39.70)
	Proposed dividend*	0.00	**-**
	Repayment of short-term borrowings (net)	-	(2.74)
	Interest and finance charges paid	(1,383.89)	(1,300.25)
	NET CASH GENERATED FROM FINANCING ACTIVITIES (C)	**1,252.54**	**4,109.98**
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)	**42.33**	**771.10**
	CASH AND CASH EQUIVALENTS - OPENING BALANCE	**230.86**	**(540.24)**
	CASH AND CASH EQUIVALENTS - CLOSING BALANCE	**273.19**	**230.86**

**Amount less than million*

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.

Particulars	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents (refer Note 12 a)**	363.43	244.58
Less: Over draft accounts from banks (refer Note 22)**	(90.24)	(13.72)
Cash and cash equivalents as per Revised Standalone statement of cash flows	**273.19**	**230.86**

3 The movement of borrowings as per Ind AS 7 is as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening borrowings	25,290.11	19,741.99
Proceeds from long-term borrowings***	10,226.13	7,733.66
Repayment of long-term borrowings	(7,951.35)	(2,283.73)
Non-cash adjustments	(137.74)	98.19
	27,427.15	**25,290.11**

** 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 and loans from Promoters-Directors

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

As per our revised audit report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
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Suhas Pai
Partner
Membership No. 119057

Hyderabad
July 03, 2023

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Mumbai
July 03, 2023

REVISED STANDALONE STATEMENT OF CHANGES IN EQUITY

as at March 31, 2023

(A) EQUITY SHARE CAPITAL

₹ in million

	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the reporting year	2,050.24	2,050.24
Shares issued during the year	0.01	-
Balance at the end of the reporting year	2,050.25	2,050.24

(B) OTHER EQUITY

	Attributable to the equity holders of the parent						
	Other Equity - Reserve and Surplus						Total Equity
	Equity Component of Compound Instrument (Note 17)	Employee stock option reserve (Note 17)	Capital Reserve (Note 17)	Securities Premium (Note 17)	General reserve (Note 17)	Retained earnings* (Note 17)	
Balance as at March 31, 2022	**438.33**	**23.87**	**84.99**	**10,269.19**	**1,071.96**	**(490.50)**	**11,397.84**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	438.33	23.87	84.99	10,269.19	1,071.96	(490.50)	11,397.84
Total comprehensive income for the year							
Adjustments:							
Equity Component of Compound Instrument	95.67	-	-	-	-	-	95.67
Securities Premium	-	-	-	0.31	-	-	0.31
Employee stock option reserve	-	78.98	-	-	-	-	78.98
Transferred to retained earnings	-	(0.17)	-	-	-	0.17	-
Profit for the year	-	-	-	-	-	1,877.65	1,877.65
Add: other Adjustments	-	-	-	-	-	-	-
Proposed dividend**	-	-	-	-	-	(0.00)	(0.00)
Remeasurements of defined benefit plans (net of tax)	-	-	-	-	-	(4.64)	(4.64)
Total comprehensive income for the year	**95.67**	**78.81**	**-**	**0.31**	**-**	**1,873.18**	**2,047.97**
Balance as at March 31, 2023	**534.00**	**102.68**	**84.99**	**10,269.50**	**1,071.96**	**1,382.68**	**13,445.81**
Balance at April 1, 2021	373.48	32.29	84.99	10,269.19	1,071.96	307.28	12,139.19
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	-	-	-	-	-	(808.72)	(808.72)
Remeasurements of defined benefit plans (net of tax)	-	-	-	-	-	1.50	1.50
Total comprehensive income for the year	64.85	(8.42)	-	-	-	(797.78)	(741.35)
Balance as at March 31, 2022	**438.33**	**23.87**	**84.99**	**10,269.19**	**1,071.96**	**(490.50)**	**11,397.84**

*Includes impact of fair valuation of land on transition to Ind AS (net of related tax impact) ₹ 3,710.05 million (March 31, 2022 ₹3,710.05 million)
**Amount less than million

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

As per our revised audit report of even date attached

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

For and on behalf of the Board of Directors of
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Hyderabad
July 03, 2023

Mumbai
July 03, 2023

NOTES

to the Revised Standalone Financial Statements as at March 31, 2023

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 6 January 1986 and has been converted into a public company with effect from 6 June 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 31 March, 2023, the Company has, (a) six hotels (and one service apartment building) operating at Powai and Sahar (Mumbai), Vashi (Navi Mumbai),Pune, 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.

1.2 SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of revised standalone financial statements

Compliance with Indian Accounting Standard (Ind AS)

The earlier standalone financial statements of the Company for the year ended 31 March 2023 were approved by the Board of Directors on 9 May 2023 without giving effect to the Scheme of Arrangement of amalgamation of Belaire Hotels Private Limited and Seapearl Hotels Private Limited with the Company ("the Scheme"), since the application seeking approval of the Scheme was pending before the NCLT as of that date. The earlier standalone financial statements of the Company are being revised pursuant to an approved Scheme, the details of which are stated in note 50.These revised 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 revised standalone financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on 3 July 2023.

(i) Basis of measurement

The Standalone Financial Statements has been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer- Accounting policy regarding financials instruments);
- Net defined benefit (asset) / liability – plan assets measured at fair value less present value of defined benefit obligation; and
- land at fair value on transition date.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and service.

(ii) Functional and presentation currency

The standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All the financial information have been presented in Indian Rupees (INR) and all amounts have been rounded-off to the nearest millions, except for share data and as otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentage may not precisely reflect the absolute figures.

(iii) Use of estimates and judgements

While preparing the Standalone Financial Statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgements. These judgements affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the Standalone Balance Sheet date and the reported amount of income and expenses for the reporting period. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements, estimates and assumptions are required in particular for:

- **Determination of the estimated useful lives**

  Useful lives of property, plant and equipment and investment property are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

- **Recognition and measurement of defined benefit obligations**

  The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

- **Recognition of deferred tax assets**

  Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

- **Recognition and measurement of other provisions**

  The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

- **Discounting of long-term financial assets / liabilities**

  All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities/assets which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest method.

- **Impairment of investments**

  The Company reviews its carrying value of investments carried at cost or amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

- **Litigation**

  From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

- **Impairment testing**

  Property, plant and equipment, Right-of-Use assets and intangible assets that are subject to depreciation/amortisation 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. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

- **Determining whether an arrangement contains a lease**

  At inception of an arrangement, the Company determines whether the arrangement is or contains a lease.

  At inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate. And in case of operating lease, treat all payments under the arrangement as lease payments.

Critical judgements in determining the lease term: Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

Critical judgements in determining the discount rate: The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

- **Fair value of financial instruments**

  Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts. Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective bankers.

  Further information about the assumptions made in measuring fair values is included in the following notes:

  Note G, H, I & J – impairment test of non-financial assets: key assumptions underlying recoverable amounts; and

  Note N-1(c) – Impairment of financial assets

(iv) Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for, both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 2 – Property, plant and equipment (Freehold land)
- Note 4 – Investment property
- Note 44 – Financial instruments

(v) Current and non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current.

An asset is classified as current when it satisfies any of the following criteria:

(a) it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is expected to be realised within twelve months after the balance sheet date; or

(d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for atleast twelve months after the balance sheet date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

(a) it is expected to be settled in, the entity's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is due to be settled within twelve months after the balance sheet date; or

(d) the Company does not have an unconditional right to defer settlement of the liability for atleast twelve months after the balance sheet date.

All other liabilities are classified as non-current.

Operating cycle

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

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

A. Business combination

Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities. The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are recognised in the Standalone Statement of Profit and Loss.

Common control

Business combinations involving entities that are ultimately controlled by the same parties before and after the business combination are considered as Common control entities. Common control transactions are accounted using pooling of interest method. The financial statements in respect of prior periods have been restated from the period that the

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

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 recognition

(I) Revenue from operations:

i. Real estate development and sale

Revenue from real estate activity is recognised to the extent that it is probable that the economic benefits will flow to the Company, all significant risks and rewards of ownership are transferred to the customers and it is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of consideration.

Revenue from real estate development activity is recognised at a point in time when significant risks and rewards are transferred to the Customer i.e. when the control of the residential flat is transferred to the Customer.

Cost of construction/ development includes all costs directly related to the Project and other expenditure as identified by the management which are reasonably allocable to the project.

Unbilled revenue from Real Estate represents revenue recognised over and above amount due as per payment plans agreed with the customers. Progress billings which exceed the costs and recognised profits to date on projects under construction are disclosed as advance received from customers under other current liabilities. Any billed amount that has not been collected is disclosed under trade receivables.

ii. Hospitality business

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a good or service to a customer. Revenue from sales of goods or rendering of services is net of Indirect taxes, returns and variable consideration on account of discounts and schemes offered by the company as part of the contract.

Revenue from operations

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

Revenue is recognised upon rendering of the service, provided pervasive evidence of an arrangement exists, tariff / rates are fixed or are determinable and collectability is reasonably certain.

Revenue recognised is net of indirect taxes, returns and discounts.

iii. Rental income

Revenues from property leased out under an operating lease are recognised over the tenure of the lease / service agreement on a straight line basis over the term of the lease, except where the rentals are structured to increase in line with expected general inflation, and except where there is uncertainty of ultimate collection.

Initial direct costs incurred by lessors in negotiating and arranging an operating lease is accounted as separate asset and will be recognised as an expense over the lease term on the same basis as the lease income.

iv. Income from other services

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

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

(II) Other Income:

i. Dividend income

Dividend income is recognised only when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be measured reliably.

ii. Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets on initial recognition. Interest income is included in other income in the Standalone Statement of Profit or Loss.

C. Foreign currency

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in Standalone Statement of Profit or Loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Standalone Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Standalone Statement of Profit and Loss on a net basis within other gains / (losses).

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured.

D. Employee benefits

i. Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Short-term benefits such as salaries, wages, short-term compensation absences, etc., are determined on an undiscounted basis and recognised in the period in which the employee renders the related service.

ii. Post-employment benefits

Defined contribution plans

The defined contribution plans i.e. provident fund (administered through Regional Provident Fund Office) and employee state insurance corporation are post-employment benefit plans under which a Company pays fixed contributions and will have no legal and constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Statement of Profit and Loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The following post – employment benefit plans are covered under the defined benefit plans:

- Gratuity

  The Company follows unfunded gratuity except for one of its Hotel division (Westin, Hyderabad) where fund is maintained with Life Insurance Corporation of India. The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus of the Company's defined benefit plans.

  When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

When benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is 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 recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

iii. Terminal Benefits:

All terminal benefits are recognised as an expense in the period in which they are incurred.

iv. Employee stock option expense

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

E. Income-tax

Income-tax expense comprises current and deferred tax. It is recognised in net profit in the Standalone Statement of Profit or Loss except to the extent that it relates to items recognised directly in equity or in the Other Comprehensive Income (OCI).

i. Current tax

Current tax is the amount of tax payable (recoverable) in respect of the taxable profit / (tax loss) for the year determined in accordance with the provisions of the Income-tax Act, 1961.

Taxable profit differs from 'profit before tax' as reported in the Standalone Statement of Profit and Loss because of items of income or expenses that are taxable or deductible in other years & items that are never taxable or deductible. Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case laws and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets and therefore the tax charge in the Statement of Profit and Loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognised amounts; and

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

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and
- temporary differences related to investments in subsidiaries and associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Taxes relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Standalone Statement of Profit and Loss.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Minimum Alternative Tax ("MAT") credit forming part of deferred tax asset is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

A new Section 115BAA was inserted in the Income Tax Act, 1961, by The Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions/ conditions defined in the said section.

F. Inventories

Hospitality

Stocks of stores, food and beverages are carried at the lower of cost and net realizable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses. Cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present condition and location. Cost is arrived at by the weighted average cost method.

Stocks of stores and spares and operating supplies (viz. crockery, cutlery, glassware and linen) once issued to the operating departments are considered as consumed and expensed to the Standalone Statement of Profit and Loss. Unserviceable/ damaged/discarded stocks and shortages are charged to the Standalone Statement of Profit and Loss.

Real Estate Development (Residential Flats)

Property is valued at lower of cost and net 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 unutilised 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 / amortisation and impairment losses, if any except for freehold land which is not depreciated. Cost comprises of purchase price and any attributable cost such as duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Standalone Statement of Profit and Loss.

Properties in the course of construction for production, supply or administration purposes are carried at cost, less any impairment loss recognised. Cost includes professional fees and, for qualifying assets borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of Property, Plant & Equipment when completed and are ready for intended use. Depreciation on these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is charged to the Standalone Statement of Profit and Loss so as to expense the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method, as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets in whose case the life of the assets had been re-assessed as under based on technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support, etc. :

Asset Type	Useful Life		Schedule II
	March 2022	March 2021	
Buildings (Interior and Accessories)	14 Years	14 Years	NA
Plant and Machinery	5- 15 Years	5- 15 Years	15 Years
Electrical installations	10 - 14 Years	10 - 14 Years	10 Years
Office Equipments	2 – 5 Years	2 - 5 Years	5 Years
Vehicles	5 Years	5 Years	6Years

Building interiors and accessories comprise of the interiors of the Hotel building which will undergo renovation, are depreciated on a SLM basis over a period of 10 years, which in management's view, represents the useful life of such assets.

Building constructed on leasehold land are amortised from the date of commencement of commercial operations over the balance lease period.

Leasehold Improvements are depreciated over the primary period of lease.

Temporary structures and assets costing ₹ 5,000/- or less are depreciated at 100% in the year of capitalisation.

Freehold land is measured at fair value as per Ind AS 113 with the resultant impact being accounted for in the reserves. The fair value of the Company's freehold land parcels as at April 1, 2016 have been arrived at on the basis of a valuation carried out by an independent registered appraiser not related to the Company with appropriate qualifications and relevant experience in the valuation of properties at relevant locations. The fair value was determined based on a combination of Discounted Cash Flow method and Residual method.

The assets' useful lives and residual values are reviewed at the Balance Sheet date and the effect of any changes in estimates are accounted for on a prospective basis.

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's or cash generating unit's carrying amount exceeds its recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. In case of such reversal, the carrying amount of the asset is increased so as not to exceed the carrying amount that would have been determined had there been no impairment loss.

Impairment losses 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

i. Recognition and measurement

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

ii. Subsequent expenditure

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

iii. Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in the Standalone Statement of Profit or Loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

Intangible assets are amortised on straight-line method over estimated useful life of 4 years, which in management's view represents the economic useful life of these assets.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate prospectively.

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Standalone Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

I. Goodwill

Goodwill on business combination is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Standalone Statement of Profit and Loss, to the extent the amount was previously charged to the Standalone Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

J. Investment property and investment property under construction

(a) Recognition and measurement

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment property recognised as at 1 April 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of such investment property.

Investment property and investment property under construction represents the cost incurred in respect of areas retail block and commercial office space. Property under construction is accounted for as investment property under construction until construction or development is complete.

Direct expenses like cost of land, including related transaction costs, site labour cost, material used for project construction, project management consultancy, costs for moving the plant and machinery to the site and general expenses incurred specifically for the respective project like insurance, design and technical assistance, and construction overheads are taken as the cost of the project.

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

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.

(a) Depreciation

Depreciation on investment property has been provided pro rata for the period of use by the Straight Line Method. The useful lives of Investment Property is estimated by management and the same is as prescribed in Schedule II to the Act, except in respect of the following categories of assets, where the life of these assets differs from Schedule II.

Any gain or loss on disposal of an investment property is recognised in Standalone Statement of Profit and Loss.

The fair values of investment property are disclosed in the notes. Fair values are determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

Asset Type	Useful Life		Schedule II
	March 2023	March 2022	
Buildings (Interior and Accessories)	14 Years	14 Years	NA
Plant and Machinery			
- DG set, HVAC system, Elevators and Firefighting system	15 years	15 years	15 Years
- Others	14 Years	14 Years	
Electrical installations	14 Years	14 Years	10 Years
Office Equipment's	4 Years	4 Years	5 Years

Investment properties are tested for impairment periodically including when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell.

K. Investments

The Company reviews its carrying value of investments carried at cost or amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

L. Borrowing costs

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets that necessarily takes substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

Borrowing costs that are not directly attributable to a qualifying asset are recognised in the Standalone Statement of Profit and Loss using the effective interest method.

M. Segment reporting

As per IND AS 108 Operating Segments, if a financial report contains both the Consolidated financial statements of a parent that is within the scope of IND AS 108 as well as the parent's Standalone financial statements, segment information is required only in the Consolidated financial statements. Accordingly, information required to be presented under IND AS 108 Operating Segments has been given in the consolidated financial statements.

N. Financial Instruments

1. Financial assets

(a) Recognition and initial measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss directly attributable transaction costs. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Classification and subsequent measurement

The Company classifies its financial assets into a) financial assets measured at amortised cost, and b) financial assets measured at fair value through profit or loss (FVTPL). Management determines the classification of its financial assets at the time of initial recognition or, where applicable, at the time of reclassification.

(i) *Financial assets measured at amortised costs*

A financial asset is classified at amortised costs if it is held within a business model whose objective is to a) hold financial asset in order to collect contractual cash flows and b) the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using effective interest rate method (EIR). Amortised cost is arrived at after taking into consideration any discount on fees or costs that are an integral part of the EIR. The amortisation of such interests forms part of finance income in the Standalone Statement of Profit and Loss. Any impairment loss arising from these assets are recognised in the Standalone Statement of Profit and Loss.

(ii) Financial assets measured at fair value through profit and loss (FVTPL)

This is a residual category for classification. Any asset which do not meet the criteria for classification as at amortised cost, is classified as FVTPL. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in the Standalone Statement of Profit or Loss.

(iii) Financial assets measured at fair value through other comprehensive income (FVOCI)

- Debt investments at FVOCI: These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in Standalone Statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Standalone Statement of Profit and Loss.

- Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognised as income in Standalone Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to Standalone Statement of Profit and Loss.

(b) ***Derecognition***

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset and associated liability for any amounts it may have to pay.

(c) Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables- The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

2. Financial liabilities

(a) Recognition, measurement and classification

Financial liabilities are classified as either held at a) fair value through profit or loss, or b) at amortised cost. Management determines the classification of its financial liabilities at the time of initial recognition or, where applicable, at the time of reclassification. The classification is done in accordance with the substance of the contractual arrangement and the definition of a financial liability and an equity instruments. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities at amortised cost includes loan and borrowings, interest free security deposit, interest accrued but not due on borrowings, Retention money payable, trade and other payables. Such financial liabilities are recognised initially at fair value minus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

The Company's financial liabilities at fair value through profit or loss includes derivative financial instruments.

(b) Financial guarantee contracts

The Company on a case to case basis elects to account for financial guarantee contracts as a financial intruments or as an insurance contracts as specified in Ind AS 109 on Financial Instruments and Ind AS 104 on Insurance contracts. The Company has regarded all its financial guarantee contracts as insurance contracts. At the end of each reporting period, the Company performs a liability adequacy test, (i.e. it assesses the likelihood of a pay-out based on current undiscounted estimates of future cash flows), and any deficiency is recognised in Standalone Statement of Profit and Loss.

Derecognition

The Company derecognises financial liabilities when its contractual obligations are discharged or cancelled or have expired.

3. Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount presented in the Standalone statement of financial position when, and only when, the Company has legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

4. Derivative financial instruments

The Company uses derivative financial instruments, such as foreign exchange forward contracts, interest rate swaps and currency options to manage its exposure to interest rate and foreign exchange risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured to their fair value. The resulting gain/loss is recognised in Standalone Statement of Profit and Loss immediately at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The Company does not designate the derivative instrument as a hedging instrument.

O. Provisions, contingent liabilities and contingent assets

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets where it is probable that future economic benefits will flow to the Company are not recognised but disclosed in the financial statements. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

P. Leases

At the inception of a contract, the Company assesses whether a contract is or contains, a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration. To assess whether a contract conveys the right to control the use of an asset the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capability of a physical distinct asset. If the supplier has a substantive substitution right, then the asset is not identified
- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

a. Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. Payments received under operating leases are recognised in the Standalone Statement of Profit and Loss on a straight- line basis over the lease term. The Company is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor. The Company accounted for its leases in accordance with Ind AS 116 from the date of initial application.

b. Company as a lessee

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 recognises 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 recognised 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 recognises 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 recognises 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 recognised 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 unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

R. Discontinued Operations

Discontinued operations are reported when a component of the Company comprising operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the Company operations is classified as held for sale or has been disposed of, if the component either (1) represents a separate major line of business or geographical area of operations and (2) is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations or (3) is a subsidiary acquired exclusively with a view to resale.

In the standalone statement of profit and loss, income/ (loss) from discontinued operations is reported separately from income and expenses from continuing operations. The comparative standalone statement of profit and loss is re-presented; as if the operation had been discontinued from the start of the comparative period. The cash flows from discontinued operations are presented separately in Note 51.

S. Government Grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in Standalone Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised

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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 amortisation (“adjusted EBITDA”)

The Company presents adjusted EBITDA in the Standalone Statement of Profit and Loss; this is not specifically required by Ind AS 1. The terms adjusted EBITDA are not defined in Ind AS. Ind AS complaint Schedule III allows companies to present Line items, sub-line items and sub-totals shall be presented as an addition or substitution on the face of the financial statements when such presentation is relevant to an understanding of the Company’s financial position or performance or to cater to industry/ sector-specific disclosure requirements or when required for compliance with the amendments to the Companies Act or under the Indian Accounting Standards.

Measurement of adjusted EBITDA

Accordingly, the Company has elected to present earnings before interest, tax, depreciation and amortisation (adjusted EBITDA) before exceptional items, as a separate line item on the face of the Standalone Statement of Profit and Loss. The Company measures adjusted EBITDA before exceptional items, on the basis of profit / (loss) from continuing operations including other income. In its measurement, the Company does not include exceptional items, depreciation and amortisation expense, finance costs, share of profit from associate and tax expense.

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

Y. Recent pronouncements – New Standards/Amendments notified but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".

Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

The Company does not expect the effect of this on the financial statements to be material, based on preliminary evaluation.

2 PROPERTY, PLANT AND EQUIPMENT

Reconciliation of carrying amount as at March 31, 2023

₹ in million

Particulars	Gross block				Accumulated depreciation/ amortization					Net block
	Opening balance as at April 1, 2022	Additions/ Transferred In	Deductions	Closing balance as at March 31, 2023	Opening balance as at April 1, 2022	Adjustments	For the year	Deductions	Closing balance as at March 31, 2023	As at March 31, 2023
Tangible assets										
Freehold land	7,756.67	80.01	-	7,836.68	-		-	-	-	7,836.68
Buildings	13,883.23	869.99	-	14,753.22	4,250.02	83.46	450.47	-	4,783.95	9,969.27
Plant and machinery	4,738.28	223.82	70.90	4,891.20	3,248.15	51.64	265.98	68.26	3,497.51	1,393.69
Data processing equipments	275.52	8.67	14.23	269.96	249.30	-	18.85	14.20	253.95	16.01
Electrical installations	1,702.77	88.45	3.28	1,787.94	1,240.00	19.03	90.53	2.95	1,346.61	441.33
Furniture and fixtures	2,132.59	48.19	105.32	2,075.46	1,765.06	3.59	110.29	103.37	1,775.57	299.89
Vehicles	117.85	-	46.21	71.64	114.31	-	0.88	46.21	68.98	2.66
Office equipments	96.29	3.01	5.58	93.72	94.99	-	0.79	5.58	90.20	3.52
Total	**30,703.20**	**1,322.14**	**245.52**	**31,779.82**	**10,961.82**	**157.72**	**937.79**	**240.57**	**11,816.77**	**19,963.05**

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARch 31, 2023 (Contd.)

2 PROPERTY, PLANT AND EQUIPMENT (CONTD.)

Reconciliation of carrying amount as at March 31, 2022

₹ in million

Particulars	Gross block				Accumulated depreciation				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	7,756.67	-	-	-	-	7,756.67
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	4,738.28	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	0.85	249.30	26.22
Electrical installations	1,662.36	41.34	0.93	1,702.77	1,156.45	84.49	0.94	1,240.00	462.77
Furniture and fixtures	2,092.01	60.04	19.46	2,132.59	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	94.99	1.30
Total	**30,791.25**	**462.20**	**550.25**	**30,703.20**	**10,197.18**	**918.79**	**154.14**	**10,961.82**	**19,741.37**

Notes:

1) Refer Note 18 and Note 23 for information on Property, plant and equipment pledged as security by the Company.

2) Refer Note 39(II) for contractual commitments with respect to property plant and equipments.

3) In December 2005, the Company had purchased the entire building comprising of the hotel and apartments therein, together with a demarcated portion of the leasehold rights to land at Vashi (Navi Mumbai) from K. Raheja Corp Private Limited (reflected in the schedule above). The Company has been operating the Four Points By Sheraton Hotel at the said premises. Two Public Interest Litigations challenging the allotment of land by CIDCO to K. Raheja Corp Private Limited had been filed in 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 Revised Standalone financial statements. The carrying value of property, plant and equipment in respect of the aforementioned hotel as at March 31, 2023 is ₹348.46 million (March 31, 2022: ₹372.12 million).

4) The Company propose to convert Bengaluru ALC commercial Building to Hotel Building, the assets pertaining to said Building has been transferred to Property, plant and Equipments from Investment Property (refer note 4A).

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

2 PROPERTY, PLANT AND EQUIPMENT (CONTD.)

5) Title deeds of immovable properties not held in name 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 Note 4 and read with Note 39(I) (c) of the revised 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 revised standalone financial statements, the lease agreements are duly executed in favour of the Company except for below.

Details as on March 31, 2023

Description of item of property	Gross carrying value (In million)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since	Reason for not being held in the name of the company
Freehold land	880.97	Belaire Hotels Private Limited	NA	2007-08	Assets acquired by the company on account of merger and is in name of erstwhile company (refer note 50)
Buildings	1,726.88	Belaire Hotels Private Limited	NA	2013-14	Assets acquired by the company on account of merger and is in name of erstwhile company (refer note 50)

Details as on March 31, 2022

Description of item of property	Gross carrying value (In million)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since	Reason for not being held in the name of the company
Freehold land	880.97	Belaire Hotels Private Limited	NA	2007-08	Assets acquired by the company on account of merger and is in name of erstwhile company (refer note 50)
Buildings	1,716.47	Belaire Hotels Private Limited	NA	2013-14	Assets acquired by the company on account of merger and is in name of erstwhile company (refer note 50)

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

3 CAPITAL WORK-IN-PROGRESS

1) Details of capital work-in-progress

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	322.27	358.75
Add: Additions during the year	957.81	433.80
Less: Capitalized during the year	(357.27)	(438.50)
Less: Cost incurred for Commercial complex, Powai, Mumbai transfered to to Investment property under construction.	-	(31.78)
Closing Balance	922.81	322.27
Less: Provision for impairment	-	-
Net balance	**922.81**	**322.27**

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

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Legal and professional charges	13.01	13.92
Employee costs	19.51	34.95
Rates, taxes and license fees	13.28	2.46
Repairs and maintenance	-	-
Interest and other finance costs	55.52	29.63
Miscellaneous expenses	-	16.72
Other income/sale of scrap	-	(0.04)
Depreciation	37.68	-
Total	**139.00**	**97.64**

3) Capital work in progress (CWIP) Ageing Schedule

As at March 31, 2023

₹ in million

Particulars	Capital work in progress ageing schedule as at March 31, 2023				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	639.48	150.29	124.85	-	914.62
Projects temporarily suspended	-	4.69	3.50	-	8.19
Total	**639.48**	**154.98**	**128.35**	**-**	**922.81**

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	44.58	1.24	-	-	45.82
Projects temporarily suspended	149.22	127.23	-	-	276.45
Total	**193.80**	**128.47**	**-**	**-**	**322.27**

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

3 CAPITAL WORK-IN-PROGRESS (CONTD.)

Details of capital work in progress whose completion is overdue or has exceeded its cost as compared to its original plan:

As at March 31, 2023

₹ in million

Particulars	CWIP to be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	695.68	-	-	-
Hotel at Powai, Mumbai	-	-	-	-
Hotel at Telangana	695.68	-	-	-
Projects temporarily suspended	-	-	-	5.11
Hotel at Navi Mumbai	-	-	-	5.11
Total	**695.68**	**-**	**-**	**5.11**

As at March 31, 2022

₹ in million

Particulars	CWIP to be completed in			
	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**

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARch 31, 2023 (Contd.)

4 INVESTMENT PROPERTY

A. Reconciliation of carrying amount

as at March 31, 2023

₹ in million

Particulars	Gross block				Accumulated depreciation / amortization				Net block
	Opening balance as at April 1, 2022	Additions/ Transfers	Deductions/ Transfers	Closing balance as at March 31, 2023	Opening balance as at April 1, 2022	For the year	Deductions/ Transfers	Closing balance as at March 31, 2023	As at March 31, 2023
Commercial complex, Bengaluru I	893.37	-	893.37	-	157.72	-	157.72	-	-
Cignus Whitefield I Bangalore		3,100.70	-	**3,100.70**	-	17.95	-	**17.95**	**3,082.75**
Commercial Block II Sahar, Mumbai	1,203.25	36.15	-	**1,239.40**	206.87	41.73	-	**248.60**	**990.80**
Commercial Block I Sahar, Mumbai.	3,203.54	0.06	-	**3,203.60**	344.64	85.62	-	**430.26**	**2,773.34**
Cignus Whitefield II Bangalore	1,729.08		3.88	**1,725.20**	628.11	52.57	3.53	**677.15**	**1,048.05**
Total (A)	**7,029.24**	**3,136.91**	**897.25**	**9,268.90**	**1,337.34**	**197.87**	**161.25**	**1,373.96**	**7,894.94**
Investment property under construction									
Business centers and offices, Sahar, Mumbai									**0.01**
Cignus Powai I, Mumbai									**7,317.56**
Cignus Powai II, Mumbai									**1,167.28**
Cignus Whitefield I Bangalore									**15.93**
Cignus Whitefield II Bangalore									**78.13**
Total (B)									**8,578.91**
Total (A+B)									**16,473.85**

Note 4(A): As per Company propose to convert Bengaluru ALC commercial Building to Hotel Building, the assets pertaining to said Building has been transferred to Property, plant and Equipments from Investment Property (refer note 2).

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

4 INVESTMENT PROPERTY (CONTD.)

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
Commercial complex, Bengaluru I	893.37	-	-	893.37	131.95	25.77	-	157.72	735.65
Commercial Block II Sahar, Mumbai	1,196.15	7.10	-	1,203.25	166.53	40.34	-	206.87	996.38
Commercial Block I Sahar, Mumbai.	3,203.54	-	-	3,203.54	259.02	85.62	-	344.64	2,858.90
Cignus Whitefield II Bangalore	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	5,691.89
Investment property under construction									
Business centers and offices, Sahar, Mumbai									19.85
Cignus Powai I, Mumbai									4,924.96
Cignus Powai II, Mumbai									1,038.44
Cignus Whitefield I Bangalore									1,882.05
Cignus Whitefield II Bangalore									3.20
Total (B)									7,868.50
Total (A+B)									13,560.39

Notes:

1) Refer Note 18 and Note 23 for information on Property, plant and equipment pledged as security by the Company.

2. Borrowing cost aggregating to ₹589.36 million (March 31, 2022 ₹364.10 million) are capitalized under investment property under construction.

3. Details of investment property under construction

₹ in million

Particulars	March 31, 2023	March 31, 2022
Opening Balance	7,868.50	4,036.52
Add: Additions during the year	3,847.59	3,429.98
Add: Cost incurred for Commercial complex, Powai, Mumbai transfered from Capital work-in-progress (refer note 2 and 3)	-	409.89
Less: Capitalized during the year	(3,137.18)	(7.89)
Closing Balance	**8,578.91**	7,868.50

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

4 INVESTMENT PROPERTY (CONTD.)

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

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Legal and professional charges	**66.39**	30.42
Employee costs	**69.03**	38.96
Rates, taxes and license fees	**151.87**	1,258.16
Land	**-**	378.01
Interest and other finance costs	**589.36**	364.10
Miscellaneous expenses	**33.50**	11.02
Other income/sale of scrap	**(0.27)**	(0.63)
Total	**909.90**	2,080.04

B. Fair value measurement

i. Fair value hierarchy

The fair value of investment property was determined by external, independent property valuers, having appropriate recognized professional qualification and experience.

The fair value measurement for all of the investment properties has been categorized as a Level 3 fair value based on the inputs to the valuation technique used.

₹ in million

Investment properties	Fair Value as on March 31, 2023	Fair Value as on March 31, 2022
Commercial complex, Bengaluru I* (refer footnote of PPE note 2)	-	800.00
Commercial Block II Sahar, Mumbai**	1,902.17	1,750.00
Commercial Block I, Sahar, Mumbai**	7,911.42	7,838.49
Cignus Whitefield II Bangalore**	1,771.83	1,762.46
Cignus Whitefield I Bangalore**	4,246.94	-

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

**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

The fair value of investment property has been determined by external, independent property valuers / management, having appropriate recognized professional qualifications and recent experience in the location and category of the property being valued.

The fair value measurement for all of the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

The Company follows discounted cash flows technique. The valuation model considers the present value of net cash flows to be generated from the property, taking into account the expected rental growth rate, vacant years, occupancy rate, lease incentive costs such as rent-free years and other costs not paid by tenants. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality and lease terms. The land of Commercial Complex, Bengaluru is valued by residual method. The valuation of Retail block, Sahar, Mumbai considers change in end use to commercial purpose and is disclosed in note no 48.

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

4 INVESTMENT PROPERTY (CONTD.)

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

Investment properties	Valuation technique	Significant unobservable Inputs	Range	
			March 31, 2023	March 31, 2022
Commercial complex, Bengaluru I	Depreciable Replacement method	NA	NA	NA
Commercial Block II Sahar, Mumbai	DCF Method	Occupancy Range	94% to100%	94% to100%
		Base Rent (₹)	120 for Retailers 130 for Commercials	120 for Retailers 130 for Commercials
		Escalation %	4.77% p.a.	4.77% p.a.
		WAAC	12.10%	12.10%
		Growth Rate	4.00%	4.00%
Commercial Block I Sahar, Mumbai.	DCF Method	Occupancy Range	100%	100%
		Base Rent (₹)	197	133
		Escalation %	4.77% p.a.	4.77% p.a.
		WAAC	12.30%	12.10%
		Growth Rate	4.00%	4.00%
Cignus Whitefield II Bangalore	DCF Method	Occupancy Range	94% to100%	94% to100%
		Base Rent (₹)	57.00	54.00
		Escalation %	4.77% p.a.	4.77% p.a.
		WAAC	12.30%	12.10%
		Growth Rate	4.00%	4.00%
Cignus Whitefield I Bangalore	DCF Method	Occupancy Range	96% to100%	-
		Base Rent (₹)	60.00	-
		Escalation %	4.77% p.a.	-
		WAAC	12.30%	-
		Growth Rate	4.00%	-

C. Information regarding income and expenditure of investment property

₹ in million

Particulars	March 31, 2023	March 31, 2022
Rental income derived from investment properties	886.77	933.64
Direct operating expenditure (including repairs and maintenance) generating rental income	77.09	83.44
Direct operating expenditure that did not generate rental income	-	-
Profit arising from investment properties before depreciation and indirect expenses	809.68	850.20
Depreciation	197.87	211.26
Profit arising from investment properties before indirect expenses	**611.81**	638.95

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

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

4 INVESTMENT PROPERTY (CONTD.)

E. Investment properties under construction (IPUC) ageing:

As at March 31, 2023

₹ in million

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	2,611.84	3,191.76	2,085.05	690.26	8,578.91
Projects temporarily suspended	-	-	-	-	-
Total	**2,611.84**	**3,191.76**	**2,085.05**	**690.26**	**8,578.91**

As at March 31, 2022

₹ in million

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	3,837.01	2,358.87	1,096.17	576.45	7,868.50
Projects temporarily suspended	-	-	-	-	-
Total	**3,837.01**	**2,358.87**	**1,096.17**	**576.45**	**7,868.50**

F. Details of investment property whose completion is overdue or has exceeded its cost as compared to its original plan:

As at March 31, 2023

₹ in million

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	**7,324.40**	**-**	**-**	**1,167.33**
Cignus Powai I, Mumbai	7,308.93	-	-	-
Cignus Whitefield II Bangalore	15.47	-	-	-
Cignus Powai II, Mumbai	-	-	-	1,167.33
Projects temporarily suspended				
Total	**7,324.40**	**-**	**-**	**1,167.33**

As at March 31, 2022

₹ in million

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	4,919.72	1,881.59	-	-
Cignus Powai I, Mumbai	4,919.72			
Cignus Whitefield I Bangalore		1,881.59		
Projects temporarily suspended	-	-	-	-
Total	**4,919.72**	**1,881.59**	**-**	**-**

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

4 INVESTMENT PROPERTY (CONTD.)

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

as at March 31, 2023

₹ in million

Particulars	Gross block				Accumulated depreciation/amortization				Net block
	Opening balance as at April 1, 2022	Additions/ Transfers	Deductions/ Transfers	Closing balance as at March 31, 2023	Opening balance as at April 1, 2022	For the year	Deductions/ Transfers	Closing balance as at March 31, 2023	As at March 31, 2023
Tangible assets									
Freehold land	813.66	179.68	80.01	913.33	-			-	913.33
Buildings	4,718.81	2,336.83	633.02	6,422.62	717.60	109.13	83.46	743.27	5,679.35
Plant and machinery	1,063.11	505.91	132.43	1,436.59	412.57	64.14	53.21	423.50	1,013.09
Computers	2.33	0.06		2.39	2.22	0.06		2.28	0.11
Electrical installations	391.60	114.43	45.10	460.93	173.62	22.91	19.03	177.50	283.43
Furniture and fixtures	37.46		6.64	30.82	29.51	1.45	5.51	25.45	5.37
Office equipments	1.68	-	-	1.68	1.28	0.17		1.45	0.23
	7,028.65	**3,136.91**	**897.20**	**9,268.36**	**1,336.80**	**197.86**	**161.21**	**1,373.45**	**7,894.91**
Intangible assets									
Software	0.59	-	0.05	0.54	0.54	0.01	0.04	0.51	0.03
	0.59	-	0.05	0.54	0.54	0.01	0.04	0.51	0.03
Total	**7,029.24**	**3,136.91**	**897.25**	**9,268.90**	**1,337.34**	**197.87**	**161.25**	**1,373.96**	**7,894.94**

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

4 INVESTMENT PROPERTY (CONTD.)

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	813.66	-	-	813.66	-	-	-	-	813.66
Buildings	4,729.85	5.23	16.27	4,718.81	613.86	113.53	9.79	717.60	4,001.21
Plant and machinery	1,082.06	2.66	21.61	1,063.11	358.33	67.24	13.00	412.57	650.54
Computers	2.33	-	-	2.33	2.05	0.17	-	2.22	0.11
Electrical installations	399.34	-	7.74	391.60	154.46	24.62	5.46	173.62	217.98
Furniture and fixtures	73.02	-	35.56	37.46	58.06	5.44	33.99	29.51	7.95
Office equipments	1.68	-	-	1.68	1.03	0.25	-	1.28	0.40
	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	0.04
	0.59	-	-	0.59	0.53	0.01	-	0.54	0.04
Total	**7,102.52**	**7.89**	**81.17**	**7,029.24**	**1,188.33**	**211.26**	**62.24**	**1,337.34**	**5,691.89**

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, 2023	March 31, 2022
Hotel at Bengaluru	164.04	164.04
Cignus Whitefield II Bangalore	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 at Bengaluru

₹ in million

Particulars (in %)	March 31, 2023	March 31, 2022
Discount rate	11.70%	11.70%
Terminal value multiple	13.5 times	13.5 times

B. Cignus Whitefield II Bangaluru

₹ in million

Particulars (in %)	March 31, 2023	March 31, 2022
Discount rate	12.30%	12%
Terminal value multiple	12.50 times	12.83 times

C. Commercial complex at Bengaluru

₹ in million

Particulars (in %)	March 31, 2023	March 31, 2022
Discount rate	12.30%	12%
Terminal value multiple	12.50 times	12.83 times

Discount rate

The discount rate is a pre tax measure based on the rate of 10 year government bonds issued by the Government of India, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU.

Terminal value growth rate

Terminal value growth rate used for the purpose of calculation of terminal value has been determined based on the long-term compound annual growth rate in EBITDA.

The above assumptions are reviewed annually as part of management's budgeting and strategic planning cycles. These estimates may differ from actual results. The values assigned to each of the key assumptions reflect the Management's past experience as their assessment of future trends, and are consistent with external / internal sources of information.

Based on the above assumptions and analysis, no impairment was identified for any of the CGU as at March 31, 2023 and March 31, 2022 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 REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

6 OTHER INTANGIBLE ASSETS

as at March 31, 2023

₹ in million

Particulars	Gross block				Accumulated amortization				Net block
	Opening balance as at April 1, 2022	Additions/ Transferred In	Deductions	Closing balance as at March 31, 2023	Opening balance as at April 1, 2022	Charged for the year	Deductions	Closing balance as at March 31, 2023	As at March 31, 2023
Trade marks	0.04	-	-	0.04	0.04	-	-	0.04	-
Computer software	104.69	2.07	-	106.76	88.21	10.30	-	98.51	8.25
Total	**104.73**	**2.07**	**-**	**106.80**	**88.25**	**10.30**	**-**	**98.55**	**8.25**

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

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

7 INVESTMENT IN SUBSIDIARIES

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Investments in equity shares (non-trade, unquoted)		
In subsidiary companies (equity shares of ₹10/- each fully paid)		
25,009,000.00 (March 31, 2022: 25,009,000.00) shares of Chalet Hotels and Properties (Kerala) Private Limited#	250.09	250.09
Less: Provision for Impairment	(250.09)	(250.09)
	-	**-**
100,000.00 (March 31, 2022: NIL) shares of Chalet Airport Hotel Private Limited*	6.50	-
18,573.00 (March 31, 2022: NIL) shares of The Dukes Retreat Private Limited	829.11	-
30,082.00 (March 31, 2022: NIL) shares of Sonmil Industries Private Limited	756.46	-
	1,592.07	**-**
Aggregate amount of unquoted securities	1,592.07	-
Aggregate amount of quoted securities	-	-
Market value of quoted securities	-	-
Aggregate amount of impairment in the value of investments	250.09	250.09

*Includes adjustements of ₹ 5.50 million on account of interest free loan given.
Includes shares held by nominee shareholders

8 OTHER INVESTMENTS

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
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, 2022: 1,000) shares of Stargaze Properties Private Limited	0.01	0.01
10,000 (March 31, 2022: 6,050) shares of Renew Wind Power Energy (AP) Limited	1.29	0.61
991,345 (March 31, 2022: 991,345) shares of Krishna Valley Power Private Limited	19.91	19.91
1,044,500 (March 31, 2022: 1,044,500) shares of Sahyadri Renewable Energy Private Limited	31.46	31.46
355,000 (March 31, 2022: 355,000) shares of Vikramaditya Renewable Energy Private Limited	10.67	10.67
Measured at amortized cost		
National Saving Certificates	0.13	0.13
	63.47	**62.79**
Aggregate amount of unquoted securities	63.47	62.79
Aggregate amount of quoted securities	-	-
Market value of quoted securities	-	-
Aggregate amount of impairment in the value of investments	-	-

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

9 OTHER NON-CURRENT FINANCIAL ASSETS

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)		
To other than related parties		
Deposits with banks with more than 12 months maturity	386.89	269.89
Deposits		
Security deposits - related parties	21.91	20.07
Security deposits - others	121.66	86.97
Others	3.30	10.11
	533.76	387.04

10 OTHER NON-CURRENT ASSETS

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
(Secured, unsecured, considered good)		
To other than related parties		
(Unsecured, considered good)		
Capital advances	170.12	144.05
Less: Provision for doubtful advances	-	-
Prepayments [refer note 39 (I)(c)] and note below	238.44	199.65
	408.56	343.70

In December 2005, the Company had purchased the entire building comprising of the hotel and apartments therein, together with a demarcated portion of the leasehold rights to land at Vashi (Navi Mumbai) from K. Raheja Corp Private Limited (reflected under prepayment and others above). The Company has been operating the Four Points By Sheraton Hotel at the said premises. Two Public Interest Litigations challenging the allotment of land by CIDCO to K. Raheja Corp Private Limited had been filed in FY 2003-04. During the financial year 2014-15, the Honourable High Court at Bombay ordered K. Raheja Corp Private Limited to demolish the structure and hand back the land to CIDCO. K Raheja Corp Private Limited has filed a special leave petition against the order in the Supreme Court. The Supreme Court on 22 January 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 revised Standalone financial statements.The balance of prepaid lease rental in relation to such leasehold land as of March 31, 2023 is ₹48.54 million (March 31, 2022: ₹49.74 million).

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

11 INVENTORIES *(valued at lower of cost and net realizable value)*

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Hospitality :		
Food, beverages and smokes	106.09	86.69
Stores and spares	1.34	4.05
Property development :		
Developed property	-	-
Property under development (refer note 49)	4,159.22	4,182.32
Less: Provision for impairment (refer note 30a)	(263.29)	(429.79)
Property under development	3,895.93	3,752.53
Materials at site	122.27	89.22
Retail:		
Materials at site.	1.54	2.48
	4,127.17	3,934.97

12 TRADE RECEIVABLES

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good, unless otherwise stated)		
Trade receivables	516.03	328.76
Less: Allowance for doubtful trade receivables	(13.95)	(17.96)
Considered good	502.08	310.80
Trade receivables	1.65	13.34
Less: Allowance for doubtful trade receivables	(1.65)	(3.57)
Trade Receivables which have significant increase in Credit Risk	-	9.77
Trade receivables	12.58	12.58
Less: Allowance for doubtful trade receivables	(12.58)	(12.58)
Credit Impaired	-	-
Unbilled revenue	81.95	129.09
Less: Provision for impairment	(1.09)	(13.64)
	80.86	115.45
	582.94	436.02

Above balances of trade receivables include balances with related parties (refer note 46)

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

12 TRADE RECEIVABLES (CONTD.)

Trade receivables Ageing Schedule

As at March 31, 2023

₹ in million

Particulars	Unbilled revenue	Outstanding for following periods from due date of Invoice					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	80.86	484.13	18.12	8.53	3.25	1.09	**595.98**
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
Undisputed Trade receivable – credit impaired	1.09	-	-	-	-	12.58	**13.67**
Disputed Trade receivables - considered good	-	0.87	0.04	-	-	-	**0.91**
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	1.65	**1.65**
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	**-**
Total	**81.95**	**485.00**	**18.16**	**8.53**	**3.25**	**15.32**	**612.21**

As at March 31, 2022

₹ in million

Particulars	Unbilled revenue	Outstanding for following periods from due date of Invoice					Total
		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

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

13A CASH AND CASH EQUIVALENTS

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with banks		
- Current accounts	355.54	235.28
Cash on hand	7.89	9.30
	363.43	244.58

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.

13B BANK BALANCES OTHER THEN CASH AND CASH EQUIVALENTS

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
In term deposit accounts (balances held as margin money)	142.30	45.21
In term deposit accounts (others)	312.99	708.01
	455.29	753.22

- Includes accrued interest of ₹ 16.5 million (March 31, 2022: 3.42 million)

14A LOANS

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)		
Deposits		
Loans to related parties (refer footnote and Note 46)	354.56	2.50
	354.56	2.50

₹ in million

Type of Borrower	As at March 31, 2023		As at March 31, 2022	
	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 Related parties	**354.56**	**100%**	2.50	100%
-Chalet Hotels & Properties (Kerela) Private Limited (Subsidiary)	56.00	16%	2.50	100%
-Chalet Hotel Airport Private Limited (Wholly owned subsidiary)	298.56	84%	-	-
Total	**354.56**	**100%**	2.50	100%

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

14A LOANS (CONTD.)

Non-current Loan Receivables

As at March 31, 2023

₹ in million

Particulars	
Considered good – Secured	-
Considered good – Unsecured*	354.56
Loan Receivables which have significant increase in credit risk	-
Loan Receivables – credit impaired	-
Less: Loss allowance	
Total	**354.56**

As at March 31, 2022

₹ in million

Particulars	
Considered good – Secured	-
Considered good – Unsecured*	2.50
Loan Receivables which have significant increase in credit risk	-
Loan Receivables – credit impaired	-
Less: Loss allowance	
Total	**2.50**

14B OTHER CURRENT FINANCIAL ASSETS

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)		
To other than related parties		
Export benefits and entitlements	-	49.92
Mark to market derivative contracts	0.75	-
Deposits		
Security deposits - related parties (refer Note 46)	14.25	13.61
Security deposits - others	6.01	9.33
Option deposits - related parties (refer Note 46)	50.00	50.00
Others	58.86	27.77
	129.87	150.63

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

15 OTHER CURRENT ASSETS

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)		
To other than related parties		
Advance to suppliers	117.21	121.74
Less: Provision for doubtful advances	(10.73)	(10.73)
	106.48	111.01
Indirect tax balances/receivable credits	60.69	46.46
Unbilled revenue	656.06	571.05
Prepayment	139.96	165.27
Advances	1.45	-
Others	8.35	7.99
	972.99	901.78

16 SHARE CAPITAL

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

₹ in million

Particulars	March 31, 2023	March 31, 2022
(i) Authorized		
229,100,000 (March 31, 2022: 229,100,000) equity shares of the par value of ₹ 10 each	**2,291.00**	2,291.00
(ii) Issued, subscribed and paid-up		
205,024,864 (March 31, 2022: 205,023,864) equity shares of the par value of ₹ 10 each	**2,050.25**	2,050.24
Total	**2,050.25**	2,050.24

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

₹ in million

Particulars	March 31, 2023		March 31, 2022	
	Number	Amount	Number	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
Add:				
Fresh issue (Refer note f)	1,000	0.01	-	-
Number of equity shares outstanding at the end of the year	205,024,864	2,050.25	205,023,864	2,050.24

16 SHARE CAPITAL (CONTD.)

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

Particulars	March 31, 2023		March 31, 2022	
	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*	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. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared from time to time, subject to preferential right of preference shareholders to payment of dividend. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his/its share of the paid-up equity share capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

16 SHARE CAPITAL (CONTD.)

(e) Details of shares held by promoters

As at March 31, 2023

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%
	Ravi Chandru Raheja	5,163,159	-	5,163,159	2.52%	0%
	Jyoti Chandru Raheja	7,780,300	-	7,780,300	3.79%	0%
	Sumati Ravi Raheja	5,163,159	-	5,163,159	2.52%	0%
	Ivory Properties And Hotels Private Limited	3,571,533	-	3,571,533	1.74%	0%
	K Raheja Private Limited	12,400,000	-	12,400,000	6.05%	0%
	K Raheja Corp Private Limited	3,785,824	-	3,785,824	1.85%	0%
	Touchstone Properties And Hotels Private Limited	14,500,000	-	14,500,000	7.07%	0%
	Genext Hardware And Parks Private Limited	800,000	-	800,000	0.39%	0%
	Cape Trading LLP	13,116,180	-	13,116,180	6.40%	0%
	Casa Maria Properties LLP	16,496,280	-	16,496,280	8.05%	0%
	Capstan Trading LLP	16,495,680	-	16,495,680	8.05%	0%
	Palm Shelter Estate Development LLP	7,692,387	-	7,692,387	3.75%	0%
	Raghukool Estate Developement LLP	16,495,680	-	16,495,680	8.05%	0%
	Anbee Constructions LLP	13,116,180	-	13,116,180	6.40%	0%
Total		**146,902,680**	**-**	**146,902,680**	**71.65%**	
Total Number of Equity Shares		**205,023,864**		**205,024,864**		

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

16 SHARE CAPITAL (CONTD.)

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%	0.00%
	Ravi Chandru Raheja	10,326,318	(5,163,159)	5,163,159	2.52%	-2.52%
	Jyoti Chandru Raheja	-	7,780,300	7,780,300	3.79%	3.79%
	Sumati Ravi Raheja	-	5,163,159	5,163,159	2.52%	2.52%
	Ivory Properties And Hotels Private Limited	11,351,833	(7,780,300)	3,571,533	1.74%	-3.79%
	K Raheja Private Limited	12,400,000	-	12,400,000	6.05%	0.00%
	K Raheja Corp Private Limited	3,785,824	-	3,785,824	1.85%	0.00%
	Touchstone Properties And Hotels Private Limited	14,500,000	-	14,500,000	7.07%	0.00%
	Genext Hardware And Parks Private Limited	800,000	-	800,000	0.39%	0.00%
	Cape Trading LLP	13,116,180	-	13,116,180	6.40%	0.00%
	Casa Maria Properties LLP	16,496,280	-	16,496,280	8.05%	0.00%
	Capstan Trading LLP	16,495,680	-	16,495,680	8.05%	0.00%
	Palm Shelter Estate Development LLP	7,692,387	-	7,692,387	3.75%	0.00%
	Raghukool Estate Developement LLP	16,495,680	-	16,495,680	8.05%	0.00%
	Anbee Constructions LLP	13,116,180	-	13,116,180	6.40%	0.00%
Total		**146,902,680**	**-**	**146,902,680**	**71.65%**	
Total Number of Equity Shares		**205,023,864**		**205,023,864**		

f) Employee stock option plan

Number of shares reserved for ESOP is 1,350,831.

Term attached to stock options granted to employees are described in note 47.

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

17 OTHER EQUITY

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Equity Component of Compound Instruments		
Balance at the beginning of the year	438.33	373.48
Add: Additions during the year	95.67	64.85
At the end of the year	534.00	438.33
ESOP reserve		
Balance at the beginning of the year	23.87	32.29
Add: Additions during the year	78.98	1.02
Less: Transferred to retained earnings	0.17	9.44
At the end of the year	102.68	23.87
Securities premium		
Balance at the beginning of the year	10,269.19	10,269.19
Add: Premium on issued equity shares	0.31	-
At the end of the year	10,269.50	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
At the end of the year	84.99	84.99
Retained earnings		
Balance at the beginning of the year	(490.50)	307.28
Add: Profit / (Loss) for the year	1,873.01	(807.22)
Add: Transferred from employee stock option reserve	0.17	9.44
Proposed dividend*	(0.00)	-
At the end of the year	1,382.68	(490.50)
	13,445.81	11,397.84

*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 and unsecured interest free loan from Promoters-Directors.

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 Company and credited directly to such reserve.

17 OTHER EQUITY (CONTD.)

Employee stock option plan reserve

Represents expense recognised 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, 2022 ₹3,710.05 million).

18 LONG-TERM BORROWINGS

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings		
Secured		
Rupee term loans		
i) From bank (refer note A)	10,811.11	11,385.24
ii) From financial institutions (refer note A)	9,023.72	7,633.46
Foreign currency term loans		
i) From bank (refer note A)	-	662.76
Preference share liability		
Non-cumulative redeemable preference shares (refer note B)	1,858.93	1,746.67
Unsecured		
From related parties	383.37	-
	22,077.13	21,428.13

A) Terms of repayment

Particulars	Sanction Amount ₹ in million	Loan Outstanding as at March 31, 2023 / March 31, 2022** ₹ in million	Carrying rate of Interest As at March 31, 2023	Carrying rate of Interest As at March 31, 2022	Repayment/ Modification of terms	Security Details
TERM LOANS- Rupee Loans						
Standard Chartered Bank	2,000.00	(998.01)	7.75% to 7.85%	8.80% to 7.75%	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)	2008.00 (2235.13)	7.55% to 8.20%	7.75% to 7.55%	Repayable in quarterly 30 instalments from December 2021 to March 2029.	

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

18 LONG-TERM BORROWINGS (CONTD.)

Particulars	Sanction Amount ₹ in million	Loan Outstanding as at March 31, 2023 / March 31, 2022** ₹ in million	Carrying rate of Interest As at March 31, 2023	Carrying rate of Interest As at March 31, 2022	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)	931.98 (1010.01)	7.05% to 8.50%	7.90% to 7.05%	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)	(1,336.57)	8.25%	8.40% to 8.25%	Repayable quarterly instalment starting from December 2017 to September 2025. This loan fully paid on April 22.	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	645.16 (645.16)	6.66% to 8.94%	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	1360.06 (1357.45)	6.60% to 9.00%	6.50%	Repayable in 48 monthly installments starting July, 2023	

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

18 LONG-TERM BORROWINGS (CONTD.)

Particulars	Sanction Amount ₹ in million	Loan Outstanding as at March 31, 2023 / March 31, 2022** ₹ in million	Carrying rate of Interest As at March 31, 2023	Carrying rate of Interest As at March 31, 2022	Repayment/ Modification of terms	Security Details
Standard Chartered Bank	900 (Term Loan - ₹ 750 million and OD ₹ 150 million)	(626.18)	7.40% to 7.65%	8.80% to 7.40%	Repayable monthly instalment over 144 months starting from July 2017 to July 2029. This loan was fully paid on March 2023.	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	2346.67 (2455.42)	8.30% to 8.70%	8.45% to 8.30%	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	447.20 (653.68)	8.25% to 8.60%	8.40% to 8.25%	Repayable quarterly instalment from September 2016 to June 2025.	It is secured by (i) Pari-passu charge on immovable and movable property and receivables (both present and future) from Marriott Hotel Bangalore, Whitefield (ii) pari- passu charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Marriott Hotel Bangalore, Whitefield.
Federal Bank	3,000.00	2,976.13	8.30%	-	Bullet repayment in February, 2024	First and exclusive charge on immovable and movable property and receivables pertaining to commercial properties located in Whitefield, Bangalore

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

18 LONG-TERM BORROWINGS (CONTD.)

Particulars	Sanction Amount ₹ in million	Loan Outstanding as at March 31, 2023 / March 31, 2022** ₹ in million	Carrying rate of Interest As at March 31, 2023	Carrying rate of Interest As at March 31, 2022	Repayment/ Modification of terms	Security Details
Axis Bank Limited	4500 (Term loan - 420 million with ₹300 million OD as a sub-limit of term loan)	964.07	8.95%	-	Repayable in quarterly installments starting from June 2023 to March 2033.	First and exclusive charge on immovable and movable property and receivables pertaining to Westin Hyderabad hotel
DBS Bank Limited	132.00	1,259.45	7.45%	-	Repayable in Monthly instalments from July 2022 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.
Axis Bank Limited	120.00	(6.40)	-	10.65% to 12.00%	Repayable in 38 unequal quarterly instalments, from November 2014 to February 2024. The loan is fully repaid in May 2022.	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.

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

18 LONG-TERM BORROWINGS (CONTD.)

Particulars	Sanction Amount ₹ in million	Loan Outstanding as at March 31, 2023 / March 31, 2022** ₹ in million	Carrying rate of Interest As at March 31, 2023	Carrying rate of Interest As at March 31, 2022	Repayment/ Modification of terms	Security Details
						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)	2492.17 (2,656.83)	7.00% to 7.45%	7.85% to 7.00%	Repayable in Monthly instalments from April 2020 to Sept 2025.	It is secured by (i) Exclusive charge on immovable and movable property and receivables (both present and future) at Business Centre at Sahar, Mumbai. (ii) Exclusive charge on Current Accounts, DSRA Account and assignment or creation of charge in favor of the lender of all Insurance contracts and Insurance proceeds pertaining to Business Centre at, Sahar Mumbai.
Bajaj Finance Limited	5,000.00	426.40 (456.26)	7.00% to 7.45%	7.85% to 7.02%	Repayable in Monthly instalments from April 2020 to Sept 2025.	
From Financial Institutions						
Housing Development Finance Corporation Limited	1,350.00	132.80 (340.60)	6.75% to 9.35%	7.50% to 6.75%	Repayable in 120 monthly instalment from loan drawn out date i.e, October 2014.	It is secured by (i) Exclusive charge on immovable property and receivables at Four Points By Sheraton, Vashi (ii) Exclusive charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Four Points By Sheraton, Vashi (iii) Guarantee by related party.

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

18 LONG-TERM BORROWINGS (CONTD.)

Particulars	Sanction Amount ₹ in million	Loan Outstanding as at March 31, 2023 / March 31, 2022** ₹ in million	Carrying rate of Interest As at March 31, 2023	Carrying rate of Interest As at March 31, 2022	Repayment/ Modification of terms	Security Details
Housing Development Finance Corporation Limited	2,500 (Line of Credit)	1200 (1,600.00)	6.75% to 9.25%	7.50% to 6.75%	Line of credit to be reduced every year starting from March 2019 to March 2026.	It is secured by (i) Pari-passu charge on immovable property and receivables (both present and future) from Sahar Hotel and retails operations (ii) pari- passu charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Sahar Hotel and retails operations.
Housing Development Finance Corporation Limited	2,000.00	1996.63 (1996.00)	6.75% to 9.35%	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.
International Financial corporation (IFC)	375.00	1,983.31	7.27% to 9.49%	-	Semi annual repayments from Jul-24 to Jan-32.	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 REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

18 LONG-TERM BORROWINGS (CONTD.)

Particulars	Sanction Amount ₹ in million	Loan Outstanding as at March 31, 2023 / March 31, 2022** ₹ in million	Carrying rate of Interest As at March 31, 2023	Carrying rate of Interest As at March 31, 2022	Repayment/ Modification of terms	Security Details
Housing Development Finance Corporation Limited	3,600.00	1129.96 (1,598.62)	6.75% to 9.35%	7.50% to 7.20%	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	3268.25 (2765.16)	7.25% to 9.85%	7.95% to 7.25%	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)	-	4.00% fixed plus 3 month libor	Repayable quarterly from June 2018 to March 2027.This loan was fully paid on April 2022.	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 REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

18 LONG-TERM BORROWINGS (CONTD.)

Particulars	Sanction Amount ₹ in million	Loan Outstanding as at March 31, 2023 / March 31, 2022** ₹ in million	Carrying rate of Interest As at March 31, 2023	Carrying rate of Interest As at March 31, 2022	Repayment/ Modification of terms	Security Details
Axis Bank Limited	USD 35 million (drawn only USD 31.15 million)	(587.36)	-	4.5% + 6 months LIBOR	Repayable in 38 unequal quarterly instalments, from November 2014 to February 2024.The loan is fully paid in May 2022.	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);

Unsecured

From related parties

The Company accorded to raise funds from the Promoters of the Company or their nominees by way of Unsecured Loans or Inter Corporate Deposits or any combination thereof upto an amount not exceeding ₹1,000 million on an interest-free basis, in accordance with the terms and conditions set out in the Subscription Agreement dated June 4, 2018 and the amendment thereto to be executed between the Company and the Promoters viz. Mr. Ravi C. Raheja and Mr. Neel C. Raheja, if necessary. In this regard, the Company has borrowed ₹ 450 million as at March 31, 2023 (March 31, 2022: ₹Nil).

*The bank has confirmed that no event of default has been called due to the breach of covenants during the year 2022-23.

** Previous year information are disclose within brackets

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

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

18 LONG-TERM BORROWINGS (CONTD.)

As at 31 March 2023

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-22	Inventory	22.91	23.55	(0.64)	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-22	Inventory	21.13	21.77	(0.64)	
Indian Overseas Bank	Dec-22	Inventory	22.88	22.82	0.06	
Indian Overseas Bank	Mar-23	Inventory	-	-	-	

As at 31 March 2022

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 Authorized, Issued, Subscribed and Paid-up Preference Share Capital as below:

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Authorized		
1,600 (March 31, 2022: 1600) 0.001% Non-cumulative redeemable preference shares of ₹ 100,000 each	160.00	160.00
10,000 (March 31, 2022: 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, 2022: 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, 2022: 1600) 0.001% Non-cumulative redeemable preference shares of ₹ 100,000 each	160.00	160.00
20,000 (March 31, 2022: 20,000) (Series A 10,000 and Series B 10,000) 0.00% Non-cumulative, Non-convertible redeemable preference shares.	1,698.93	1,586.67
Series A: Fully-paid up ₹ 100,000 each (Fully paid up ₹100,000 each in year ended March 31, 2022) and		
Series B: Fully-paid up ₹100,000 each (Partly paid up ₹ 75,000 each in year ended March 31, 2022).		
Total	**1,858.93**	1,746.67

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

18 LONG-TERM BORROWINGS (CONTD.)

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

₹ in million

Particulars	March 31, 2023		March 31, 2022	
	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, 2022: 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**	**921.56**	10,000	828.00
Adjustments* / Issued during the year	**-**	**(79.55)**	-	93.56
Number of Preference shares outstanding at the end of the year	**10,000**	**842.01**	10,000	921.56
10,000 (March 31, 2022: 10,000) (Series B) 0.00% Non-cumulative, Non-convertible redeemable preference shares subscribed and fully paid up of Series B ₹ 100,000 each.				
Number of Preference shares outstanding at the beginning of the year	10,000	665.11	10,000	206.61
Adjustments* / Issued during the year**	-	191.81	-	458.50
Number of Preference shares outstanding at the end of the year	**10,000**	**856.92**	10,000	665.11
Total	**21,600**	**1,858.93**	**21,600**	**1,746.67**

*Adjustments represents notional interest on debt components of Preferences share

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

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

18 LONG-TERM BORROWINGS (CONTD.)

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

₹ in million

Particulars	March 31, 2023		March 31, 2022	
	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, 2022:10,000 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	45.00%
Ivory Properties and Hotels Private Limited	850	8.50%	850	8.50%
Total	**10,000**	**100%**	10,000	100%
10,000 0.00% Non-cumulative, Non-convertible redeemable preference shares of ₹100,000 each subscribed and Fully paid up of ₹ 100,000 each (March 31, 2022:10,000 partly paid up ₹ 75,000 each)				
Series B				
Mr. Ravi Chandru Raheja	2,325	23.25%	2,325	23.25%
Mr. Neel Chandru Raheja	2,325	23.25%	2,325	23.25%
K Raheja Corp Private Limited	4,500	45.00%	4,500	45.00%
Ivory Properties and Hotels Private Limited	850	8.50%	850	8.50%
Total	**10,000**	**100%**	**10,000**	100%

(d) Rights, Preferences and restrictions attached to preference shares.

The Company has two classes of preference shares having a par value of ₹100,000 each per share.

1,600 0.001% Non-cumulative redeemable preference shares of ₹ 100,000 each.

Rights, Preferences and restrictions attached to 0.00% 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 ₹1 per preference share per year.

Preference shares issued by the Company are due for redemption at par. Accordingly, the preference shares are liable to be redeemed at any time at the option of the Company but not later than December 21, 2023.

In the event of liquidation of the Company before redemption of the equity shares, holders of the preference shares will have priority over equity shares in the payment of dividend and repayment of capital.

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

18 LONG-TERM BORROWINGS (CONTD.)

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 04, 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 ₹ 2,000 million as at March 31, 2023 (March 31, 2022: ₹1,750.00 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.

During the year ended March 31, 2023 amount of ₹ 1,600/- was proposed as preference dividend to 1,600 0.001% Non-cumulative redeemable preference shares of ₹ 100,000 each.

19 OTHER NON-CURRENT FINANCIAL LIABILITIES

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	217.34	128.89
Retention money	35.40	6.72
Deferred government grant (refer note 36)	-	23.98
	252.74	159.59

20 PROVISIONS

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for gratuity	82.85	80.41
	82.85	80.41

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

21 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, 2023	For the year ended March 31, 2022
Current tax		
Current year (Including earlier years)	178.14	(37.76)
MAT credit entitlement	(178.41)	-
Deferred tax expense /(credit)	895.15	(681.77)
Tax charge/ (credit) for the year	**894.88**	(719.53)

(b) Amounts recognised in other comprehensive income

₹ in million

Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022		
	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	(7.51)	2.87	(4.64)	1.65	(0.15)	1.50
	(7.51)	**2.87**	**(4.64)**	1.65	(0.15)	1.50

(c) Reconciliation of effective tax rate for continuing operations

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit /(Loss) before tax	2,772.53	(1,528.25)
Company's domestic tax rate	34.94%	34.94%
Tax using the Company's domestic tax rate	968.83	(534.03)
Tax effect of:		
Recogition of deferred tax on previously unrecognised tax losses	-	1.74
Expenses not allowed under tax	112.46	40.85
Standard deduction	(84.05)	(89.21)
Indexation of land and investment property	(158.80)	(125.58)
Others	56.71	24.46
	895.15	(681.77)

The Company weighted average tax rates for years ended March 31, 2023 and March 31, 2022 is 32.29 % and 44.61 %, respectively.

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

21 TAX EXPENSE (CONTD.)

(e) Movement in deferred tax balances

Movement in deferred tax balances for the year ended March 31, 2023

₹ in million

Particulars	Net balance as at March 31, 2022	Recognised in profit or loss credit/ (charge)	Recognised in OCI	Recognised in equity	Others	Net balance as at March 31, 2023
Deferred tax asset/(liabilities)						
Property, plant and equipment	(2,774.44)	165.24	-	-	-	(2,609.20)
Investment property	192.95	39.26	-	-	-	232.21
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	2,592.68	(127.64)	-	-	-	2,465.04
Investments	-	-	-	-	-	-
Provisions	322.21	(239.03)	2.87	-	-	86.05
Borrowings	(38.26)	10.60	-	-	-	(27.66)
Other current liabilities	145.26	(7.07)	-	-	-	138.19
Other current assets	(199.55)	(34.70)	-	-	-	(234.25)
Unabsorbed depreciation/ carry forward tax losses	1,357.11	(675.66)	-	-	-	681.45
Unabsorbed losses on House property	416.11	(19.16)	-	-	-	396.95
Employee Stock Option	8.34	-	-	-	-	8.34
Inventory	7.48	-	-	-	-	7.48
Right of use assets and lease liability	14.55	8.80	-	-	-	23.35
MAT Credit Entitlement	195.00	(16.59)	-	-	-	178.41
Other items	121.51	0.85	-	-	-	122.36
Deferred tax assets/(liabilities)	**2,340.76**	**(895.15)**	**2.87**	**-**	**-**	**1,448.48**

₹ in million

Particulars	Net balance as at March 31, 2023
Deferred tax assets	1,448.48
Deferred tax liabilities	-
Net deferred tax assets	**1,448.48**

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

21 TAX EXPENSE (CONTD.)

Movement in deferred tax balances for the year ended March 31, 2022

₹ in million

Particulars	Net balance as at March 31, 2021	Recognised in profit or loss credit/ (charge)	Recognised in OCI	Recognised 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	-	-	-	-	-	-
Provisions	412.00	(89.64)	(0.15)	-	-	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	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	44.00	-	-	-	121.51
Deferred tax assets/(liabilities)	**1,659.14**	**681.77**	**(0.15)**	**-**	**-**	**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	**2,340.75**

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.

Deferred tax assets for the carry forward of unused tax losses on business and house property are recognised to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised. The Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised.

21 TAX EXPENSE (CONTD.)

Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

The Company has recognised deferred tax asset to the extent that the same will be recoverable using the estimated future taxable income based on the approved business plans and budgets of the Company. The business losses can be carried forward for a year of 8 years as per the tax regulations and the Company expects to recover the losses.

Accordingly, the Company, has recognised deferred tax asset on the carried forward business losses after considering the relevant facts and circumstances during each financial year to the extent that the Company had convincing evidence based on its business plans and budgets to the extent that the deferred tax asset will be realised. Consequently, the Company has not recognised deferred tax asset of ₹1,078.40 million as at March 31, 2023 (March 31, 2022 : ₹1,773.22 million) on the carried forward lossess of the Company.

22 OTHER NON-CURRENT LIABILITIES

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred finance income	154.78	139.80
	154.78	139.80

23 BORROWINGS

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Over draft accounts from banks	90.24	13.72
Unsecured		
From related parties	-	-
Buyer's credit	-	-
Current maturity of long term debt (refer Note 18)	5,733.39	3,861.98
	5,823.63	3,875.70

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

23 BORROWINGS (CONTD.)

A) Terms of repayment

Rate of interest

Particulars	Sanction Amount ₹ in million	Carrying rate of Interest As at March 31, 2023	Carrying rate of Interest As at March 31, 2022	Repayment/ Modification of terms	Security Details
Standard Chartered Bank	500 (Including two sub limit of 20 millionn each)	7.25% to 7.90%	9.55% to 7.25%	Renewal every year.	Secured against land parcel admeasuring 6,826 sq. mtrs. at Powai (including future receivables)
ICICI Bank Ltd	3,080 (Term Loan - ₹ 2,285 million with ₹ 300 million OD as a sub-limit of term loan) OD 300 (Including four sublimit -20 million, 20 million 10 million and 5 millionn)	8.30%	8.35% to 8.30%	Renewal every year and maturity is in September 2026 in line with the Term loan.	It is secured by (i) Pari-passu charge on immovable property and receivables (both present and future) from Hotel and Retail Block, Sahar (ii) Pari Passu charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Hotel and Retail Block, Sahar.
DBS Bank Ltd	3,250 (Term Loan - ₹ 2,900 million, DSRA OD ₹150 million and OD ₹ 200 million)	7.25% to 9.50%	7.2% to 7.25%	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%	11.55%	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.

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

23 BORROWINGS (CONTD.)

Particulars	Sanction Amount ₹ in million	Carrying rate of Interest As at March 31, 2023	Carrying rate of Interest As at March 31, 2022	Repayment/ Modification of terms	Security Details
ICICI Bank Ltd	1,900 (Term Loan - 1,530 million and OD 150 million)	8.30% to 9.70%	8.35% to 8.30%	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 Ltd*	2,500 (Term loan - ₹2,300 million with ₹ 200 million OD as a sub-limit of term loan)	8.25% to 9.60%	8.30% to 8.25%	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.
Axis Bank Ltd	4,500 (Term loan - 420 million with ₹300 million OD as a sub-limit of term loan)	8.95%	-	Overdraft to be reduced in proportion of last 30 Cr repayment of term loan	First and exclusive charge on immovable and movable property and receivables pertaining to Westin Hyderabad hotel
HSBC Ltd	1,150 (Term loan - ₹1,130 million with ₹ 20 million OD as a sub-limit of term loan)	7.40% to 8.85%	8.25% to 7.40%	Renewal every year	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

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

23 BORROWINGS (CONTD.)

Particulars	Sanction Amount ₹ in million	Carrying rate of Interest As at March 31, 2023	Carrying rate of Interest As at March 31, 2022	Repayment/ Modification of terms	Security Details
Standard Chartered Bank	900 (Term Loan - ₹ 750 million and OD ₹ 150 million)	7.25% to 7.70%	7.60% to 7.25%	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 2022-23. 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.

24 TRADE PAYABLES

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises and (refer Note 40)	138.70	89.83
Total outstanding dues to creditors other than micro enterprises and small enterprises	1,344.56	776.65
	1,483.26	866.48

Trade payable Ageing Schedule

₹ in million

Particulars	Outstanding for following periods from due 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	136.09	0.42	-	-	136.51
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,188.93	73.75	36.81	44.72	1,344.21
Disputed dues of micro enterprises and small enterprises	1.62	0.57	-	-	2.19
Disputed dues of creditors other than micro enterprises and small enterprises	0.22	0.08	0.05	-	0.35
Total	**1,326.86**	**74.82**	**36.86**	**44.72**	**1,483.26**

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

24 TRADE PAYABLES (CONTD.)

As at March 31, 2022

₹ in million

Particulars	Outstanding for following periods from due 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	89.08	-	0.04	0.71	89.83
Total outstanding dues of creditors other than micro enterprises and small enterprises	696.13	50.94	21.74	7.84	776.65
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	**785.21**	**50.94**	**21.78**	**8.55**	**866.48**

25 CURRENT - OTHER FINANCIAL LIABILITIES

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Creditors for capital expenditure		
- Total outstanding dues of micro enterprises and small enterprises and (refer Note 40)	376.41	77.04
- Total outstanding dues to creditors other than micro enterprises and small enterprises	400.47	303.94
Retention payable	94.57	43.82
Proposed Dividend* [refer note 18(d)]	0.00	-
Security deposits	33.97	85.27
Mark to market derivative contracts	-	12.18
Other liabilities	124.61	101.40
	1,030.03	623.65

**Amount less than million*

26 OTHER CURRENT LIABILITIES

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Income received in advance (unearned revenue)		
Advances from customers towards sale of residential flats	1,664.42	1,660.47
Advances from customers towards hospitality services	245.68	151.77
Deferred finance income	4.15	4.41
Statutory dues payable*	289.58	300.07
	2,203.83	2,116.72

*Statutory dues payable includes ESIC, TDS payable , provident fund payable, indirect taxes payable etc.

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

27 SHORT-TERM PROVISIONS

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for gratuity	42.43	33.70
Provision for compensated absences	52.75	44.65
Provision for estimated / actual cancellation and alteration cost (Refer foot note).	13.26	773.74
	108.44	852.09

Bengaluru residential project

During the year 2013-14, Hindustan Aeronautics Limited (HAL) had raised an objection with regard to the permissible height of buildings of the Company's Bengaluru residential project. Pursuant to an interim order passed by the Karnataka High Court, in the petition filed by the Company, the Company had suspended construction activity at the Project and sale of flats.

Pending the outcome of the proceedings and a final closure of the matter, the Company suspended revenue recognition based on the percentage completion method after financial year ended 31 March 2014. Further, in case of cancellations subsequent to 31 March 2014, the Company reversed the revenue and derecognised margins in the respective year of cancellation. The Company also recompensed flat owners, in accordance with mitigation plans framed by the Company on account of the delay in completion of the project.

During the year ended 31 March 2018, without prejudice to its rights and remedies under law and keeping the commercial considerations in perspective, the Board of Directors of the Company, decided that the Company should proactively consider re-commencement of construction up to the miminum permissible limits and engage with the buyers above the 10th floor for evaluating possible options. Accordingly, the Company has reassessed the estimated cost of completion of the project upto 10th floor as per the aforementioned plan and has recognised a provision towards the following:

- cost of alteration of superstructure

- estimated costs in relation to potential cancellations

Further, cost of actual cancellation (where applicable) has also been provided for and included in the provision referred to above.

By Judgement dated 29 May 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. 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 Hon'Ble Karnataka High Court on 26 October 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 and approval from BBMP has been received.

The Company has also received approval for modification of the plan and extension for RERA completion deadline.

During the year, on account of various approval in place, the Management has considered reversal of earlier created provision for interest in relation to potential cancellation for the said flats above 10th floor amounting to ₹ 584.82 million and same is included in provision utilised during the year.

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

27 SHORT-TERM PROVISIONS (CONTD.)

Movement for provision for estimated / actual cancellation and alteration cost

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for cost of alteration of super structure	-	161.15
Provision for estimated/actual cancellation		
Opening balance	612.59	585.35
Provisions made during the year*	20.19	73.83
Provisions utilised/reversed during the year	(619.52)	(46.59)
Closing balance	13.26	612.59
Total	**13.26**	773.74

*Include provision for demolition of Bengaluru Multiplex and Inorbit Mall into Bengaluru Commercial.

28 REVENUE FROM OPERATIONS FROM CONTINUING OPERATIONS

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Sale of services		
Hospitality:		
Room income	6,157.02	2,195.09
Food, beverages and smokes	3,385.90	1,565.44
Others services	741.77	297.79
Rental/Annuity Business:		
Lease rent	886.78	933.64
(b) Sale of products		
Real estate:		
Sale of residential flats	-	-
Rental/Annuity Business:		
Maintenance and other recoveries	95.81	70.95
Revenue from other services	17.39	15.16
	11,284.67	5,078.07

29 OTHER INCOME

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income from instruments measured at amortised cost	323.03	57.13
Net mark to market gain on derivative contracts	2.32	2.00
Export benefits and entitlements (refer note 36)	36.91	59.42
Profit on sale of investments (net)	1.99	0.12
Profit on sale of property, plant and equipment (net)	5.78	3.66
Interest on income tax refund	30.76	26.85
Miscellaneous income	108.35	70.09
	509.14	219.27

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

30a Real estate development cost

₹ in million

Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
(i)	**Real estate development cost**	85.06	221.65
		85.06	221.65
(ii)	**Changes in inventories of finished good and work in progress**		
	Opening project work in progress	4,129.12	4,114.78
		4,129.12	4,114.78
	Add:		
	Incurred during the year	117.70	1.54
	Impairment of super structure cost	(350.89)	-
	Less: Closing stock		
	Transferred to property under development project	3,895.93	4,129.12
		-	(12.80)

30b Food and beverages consumed*

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Food and beverages materials at the beginning of the year	86.69	77.03
Purchases	1,018.59	548.29
Food and beverages materials at the end of the year	106.09	86.69
	999.19	538.63

*Includes complimentaries ₹ 77.39 million (March 31, 2022: ₹48.43 million).

30c Operating supplies consumed

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Purchases	392.66	243.76
	392.66	243.76

31 EMPLOYEE BENEFITS EXPENSE

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	1,214.81	840.53
Contributions to provident fund and other funds	68.36	49.40
Staff welfare expenses	148.81	108.81
Employee stock option expense (Refer Note 47)	78.98	1.02
	1,510.96	999.76

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

32 FINANCE COSTS

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expenses	1,532.44	1,422.18
Exchange differences regarded as an adjustment to borrowing cost	4.46	18.49
Other borrowing cost	1.24	-
	1,538.14	1,440.67

33 OTHER EXPENSES

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Travelling and conveyance expenses	25.44	7.37
Power and fuel *	647.34	462.87
Rent	29.37	24.20
Repairs and maintenance		
- Buildings	171.63	40.04
- Plant and machinery	239.25	156.86
- Others	108.64	45.36
Insurance	42.31	39.86
Rates and taxes	292.42	275.38
Business promotion expenses	359.05	115.60
Commission	275.96	100.15
Royalty and management fees	510.56	141.76
Legal and professional charges	234.01	136.64
Other hotel operating cost	276.06	147.43
Bad debt written off	6.55	0.22
Provision for doubtful debts	-	5.24
Loss on foreign exchange fluctuation (Net)	25.86	16.15
Donations	0.02	0.02
Director sitting fees	4.13	4.52
Payment to auditors (Refer Note 41)	16.97	13.15
Buyout labour & manpower contract	334.34	147.36
Corporate social responsibility expenses	0.81	0.66
Sunk cost	-	77.16
Miscellaneous expenses **	144.54	141.74
	3,745.26	2,099.74

*Net of ₹ 1.88 million (March 31, 2022 ₹12.25 million) on account of recoveries.

**Net of ₹ 2.75 million (March 31, 2022: ₹ 1.57 million) on account of recoveries.

34 EXCEPTIONAL ITEMS

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Exceptional items (refer note 27)		
-Provision for impairment loss on Inventories	(184.38)	-
-Reversal of provision for cost of alteration of super structure cost	22.64	-
-Provision for estimated cost in relation to potential cancellation	-	(44.58)
-Reversal of provision for estimated cost in relation to potential cancellation	584.82	-
Total	**423.08**	(44.58)

35 EARNINGS PER SHARE (EPS)

₹ in million

Particulars	March 31, 2023	March 31, 2022
Profit / (Loss) attributable to equity shareholders from Continuing operations	1,877.65	(743.35)
Profit / (Loss) attributable to equity shareholders from Discontinued operations	-	(65.37)
Profit / (Loss) attributable to equity holders of the Company	1,877.65	(808.72)
Calculation of weighted average number of equity shares		
Number of shares at the beginning of the year	205,023,864.00	205,023,864.00
Add: Shares issued during the year	1,000.00	-
Number of equity shares outstanding at the end of the year	205,024,864.00	205,023,864.00
Weighted average number of equity shares outstanding during the year	**205,024,433.86**	205,023,864.00
Total Number of potential Equity Shares	**94,600.67**	-
Weighted average number of equity shares outstanding during the year (Diluted)	**205,119,034.53**	205,023,864.00
Earnings per equity share - Continuing operations (Face value of ₹ 10 each)		
Basic	9.16	(3.63)
Diluted	9.15	(3.63)
Earnings per equity share - Discontinued operations (Face value of ₹ 10 each)		
Basic	-	(0.32)
Diluted	-	(0.32)
Earnings per equity share - Continuing and Discontinued operations (Face value of ₹ 10 each)		
Basic	9.16	(3.94)
Diluted	9.15	(3.94)

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.

36 GOVERNMENT GRANT

Export Promotion Capital Goods (EPCG) scheme

The Company under the EPCG scheme receives a grant from the Government towards import of capital goods without any levy of import duty. The Company has an obligation towards future exports of the Company.

The Company has recognised a deferred grant at the point of waiver of import duty in relation to import of capital goods. Given that the grant is conditional on fulfillment of future export obligation, the same is treated as a revenue grant and is accordingly recognised in the Statement of Profit and Loss on fulfilment of such obligation.

₹ in million

Particulars	**March 31, 2023**	**March 31, 2022**
Opening Balance	23.98	-
Grants received during the year	12.93	33.40
Less: Released to Statement of Profit and Loss	(36.91)	(9.42)
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 utilised against future imports.

The Company recognises income in respect of duty credit entitlement arising from export sales under the SFIS/SEIS of the Government of India in the year of exports, provided there is no significant uncertainty regarding the entitlement and availment of the credit and the amount thereof. Export credit entitlement can be 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, 2023**	**March 31, 2022**
Opening balance	49.92	-
Grants received during the year	-	50.00
Less: Utilisation	(49.92)	(0.08)
Less: Written off	-	-
Closing balance	-	49.92
Income recognised in Statement of Profit and Loss on account of EPCG (A)	36.91	9.42
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)	**36.91**	59.42

37 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 Revised Standalone Statement of Profit and Loss during the year in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved trusts/ appropriate authorities.

The Company has recognised the following amounts in the Revised Standalone Statement of Profit and Loss for the year.

₹ in million

Particulars	**March 31, 2023**	**March 31, 2022**
Employer's contribution to Provident Fund and ESIC	68.36	49.40
	68.36	49.40

37 EMPLOYEE BENEFITS (CONTD.)

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:

(i) Hotel division of holding company (Westin, Hyderabad) where fund is maintained with Life Insurance Corporation of India.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity was carried out as at March 31, 2023. 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, 2023	March 31, 2022
Defined benefit obligation	125.28	114.11
Less: Fair value of plan assets	(3.43)	(3.43)
Net defined benefit obligation	**121.85**	110.68

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, 2023	March 31, 2022
1	**Movement in defined benefit obligation:**		
	At the beginning of the year	114.11	109.50
	Current service cost	9.13	12.48
	Interest cost	5.87	4.55
	Recognised in other comprehensive income	-	(0.42)
	Due to change in demographic assumptions	(8.99)	0.64
	Due to change in financial assumptions	3.76	(3.27)
	Due to experience	12.74	0.98
	Benefit paid	(11.34)	(10.35)
	At the end of the year	**125.28**	114.11
2	**Movement in fair value of plan assets:**		
	At the beginning of the year	3.43	3.38
	Interest income	0.05	0.04
	Expected return on plan assets	(0.05)	0.02
	At the end of the year	**3.43**	3.43
3	**Recognised in profit or loss**		
	Current service cost	9.09	10.24
	Interest expense	5.87	4.70
	Interest income	0.05	0.04
	For the year	**14.91**	14.90
4	**Recognised in other comprehensive income**		
	Actuarial (gains)/losses on obligations	7.51	(1.65)
	For the year	**7.51**	(1.65)

37 EMPLOYEE BENEFITS (CONTD.)

Particulars		March 31, 2023	March 31, 2022
5	**Plan assets for this Fund are insurance funds. (100%)**		
6	The principal actuarial assumptions used for estimating The Company's benefit obligations are set out below (on a weighted average basis):		
	Employees of Chalet Hotels Limited		
	Rate of increase in salaries (%)	8 - 9%	5 - 9%
	Discount rate (%)	7.2 - 7.29%	4.56 - 5.15%
	Employee turnover rate	24-60%	22-56%
	Mortality rate during employment	**Indian Assured Lives Mortality 2012-14 (Urban)**	Indian Assured Lives Mortality 2012-14 (Urban)

7 Sensitivity of the defined benefit obligation

₹ in million

Particulars	March 31, 2023		March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(2.88)	3.08	(2.91)	3.12
Rate of increase in salaries (1% movement)	3.00	(2.86)	3.01	(2.86)
Rate of employee turnover (1% movement)	(0.40)	0.41	(0.55)	0.58

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, 2024 is ₹ 39.80 million (March 31, 2023): ₹ 31.14 million

9 The expected future cash flows as at March 31, 2023 were as follows

Particulars	Up to 1 year	Between 1-2 years	Between 2-5 years	More than 5 years	Total
March 31, 2023	39.80	24.00	48.18	30.55	142.53
Defined benefit obligation (gratuity - non funded)	37.52	22.85	47.14	30.37	137.87
Defined benefit obligation (gratuity)	2.28	1.15	1.04	0.18	4.65
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

37 EMPLOYEE BENEFITS (CONTD.)

(c) Short-term compensated absences:

Compensated absences, classified as long term benefits is recognised as an expense and included in "Employee benefits expense" in the Revised Standalone Statement of Profit and Loss during the year. The following table provides details in relation to compensated absences.

Particulars	March 31, 2023	March 31, 2022
Expenses for the year	14.94	5.81
Closing balance	**52.75**	44.65

38 LEASES

A. Leases as lessor (Operating lease)

The Company leases out its investment property on operating lease basis (Refer note 4). Also, the Company leases office premises and shops in hotel premises.

i) Amount recognised in the Revised Standalone Statement of Profit and Loss :

₹ in million

Description	For the year ended March 31, 2023	For the year ended March 31, 2022
Income from lease of shops in hotels included in revenue from operations	0.18	5.81
Income from lease of office premises included in revenue from operations	888.94	935.74
Total	**889.12**	941.55

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, 2023	For the year ended March 31, 2022
Less than one year	2.82	8.55
Between one and five years	13.51	23.91
More than five years	284.31	285.35
	300.63	317.81

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, 2023	For the year ended March 31, 2022
Less than one year	862.79	745.46
Between one and five years	3,682.69	3,243.81
More than five years	1,300.86	2,177.74
Total	**5,846.34**	6,167.00

38 LEASES (CONTD.)

B. Right-of-use assets

₹ in million

Particulars	March 31, 2023	March 31, 2022
Cost		
Opening Balance	649.09	-
Additions	-	649.09
Disposals	-	-
Closing Balance	**649.09**	**649.09**
Accumulated depreciation and impairment		
Opening Balance	59.54	-
Additions*	64.88	59.54
Disposals	-	-
Closing Balance	**124.42**	**59.54**

* During the year depreciation of ₹ 27.14 million (March 31, 2022 - ₹ 43.24 million) has been charged to revised Standalone Statement of Profit and loss Account.

₹ in million

Particulars	March 31, 2023	March 31, 2022
Carrying amounts		
Balance at March 31, 2023	**524.67**	**589.55**
Lease Liabilities		
Opening Balance	631.17	-
Additions	-	621.20
Less:Disposals	-	-
Add: Interest Expense on lease Liabilities	48.97	46.92
Less: Total cash outflow for leases	88.67	36.95
Closing Balance	**591.47**	**631.17**
Long term lease liabilities	548.56	591.47
Short term lease liabilities	42.91	39.70
	591.47	**631.17**

Breakdown of lease expenses

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Short-term lease expense	67.25	11.47
Low value lease expense	6.71	32.49
Total lease expense	**73.95**	43.96

38 LEASES (CONTD.)

Maturity analysis - Undiscounted

₹ in million

Particulars	Total
Lease liabilities	
Less than 1 year	88.67
Between 1 and 2 years	92.36
2 and 5 years	296.67
Over 5 years	336.17
Total	**812.87**

39 (I) Contingent liabilities and commitments (to the extent not provided for)

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Contingent liabilities		
Claims against the Company not acknowledged as debts		
Disputed service tax demands	69.74	67.39
Disputed income tax demands	401.54	323.51
Disputed VAT demands	13.08	13.08
Disputed provident funds demands	5.80	5.80
Labour Dispute	12.21	12.21
Transportation Charges	0.08	0.08
Power Facilitation Agreement	36.17	36.17
Contractors Claim	184.87	113.77
SFIS/SEIS Scheme	17.27	16.73
EPCG obligation	4.78	4.34

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 comprising of the hotel and apartments therein, together with a demarcated portion of the leasehold rights to land at Vashi (Navi Mumbai). The Company has been operating Four Points By Sheraton, Navi Mumbai, Vashi 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 22 January 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 above revised standalone financial results. The balance of prepaid lease rental in relation to such leasehold land as of 31 March 2023: ₹ 48.54 million and carrying value of property, plant and equipment as at 31 March 2023 is ₹ 348.46 million.

d. Show Cause Notice issued by CGST & Central Excise Division, Bhopal in July 2019 with reference to utilisation of SFIS benefits by the Company for purchase of glass and a demand to make payment of Excise Duty of ₹ Nil in 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.

39 (I) Contingent liabilities and commitments (to the extent not provided for) (Contd.)

e. The Company has considered as at March 31, 2023 ₹ 31.41 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 and has received favorable order for same. Based on the High Court order the company has filed application for refund of the said amount with GST authorities.

39 (II) Commitments

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**1,930.07**	3,142.76

40 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, 2023	For the year ended March 31, 2022
The amounts remaining unpaid to micro and small enterprises as at the end of the year.		
Principal	515.08	166.77
Interest	0.03	0.10
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	0.03	0.10
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

41 PAYMENT TO AUDITORS

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Audit fees	13.21	10.46
Tax audit fees	0.68	0.50
Other services	1.73	1.65
Out of pocket expenses	1.35	0.54
Amount debited to Revised Standalone Statement of Profit and Loss (excluding taxes)	**16.97**	13.15

42 CORPORATE SOCIAL RESPONSIBILITY

Details of CSR expenditure:

₹ in million

Particulars	March 31, 2023	March 31, 2022
a) Gross amount required to be spent by the Company during the year	-	-
b) Amount approved by the Board to be spent during the year	2.50	2.50
c) Amount spent during the year ending		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	0.81	0.66
d) 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, 2023

In case of S. 135(6) (Ongoing Project)

₹ in million

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 case of S. 135(5) (Other than ongoing Project)

₹ in million

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
-	-	-	0.81	(0.81)

42 CORPORATE SOCIAL RESPONSIBILITY (CONTD.)

March 31, 2022

In case of S. 135(6) (Ongoing Project)

₹ in million

Opening Balance	In Separate CSR Unspent A/c	Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company			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 case of S. 135(5) (Other than ongoing Project)

₹ in million

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)

43 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

(A) Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

₹ in million

March 31, 2023	Carrying amount			Fair value			
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-current financial assets							
Investment in subsidiaries	-	1,592.07	1,592.07	-	-	-	-
Investment in equity shares	63.34		63.34	-	-	63.34	63.34
Other investments	-	0.13	0.13	-	-	-	-
Other non-current financial assets	-	533.76	533.76	-	-	-	-
Current financial assets			-				
Trade receivables	-	582.94	582.94	-	-	-	-
Cash and cash equivalents	-	363.43	363.43	-	-	-	-
Other bank balances	-	455.29	455.29	-	-	-	-
Loans	-	354.56	354.56	-	-	-	-
Other current financial assets	-	129.12	129.12	-	-	-	-
Derivative asset	0.75	-	0.75	-	-	-	-
	64.09	**4,011.30**	**4,075.39**	**-**	**-**	**63.34**	**63.34**
Non-current financial liabilities							
Borrowings	-	22,077.13	22,077.13	-	-	-	-
Other non-current financial liabilities	-	252.74	252.74	-	-	-	-
Lease liabilities		548.56	548.56	-	-	-	-
Current financial liabilities			-				-
Borrowings	-	5,823.63	5,823.63	-	-	-	-
Trade payables	-	1,483.26	1,483.26	-	-	-	-
Other financial liabilities		1,030.03	1,030.03	-	-	-	-
Lease liabilities	-	42.91	42.91	-	-	-	-
	-	**31,258.26**	**31,258.26**	**-**	**-**	**-**	**-**

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

43 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

₹ in million

March 31, 2022	Carrying amount			Fair value			
	FVTPL	Amortised 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	-	-	-	-
Others	-	387.04	387.04	-	-	-	-
Current financial assets							
Trade receivables	-	436.02	436.02	-	-	-	-
Cash and cash equivalents	-	244.58	244.58	-	-	-	-
Other bank balances	-	753.22	753.22	-	-	-	-
Loans	-	2.50	2.50	-	-	-	-
Other current financial assets	-	150.63	150.63	-	-	-	-
Derivative asset	-	-	-	-	-	-	-
	62.66	**1,974.12**	**2,036.78**	**-**	**-**	**62.66**	**62.66**
Non-current financial liabilities							
Borrowings	-	21,428.13	21,428.13	-	-	-	-
Other non-current financial liabilities	-	159.59	159.59	-	-	-	-
Lease liabilities	-	591.47	591.47		-		-
Current financial liabilities							
Borrowings	-	3,875.70	3,875.70	-	-	-	-
Trade payables	-	866.48	866.48	-	-	-	-
Other financial liabilities	-	611.61	611.61	-	-	-	-
Lease liabilities		39.70	39.70		-		-
Derivative liability	-	12.18	12.18	-	-	-	-
	-	**27,584.87**	**27,584.87**	**-**	**-**	**-**	**-**

(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.

43 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

(ii) Fair value measurements using significant unobservable inputs (level 3)

Reconciliation of level 3 fair values

Particulars	FVTPL Equity shares
Balance at March 31, 2022	62.66
Additions / Deletions during the year	0.68
Balance at March 31, 2023	**63.34**

(iii) Sensitivity analysis

The Company has invested in equity shares of entities engaged in generation of hydro power for securing the supply of renewable energy. The Company does not have any exposure or rights to variable returns. Hence no sensitivity is required for such equity shares.

Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk;
- Market risk;

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers, cash and cash equivalents and other bank balances, derivatives and investment securities. The carrying amounts of financial assets represent the maximum credit exposure.

(a) Trade receivables from customers

The Company does not have any significant credit exposure in relation to revenue generated from hospitality business. For other segments the company has established a credit policy under which each new customer is analysed individually for creditworthiness before entering into contract. Sale limits are established for each customer, reviewed regularly and any sales exceeding those limits require approval from the appropriate authority. There are no significant concentrations of credit risk within the Company.

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

43 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

Impairment

The ageing of trade and other receivables that were not impaired was as follows.

₹ in million

Particulars	March 31, 2023	March 31, 2022
(a) Trade Receivables considered good - Secured;		
(b) Trade Receivables considered good - Unsecured;		
Neither past due not impaired		
Past due not impaired		
Less than 6 months	565.86	404.22
More than 6 months	31.03	40.47
Total	**596.89**	444.69
(c) Trade Receivables which have significant increase in Credit Risk; and	1.65	12.86
(d) Trade Receivables - credit impaired	**13.67**	26.22

The movement in the allowance for impairment in respect of other receivables during the year was as follows:

₹ in million

Particulars	March 31, 2023	March 31, 2022
Balance as at March 31, 2022	47.75	101.76
Impairment loss recognised / (reversed)	(77.02)	(54.01)
Balance as at March 31, 2023	(29.27)	47.75

(b) Cash and cash equivalents and other bank balances

The cash and cash equivalents and other bank balances are held with bank and financial institution counterparties with good credit rating.

(c) Derivatives

The derivatives are entered into with banks, financial institutions and other counterparties with good credit ratings. Further exposures to counter-parties are closely monitored and kept within the approved limits.

(d) Other financial assets

Other financial assets are neither past due nor impaired.

(C) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

43 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

₹ in million

March 31, 2023	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)	27,810.52	35,949.92	5,661.79	5,608.49	18,887.60	5,792.04
Security deposits	252.74	252.74	-	1.51	70.54	180.68
Retention money						
Current, non derivative financial liabilities						
Borrowings	90.24	90.24	90.24	-	-	-
Trade payables	1,483.26	1,483.26	1,483.26	-	-	-
Other current financial liabilities (excluding current maturity of long term debt and derivative contracts)	1,030.03	1,030.03	1,030.03	-	-	-
Derivative financial assets						
Forward exchange contract (gross settled)						
- Outflow	373.05	373.05	373.05	-	-	-
- Inflow	(369.45)	(369.45)	(369.45)	-	-	-
Total	**30,670.39**	**38,809.79**	**8,268.92**	**5,610.00**	**18,958.14**	**5,972.72**

₹ in million

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	13.72	49.71	49.71	-	-	-
Trade payables	866.48	866.78	866.78	-	-	-
Other current financial liabilities (excluding current maturity of long term debt and derivative contracts)	623.65	623.79	623.79	-	-	-
Derivative financial assets						
Forward exchange contract (gross settled)						
- Outflow	341.20	341.20	341.20	-	-	-
- Inflow	(328.35)	(328.35)	(328.35)	-	-	-
Total	**26,966.40**	**31,505.78**	**5,449.42**	**4,849.68**	**15,490.58**	**5,716.09**

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.

43 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

(D) Market risk

Market risk is the risk that the changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company uses derivative to manage market risk.

(E) Currency risk

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. The exchange rate between the Indian rupee and foreign currencies has changed substantially in recent years and may continue to fluctuate substantially in the future. Consequently, the Company uses derivative instruments, i.e., foreign exchange forward contracts to mitigate the risk of changes in foreign currency exchange rates in respect of recognised liabilities. The Company enters into foreign currency forward contracts which are not intended for trading or 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, 2023		March 31, 2022	
Forward contract	Buy	USD	INR	**USD**	**4.5 million**	USD	4.33 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 :

₹ in million

Particulars	March 31, 2023			March 31, 2022		
	USD	EUR	GBP	USD	EUR	GBP
Financial liabilities						
Foreign currency loans (including interest accrued)	-	-	-	1,147.61	-	-
Trade payables	637.37	-	0.10	219.79	-	0.02
	637.37	-	0.10	1,367.40	-	0.02
Derivatives						
Foreign currency forward exchange contract	(369.45)	-	-	(328.35)	-	-
	(369.45)	-	-	(328.35)	-	-
Net exposure	**267.92**	**-**	**0.10**	1,039.05	-	0.02

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against all other foreign currencies at 31 March, would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

₹ in million

	Profit or loss before tax			
Particulars	March 31, 2023		March 31, 2022	
	Strengthening	Weakening	Strengthening	Weakening
Effect in INR (before tax)				
USD (1% movement)	**2.68**	**(2.68)**	10.39	(10.39)

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

43 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

(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, 2023	NIL
March 31, 2022	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, 2023	**March 31, 2022**
Fixed-rate instruments		
Loans given		
Loans to related parties	(354.56)	(2.50)
Non current borrowings		
Non-cumulative redeemable preference shares	1,858.93	1,746.67
From related parties	383.37	-
Current borrowings		
Loan from related parties other than directors	-	-
Total	1,887.74	1,744.17
Variable-rate instruments		
Non current borrowings		
Rupee term loans from banks	10,811.11	11,385.24
Rupee term loans from financial institutions	9,023.72	7,633.46
Foreign currency term loans from banks	-	662.76
Current borrowings		
Cash credit/overdraft accounts from banks	90.24	13.72
Current maturity of long term debt	5,733.39	3,861.98
Total	**25,658.46**	23,557.16
TOTAL	**27,546.20**	25,301.33

Fair value sensitivity analysis for fixed-rate instruments

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107 Financial Instruments: Disclosures, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased/(decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. In cases where the related interest rate risk is capitalised to fixed assets, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets.

Particulars	Profit or loss before tax	
	100 bps increase	**100 bps decrease**
March 31, 2023	**(256.58)**	**256.58**
March 31, 2022	(235.57)	235.57

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

44 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, 2023	March 31, 2022
Total borrowings	27,900.76	25,303.83
Less: Cash and cash equivalents	363.43	244.58
Less: Bank deposits	455.29	753.22
Adjusted net debt	**27,082.04**	24,306.03
Total equity	**15,496.06**	13,448.08
Adjusted net debt to adjusted equity ratio	**1.75**	1.81

45 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.

46 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW:

List of related parties

₹ in million

Relationship	Name of party	
	March 31, 2023	March 31, 2022
Subsidiary	Chalet Hotels & Properties (Kerala) Private Limited	Chalet Hotels & Properties (Kerala) Private Limited
	Chalet Airport Hotel Private Limited (Incorporated on August 18, 2022)	
	The Dukes Retreat Private Limited (w.e.f. March 23, 2023)	
	Sonmil Insudtries Private Limited(w.e.f. March 23, 2023)	
Key Managerial Personnel / Relative (KMP)	Sanjay Sethi -Managing Director & CEO	Sanjay Sethi -Managing Director & CEO
	Milind Wadekar, CFO	Milind Wadekar, CFO
Non- Executive directors/ Relative	Ravi C Raheja	Ravi C Raheja
	Neel C Raheja	Neel C Raheja
Independent directors	Arthur De Haast	Arthur De Haast
	Joseph Conrad D'Souza	Joseph Conrad D'Souza
	Hetal Gandhi	Hetal Gandhi
	Radhika Piramal	Radhika Piramal
Other KMP as per Companies Act, 2013	Rajneesh Malhotra, Chief Operating Officer (w.e.f October 28th, 2021)	Rajneesh Malhotra, Chief Operating Officer (w.e.f October 28th, 2021)
	Christabelle Baptista, Company Secrectary	Christabelle Baptista, Company Secrectary

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

46 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW (CONTD.)

Relationship	Name of party	
	March 31, 2023	March 31, 2022
Enterprises Controlled / Jointly controlled by Non-executive directors	Brookfields Agro & Development Private Limited	Brookfields Agro & Development Private Limited
	Cavalcade Properties Private Limited	Cavalcade Properties Private Limited
	Convex Properties Private Limited	Convex Properties Private Limited
	Grange Hotels And Properties Private Limited	Grange Hotels And Properties Private Limited
	Immense Properties Private Limited	Immense Properties Private Limited
	Novel Properties Private Limited	Novel Properties Private Limited
	Pact Real Estate Private Limited	Pact Real Estate Private Limited
	Paradigm Logistics & Distribution Private Limited	Paradigm Logistics & Distribution Private Limited
	Sustain Properties Private Limited	Sustain Properties Private Limited
	Aqualine Real Estate Private Limited	Aqualine Real Estate Private Limited
	Feat Properties Private Limited	Feat Properties Private Limited
	Carin Properties Private Limited	Carin Properties Private Limited
	Asterope Properties Private Limited (erstwhile Flabbergast Properties Private Limited)	Asterope Properties Private Limited (erstwhile Flabbergast Properties Private Limited)
	Sundew Real Estate Private Limited	Sundew Real Estate Private Limited
	K Raheja Corp Advisory Services (Cyprus) Private Limited	K Raheja Corp Advisory Services (Cyprus) Private Limited
	Content Properties Private Limited	Content Properties Private Limited
	Grandwell Properties And Leasing Private Limited	Grandwell Properties And Leasing Private Limited
	K Raheja Corp Investment Managers LLP	K Raheja Corp Investment Managers LLP
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	Jyoti C. Raheja
	Sumati R. Raheja	Sumati R. Raheja

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

46 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW (CONTD.)

Relationship	Name of party	
	March 31, 2023	March 31, 2022
Other Related parties	Imperial Serviced Offices & Property Management Private Limited	Imperial Serviced Offices & Property Management Private Limited
	Inorbit Malls (India) Private Limited	Inorbit Malls (India) Private Limited
	K Raheja Corporate Services Private Limited	K Raheja Corporate Services Private Limited
	K Raheja IT Park (Hyderabad) Limited	K Raheja IT Park (Hyderabad) Limited
	Intime Properties Private Limited	Intime Properties Private Limited
	Mindspace Business Parks Private Limited	Mindspace Business Parks Private Limited
	Sundew Properties Limited	Sundew Properties Limited
	Trion Properties Private Limited	Trion Properties Private Limited
	Newfound Properties & Leasing Private Limited	Newfound Properties & Leasing Private Limited
	Nakshtra Logistics Private Limited	Nakshtra Logistics Private Limited
	Praman Properties Private Limited	Praman Properties Private Limited
	Nirankar Properties Private Limited	Nirankar Properties Private Limited
Other Related parties #	Genext Hardware And Parks Private Limited	Genext Hardware And Parks Private Limited
	Gigaplex Estate Private Limited	Gigaplex Estate Private Limited
	Horizonview Properties Private Limited	Horizonview Properties Private Limited
	Inorbit Malls (India) Private Limited	Inorbit Malls (India) Private Limited
	K Raheja Corp Investment Managers LLP	K Raheja Corp Investment Managers LLP
	K Raheja Corp Private Limited	K Raheja Corp Private Limited
	K Raheja Corporate IT Park (Hyderabad) Ltd	K Raheja Corporate IT Park (Hyderabad) Ltd
	K Raheja Pvt Ltd	K Raheja Pvt Ltd
	K.Raheja Corporate Services Private Limited	K.Raheja Corporate Services Private Limited
	Mindspace Business Parks Pvt. Ltd.	Mindspace Business Parks Pvt. Ltd.
	Pact Real Estate Private Limited	Pact Real Estate Private Limited
	Paradigm Logistics & Distribution Pvt. Ltd.	Paradigm Logistics & Distribution Pvt. Ltd.
	Sundew Properties Limited	Sundew Properties Limited
	Sycamore Properties Pvt. Ltd.	Sycamore Properties Pvt. Ltd.
	Trion Properties Private Limited	Trion Properties Private Limited
	Shoppers Stop Ltd.	Shoppers Stop Ltd.
# 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 REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

46 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW (CONTD.)

Related party disclosures for Year ended 31 March 2023

₹ in million

Sr. no	Particulars	Subsidiaries	Key Management Personnel / Relative/ Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
1	Sale of Property, Plant & Equipment	-	-	0.13
2	Sales of services - Rooms income, Food, beverages and smokes	-	-	22.93
3	Other Income	0.09	-	9.58
4	Interest Income	6.74	-	-
5	Interest Expenses		-	2.18
5	Other expenses	-	2.21	213.82
6	Reimbursement of Expenses	0.06	-	-
7	Purchase of material (IPUC) Sum	-	-	1.18
8	Director sitting fees	-	4.13	-
9	Salaries, wages and bonus (Including Employee stock option)	-	145.44	-
10	Advance Given		-	0.13
11	Loan Given	346.00	5.00	-
12	Loan Refund	-	5.00	-
13	Loan Taken	-	450.00	-
14	Equity share capital (Employee stock option exercised)	-	0.32	-
15	Investment in Equity Shares	1,586.57	-	-
16	Preference Shares Issued		116.25	133.75
17	Deposit Given	-	-	0.65
	Balances outstanding as at the year-end			
18	Trade payables	-	0.05	0.32
19	Trade Receivables	7.50	-	4.78
20	Loan Receivables	354.56	-	-
21	Interest Receivable	-	-	-
22	Interest Payable	-	-	12.27
22	Deposit receivable	-	-	108.59
23	Preference shares outstanding	-	930.00	1,070.00
24	Investment in equity shares outstanding	1.00	-	-
25	Loan Payable	-	450.00	25.69
26	Guarantee Outstanding	50.00		

46 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW (CONTD.)

Significant transactions with material related parties for year ended 31 March 2023

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 Property, Plant & Equipment**			
	Trion Properties Pvt Ltd	-	-	0.13
2	**Sales of services - Rooms income, Food, beverages and smokes**			
	Asterope Properties Private Limited			0.04
	Genext Hardware & Parks P	-	-	0.06
	Horizon View Properties Ltd	-	-	0.02
	Inorbit Malls (India) Pvt. Ltd.	-	-	0.61
	Juhu Beach Resorts Ltd.	-	-	14.25
	K Raheja Corp Investment Managers LLP	-	-	0.76
	K Raheja Corp Pvt. Ltd.	-	-	0.15
	K Raheja Corp Real Estate Pvt. Ltd	-	-	0.04
	K Raheja Corporate Services Pvt Ltd	-	-	4.22
	K Raheja IT Park (Hyderabad) Limited	-	-	0.10
	K Raheja Pvt. Ltd.	-	-	0.07
	KRC Infrastructure & Projects Pvt. Ltd.	-	-	0.13
	Mindspace Business Parks Pvt. Ltd.	-	-	0.30
	New Found Properties And Leasing Pvt Ltd	-	-	0.04
	Paradigm Logistics & Distribution Private Limited	-	-	0.31
	Pact Real Estate Pvt. Ltd.	-	-	0.01
	Shoppers Stop Ltd	-	-	1.28
	Sundew Properties Limited	-	-	0.12
	Sustain Properties Private Limited	-	-	0.12
	Sycamore Properties Pvt Limited	-	-	0.06
	Trion Properties Pvt Ltd	-	-	0.24
3	**Other Income**			
	Chalet Hotels & Properties (Kerala) Private Limited	0.09	-	-
	K Raheja Corp Private Limited	-	-	5.58
	Hillside Investments Private Limited	-	-	4.00
4	**Interest Income**			
	Chalet Airport Hotel Private Limited	6.74	-	-

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

46 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW (CONTD.)

Sr. no	Particulars	Subsidiaries	Key Management Personnel / Relative/ Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
5	**Interest Expenses**			
	K Raheja Corp Private Limited	-	-	2.18
5	**Other expenses**			
	Arthur De Haast	-	2.21	-
	Inorbit Malls (India) Pvt. Ltd.	-	-	0.35
	Juhu Beach Resorts Ltd.	-	-	1.10
	K Raheja Corp Investment Managers LLP	-	-	16.35
	K Raheja Corporate Services Pvt Ltd	-	-	86.81
	KRC Infrastructure & Projects Pvt. Ltd.	-	-	1.82
	Krishna Valley Power Private Limited	-	-	0.94
	Shoppers Stop Ltd	-	-	0.04
	Sundew Properties Limited	-	-	106.43
	Trion Properties Pvt Ltd	-	-	(0.03)
6	**Reimbursement of Expenses**			
	The Dukes Retreat Private Limited	0.06	-	-
7	**Purchase of material (IPUC) Sum**			
	K Raheja IT Park Hyderabad Limited	-	-	1.18
8	**Director sitting fees**			
	Arthur De Haast	-	0.63	-
	Hetal Gandhi	-	0.85	-
	Joseph Conrad D' Souza	-	0.90	-
	Neel C.Raheja	-	0.70	-
	Radhika Dilip Piramal	-	0.48	-
	Ravi C.Raheja	-	0.58	-
9	**Salaries, wages and bonus (Including Employee stock option)**			
	Christabelle Baptista	-	6.54	-
	Milind Wadekar	-	18.24	-
	Rajneesh Malhotra	-	24.84	-
	Sanjay Sethi	-	95.83	-
10	**Advance Given**			
	Shoppers Stop Limited	-	-	0.13
11	**Loan Given**			
	Chalet Hotels & Properties (Kerala) Private Limited	53.50	-	-
	Chalet Airport Hotel Private Limited	292.50	-	-
	Milind Wadekar	-	5.00	-

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

46 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW (CONTD.)

Sr. no	Particulars	Subsidiaries	Key Management Personnel / Relative/ Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
12	**Loan Refund**			
	Milind Wadekar		5.00	
13	**Loan Taken**			
	Neel C.Raheja		225.00	-
	Ravi C.Raheja		225.00	
14	**Equity share capital (Employee stock option exercised)**			
	Sanjay Sethi	-	0.32	-
15	**Investment in Equity Shares**			
	Chalet Airport Hotel Private Limited	1.00	-	
16	**Preference Shares Issued**			
	Ivory Properties and Hotels Private Limited	-	-	21.25
	K Raheja Corp Pvt. Ltd.	-	-	112.50
	Neel C.Raheja	-	58.13	-
	Ravi C.Raheja	-	58.13	-
17	**Deposit Given**			
	K Raheja Corporate Services Pvt Ltd	-	-	0.65
18	**Trade payables**			
	Neel C.Raheja	-	0.05	-
	Shoppers Stop Ltd	-	-	0.04
	Inorbit Malls (India) Pvt. Ltd.	-	-	0.06
	Hillside Investments Private Limited			0.22
19	**Trade Receivables**			
	Juhu Beach Resorts Ltd.	-	-	2.32
	K Raheja Corp Investment Managers LLP	-	-	0.31
	K Raheja Corp Pvt. Ltd.	-	-	0.58
	K Raheja Corp Real Estate Pvt Ltd	-	-	0.02
	K Raheja Corp Real Estate Pvt. Ltd	-	-	0.02
	K Raheja Corporate Services Pvt Ltd	-	-	1.04
	K Raheja Pvt. Ltd.	-	-	0.02
	Inorbit Malls (India) Pvt. Ltd.	-	-	0.09
	Mindspace Business Parks Pvt. Ltd.	-	-	0.14
	Asterope Properties Private Limited	-	-	0.01
	Paradigm Logistics & Distribution Private Limited	-	-	0.20
	Chalet Airport Hotel Private Limited	7.50	-	-
	Trion Properties Pvt Ltd	-	-	0.04

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

46 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW (CONTD.)

Sr. no	Particulars	Subsidiaries	Key Management Personnel / Relative/ Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
20	**Loan Receivables**			
	Chalet Airport Hotel Private Limited	298.56	-	-
	Chalet Hotels & Properties (Kerala) Private Limited	56.00	-	-
20	**Interest Payable**			
	K Raheja Corp Private Limited	-	-	12.27
22	**Deposit receivable**			
	K.Raheja Corporate Services Private Limited	-	-	14.25
	Mindspace Business Parks Private Limited	-	-	50.00
	Sundew Properties Limited	-	-	44.33
23	**Preference shares outstanding**			
	Ivory Properties and Hotels Private Limited	-	-	170.00
	K Raheja Corp Private Limited	-	-	900.00
	Neel C.Raheja	-	465.00	-
	Ravi C.Raheja	-	465.00	-
24	**Investment in equity shares outstanding**			
	Chalet Airport Hotel Private Limited	1.00		
	Chalet Hotels & Properties (Kerala) Private Limited	250.09		
25	**Loan Payable**			
	Neel C.Raheja		225.00	
	Ravi C.Raheja		225.00	-
	K Raheja Corp Private Limited			25.69
26	**Guarantee Outstanding**			
	Chalet Hotels & Properties (Kerala) Private Limited	50.00	-	

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

46 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW (CONTD.)

Related party disclosures for Year ended 31 March 2022

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	0.05	-	7.16
4	Other expenses	-	2.47	90.62
5	Director sitting fees	-	4.53	-
6	Salaries, wages and bonus	-	63.42	-
7	Loan Given	2.50	-	-
8	Deposit paid	-	-	1.29
9	Advance Given	-	-	0.03
10	Preference Shares	-	232.50	267.50
	Balances outstanding as at the year-end	-		
11	Trade payables	-	-	0.57
12	Trade Receivables	-	-	2.45
13	Deposit receivable	-	-	107.94
14	Advance Given	-	-	0.03
15	Preference shares outstanding	-	813.75	936.25
16	Loan Receivables	2.50	-	-

Significant transactions with material related parties for year ended 31 March 2022

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
	Inorbit Malls (India) Private Limited	-	-	0.11
	K Raheja Corp Investment Managers LLP	-	-	0.05

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

46 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW (CONTD.)

Sr. no	Particulars	Subsidiaries	Key Management Personnel / Relative/ Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
	K Raheja Corp Private Limited	-	-	0.31
	K Raheja Corporate IT Park (Hyderabad) Ltd	-	-	0.01
	K Raheja Pvt Ltd	-	-	0.02
	K.Raheja Corporate Services Private Limited	-	-	2.49
	KRC Infrastucture And Projects Private Ltd	-	-	0.03
	Mindspace Business Parks Pvt. Ltd.	-	-	0.07
	Pact Real Estate Private Limited	-	-	0.00
	Paradigm Logistics & Distribution Pvt. Ltd.	-	-	0.01
	Sundew Properties Limited	-	-	0.02
	Sycamore Properties Pvt. Ltd.	-	-	0.02
	Trion Properties Private Limited	-	-	0.19
3	**Other Income**			
	Chalet Hotels & Properties (Kerala) Private Limited	0.05	-	-
	Shoppers Stop Ltd.	-	-	2.46
	K Raheja Corp Private Limited	-	-	4.70
4	**Other expenses**			
	Arthur De Haast	-	2.47	-
	Shoppers Stop Ltd.	-	-	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	-
	Rajib Dattaray	-	2.90	-
	Rajneesh Malhotra	-	4.65	-
	Sanjay Sethi	-	44.58	-

The managerial remuneration paid/payable by the Company for FY 2021-22 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 08 February, 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 09 February 2021 of ₹6.63 million is subject to approval of the shareholders.

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

46 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 ARE GIVEN BELOW (CONTD.)

Sr. no	Particulars	Subsidiaries	Key Management Personnel / Relative/ Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
7	**Loan Given**			
	Chalet Hotels & Properties (Kerala) Private Limited	2.50	-	
8	**Deposit paid**			
	K.Raheja Corporate Services Private Limited	-	-	1.29
9	**Advance Given**			
	Shoppers Stop Limited	-	-	0.03
10	**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	-
11	**Trade payables**			
	Inorbit Malls (India) Private Limited	-	-	0.06
	K.Raheja Corporate Services Private Limited	-	-	0.51
12	**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. Ltd	-	-	0.70
	K Raheja Corporate IT Park (Hyderabad) Ltd	-	-	0.01
	K Raheja Pvt Ltd	-	-	0.02
	K.Raheja Corporate Services Private Limited	-	-	0.96
	KRC INFRASTUCTURE AND PROJECTS PRIVATE Ltd	-	-	0.03
	Pact Real Estate Private Limited	-	-	0.005
	Trion Properties Private Limited	-	-	0.02
13	**Deposit receivable**			
	K.Raheja Corporate Services Private Limited	-	-	13.61
	Mindspace Business Parks Pvt. Ltd.	-	-	50.00
	Sundew Properties Limited	-	-	44.33
14	**Advance Given**			
	Shoppers Stop Limited	-	-	0.03
15	**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	-
16	**Loan Receivables**			
	Chalet Hotels & Properties (Kerala) Private Limited	2.50	-	-

47 EMPLOYEE STOCK OPTION SCHEMES

Description of share-based payment arrangements:

At March 31, 2023, 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'- 'Amended 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	26-Jun-18	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:

₹ in million

Particulars	March 31, 2023		March 31, 2022	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Outstanding at the beginning of the year	320	134,000	320	200,000
Granted during the year	-	-	-	-
Exercised during the year	320	1,000	-	-
Lapsed/ forfeited /surrendered	-	-	320	66,000
Outstanding at the end of the year	320	133,000	320	134,000
Exercisable at the end of the year	320	133,000	320	134,000

47 EMPLOYEE STOCK OPTION SCHEMES (CONTD.)

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	49.31-60.23	As per Black Scholes Model
Exercise price	₹/share	320	As per the Scheme
Expected volatility (Weighted average volatility)	% p.a.	45.61%-49.45%	Based on comparable listing companies
Expected life (expected weighted average life)	in years	1.01-1.51	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.	0.00%	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.	5.69% - 6.14%	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, 2023 have an exercise price of ₹ 320 and a weighted average remaining contractual life of 0.78 year.

The expense recognised for the year ended March 31, 2023 is ₹Nil (March 31, 2022 is ₹1.02 mn)

** calculated considering simple average method*

Employee Stock Option Plan 2022:

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 22 July 2022 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'-2022	1,217,831	For the Options to vest, the Grantee has to be in employment of the Company on the date of the vesting.	The Exercise Period in respect of a Vested Option shall be a maximum period of 5 (Five) years from the date of Vesting of Options.	3 years	July 22, 2022	One year from vesting year	291.52

47 EMPLOYEE STOCK OPTION SCHEMES (CONTD.)

Reconciliation of Outstanding share options

The number and weighted-average exercise price of share options under the share option plans are as follows:

₹ in million

Particulars	March 31, 2023		March 31, 2022	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	291.52	1,217,831	-	-
Exercised during the year	-	-	-	-
Lapsed/ forfeited /surrendered	-	-	-	-
Outstanding at the end of the year	291.52	1,217,831	-	-
Exercisable at the end of the year	-	-	-	-

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	142.37 - 176.26	As per Black Scholes Model
Exercise price	₹/share	291.52	As per the Scheme
Expected volatility (Weighted average volatility)	% p.a.	47.21%	Based on comparable listing companies
Expected life (expected weighted average life)	in years	3.48-5.48	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.	6.83%- 7.08%	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, 2023 have an exercise price of ₹ 291.52 and a weighted average remaining contractual life of 3.19 year.

The expense recognised for the year ended March 31, 2023 is ₹78.98 (March 31, 2022 is ₹Nil)

** calculated considering simple average method*

48 DISCONTINUED OPERATIONS

During the previous 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 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, 2023	For the year ended March 31, 2022
Revenue	-	33.25
Expenses	-	98.62
Results from operations	-	(65.37)
Income Tax	-	-
Loss/ (Profit) from discontinued operations, net of tax	**-**	(65.37)

The Loss from discontinued operation of ₹ Nil (March 31, 2022 ₹ (65.37) million is attributable entirely to the owners of the company, of the loss from continuing operations ₹ Nil [March 31, 2022 ₹ (749.33)] million.

The cash flows of the discontinued operations for the year are presented below:

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net Cash (Used in) From Operating Activities	-	(51.06)
Net Cash (Used In) /Generated From Investing Activities	-	-
Net Cash Generated From /(Used In) Financing Activities	-	-

49 BENGALURU RESIDENTIAL PROJECT

₹ in million

Particulars	March 31, 2023	March 31, 2022
Inventories	4,159.22	4,182.32
Less: Provisions for impairment	(263.29)	(429.79)
Inventories, net	3,895.93	3,752.53
Advances from customers towards sale of residential flats	1,664.42	1,660.47

50 SCHEME OF ARRANGEMENT AND AMALGAMATION

The Company has given effect to the Scheme of Arrangement of amalgamation of Belaire Hotels Private Limited and Seapearl Hotels Private Limited with the Company ("the Scheme") in the earlier approved standalone financial statements for the year ended 31 March 2023 from the Appointed date of 1 April 2020 by revising the standalone financial statements approved by the Board of Directors on 9 May 2023. The manner in which Scheme has been given effect to and revision of standalone financial statements has been explained in detail below.

Application seeking approval of the Scheme was filed with Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench on 26 April 2021. The standalone financial statements of the Company for the year ended 31 March 2023 were approved by the Board of Directors at its meeting held on 9 May 2023 without giving effect to the Scheme since the petition was pending before the NCLT as of date.

On receipt of the certified copy of the order dated 19 May 2023 from NCLT, Mumbai Bench sanctioning the Scheme, with appointed date 1 April 2020, and upon filing the same with Registrar of Companies, Maharashtra on 19 June 2023 the Scheme has become effective.

These Revised standalone financial statements for the year ended 31 March 2023 have been prepared pursuant to the Scheme from the specified retrospective appointed date of 1 April 2020. Pursuant to the Scheme, all the assets, liabilities, reserves and surplus of the transferor company have been transferred to and vested in the Company with effect from the appointed date at their carrying values and the financial information in the revised standalone financial statements has been restated from 1 April 2020 as per requirements of Appendix C to Ind AS 103.

The revision to the standalone financial statements has been carried out solely for the impact of above referred merger and no additional adjustments have been carried out for any other events occurring after 9 May 2023 (being the date when the financial statements were first approved by the Board of Directors of the Company) other than stated above.

The details of transferor companies and their merger are as below:

Name of the transferor company	**Belaire Hotels Private Limited ("BHPL") and Seapearl Hotels Private Limited ("SHPL") [collectively referred to as 'Transferor Companies']**
General nature of business	Hospitality services
Appointed Date of the Scheme	01-Apr-20
Description and number of shares issued	Nil
% of Company's equity shares exchanged	Nil

Pursuant to the approved Scheme of Merger, the Company has accounted for merger in its books with effect from 1 April 2020 as per the applicable accounting principles prescribed under under Appendix C to Ind AS 103 for common control business combinations.

Accounting treatment

i. All of the assets, liabilities and reserves in the books of account of the Transferee upon the Scheme becoming effective, the audited financial statements of the Transferor Companies as on the close of business on the day immediately preceding the Appointed Date shall be forwarded to the Transferee Company by the Transferor Companies;

ii. The Book Value of all the assets, liabilities (excluding the Belaire FCCD's and Belaire ICD) and reserves of Transferor Companies as recorded in the financial statements have been recorded in the books of accounts of the Transferee Company as such, subject to suitable adjustments being made, if any, to ensure uniformity of accounting policies;

iii. Investments in the Share Capital of the Transferor Companies in the books of accounts of the Transferee Company, whether held directly or indirectly through nominees, stand cancelled;

iv. Surplus arising as a result of amalgamation of the Transferor Companies into and with the Transferee Company, in terms of this Scheme, after adjustment of the amount of investment of the Transferee Company in the Transferor Companies due to cancellation of the share capital of the Transferor Company, have been adjusted to capital reserves in the books of the Transferee Company;

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

50 SCHEME OF ARRANGEMENT AND AMALGAMATION (CONTD.)

v. Identity of the reserves of the Transferor Companies, have been preserved and appear in the financial statements of the Transferee Company in the same form and manner, in which they appeared in the financial statements of the Transferor Companies, as on the Appointed Date;

vi. All outstanding balances (including the Belaire FCCD's and Belaire ICD) as on the Appointed date between the Transferor Companies and the Transferee Company stand cancelled and there are no further obligation in that behalf;

vii. The financial statements of Transferee reflect the financial position on the basis of consistent accounting policies.

The book value of assets and liabilities taken over from the Transferor Companies as on the Appointed date i.e. 1 April 2020 are as below:

Belaire Hotels Private Limited

₹ in million

Particulars	Amount
Non-current assets	
Property, plant and equipment	2,955.43
Other Financial assets	29.75
Other non-current assets	1.59
Non-current tax assets (net)	22.89
Total non-current assets	**3,009.66**
Current assets	
Inventories	4.78
Financial assets	
(i) Trade receivables	27.48
(ii) Cash and cash equivalents	32.17
Other current assets	20.04
Total current assets	**84.47**
Total Assets (A)	**3,094.13**
Non current liabilities	
Financial liabilities	
(i) Borrowings	1,149.13
Provisions	2.91
Current liabilities	
Financial liabilities	
(i) Borrowing	575.50
(ii) Trade payables	52.46
(iii) Other financial liabilities	5.63
Other current liabilities	24.66
Provisions	0.30
Total Liabilities (B)	**1,810.59**
Total identified assets acquired (C)= (A)-(B)	1,283.54
Cost of investments in merged undertaking (D)	1,193.32
Net impact transferred to Capital reserve (G)= (C)-(D)	90.22*

*Surplus arising as result of the sanction of the scheme after adjustment of cost of investments shall be adjusted and credited to Capital Reserve Account.

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

50 SCHEME OF ARRANGEMENT AND AMALGAMATION (CONTD.)

Seapearl Hotels Private Limited

₹ in million

Particulars	Amount
Current assets	
Financial assets	
(i) Cash and cash equivalents	0.25
(ii) Loans	575.50
Total Assets (A)	**575.75**
Current liabilities	
Financial liabilities	
(i) Trade payables	1.05
Other current liabilities*	0.00
Provisions*	0.00
Total Liabilities (B)	**1.06**
Total identified assets acquired (C)= (A)-(B)	574.69
Cost of investments in merged undertaking (D)	574.69
Net impact transferred to Capital reserve (G)= (C)-(D)	-

*Amount less than million

Notes:

1. All related financial captions (as applicable) of financial statements has been eleminated.
2. Post considering the tax impact in the computation of income on account of merger in revised financial statement amounting of ₹ 26.51 million for the year ended 31 March 2023.

51 DISCLOSURE UNDER IND AS 115, REVENUE FROM CONTRACTS WITH CUSTOMERS

Details of contract balances

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Details of Contract Balances:		
Balance as at beginning of the year	(1,660.47)	(1,868.68)
Trade receivables as on March 31, 2022	-	-
Less: Repayment to the customer on cancellation	-	208.21
Significant change due to other reasons	(3.95)	-
Balance as on March 31, 2023	(1,664.42)	(1,660.47)
Total	**(1,664.42)**	(1,660.47)

As on March 31, 2023 revenue recognised in the current year from performance obligations satisfied/ partially satisfied in the previous year is ₹ Nil.

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

51 DISCLOSURE UNDER IND AS 115, REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTD.)

Information on performance obligations in contracts with Customers:

Real Estate Development Project:

The following table includes revenue to be recognised in future related to performance obligations that are unsatisfied towards the real estate development projects as at March 31, 2023.

Particulars	2024	2025-2026	Beyond 2027	Total
Contract Revenue	-	2,117.94	-	2,117.94
Contract Expense	-	2,106.83	-	2,106.83
Total	**-**	**11.11**	**-**	**11.11**

The following table includes revenue to be recognised in future related to performance obligations that are unsatisfied towards the real estate development projects as at March 31, 2022

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**

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.

52 RATIO ANALYSIS AND ITS ELEMENTS

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% change	Reason for variance (more than 25%)
Current ratio	Current Assets	Current Liabilities	0.65	0.77	**-15%**	
Debt- Equity Ratio	Total Debt	Shareholder's Equity	1.80	1.88	**-4%**	
Debt Service Coverage ratio	EBITDA	Interest + Current maturity of LT debt	0.63	0.34	**86%**	Return on Debt Service Coverage Ratio improved on account of progressive recovery of Hospitality business.
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	0.12	(0.06)	**-301%**	
Inventory Turnover ratio	Cost of goods sold	Average Inventory	10.37	6.58	**58%**	Inventory turnover ratio was higher due to recovery of hotels business post pandemic.
Trade Receivable Turnover Ratio	Revenue from operations	Average Trade Receivable	22.15	13.69	**62%**	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	4.34	3.35	**30%**	Trade payable turnover ratio was due to higher credit period on account of improved business

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

52 RATIO ANALYSIS AND ITS ELEMENTS (CONTD.)

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% change	Reason for variance (more than 25%)
Net Capital Turnover Ratio	Revenue from operations	Working capital = (Current assets – Current liabilities)	(3.05)	(2.60)	**17%**	
Net Profit ratio	Net Profit	Total Income	0.16	(0.15)	**-204%**	
Return on Capital Employed	EBITDA	Average Capital Employed	0.14	0.04	**284%**	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 & IP	0.05	(0.02)	**-314%**	

53 DETAILS OF STRUCK OFF COMPANIES

As at March 31, 2023

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	-	
	Receivables	-	
Kryton Chemicals	Payables	0.04	No
Sambhu Facility Services Private Ltd	Payables	0.24	No
Aryan Intelligence Security Services Pvt .Ltd	Payables	0.24	No
	Other outstanding balances (to be specified)	-	

As at 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	-	
Felicity Advantage Marketing Private Limited	Receivables	0.01	No
Octel Cloud Solutions Pvt Ltd	Receivables	0.03	No
Aviashi Foods Pvt Ltd	Receivables	0.05	No
Harsh International Impo-Expo Private Limited	Receivables	0.05	No
Sambhu Facility Services Private Ltd	Payables	0.37	No
Aryan Intelligence Security Services Pvt .Ltd	Payables	0.16	No
	Other outstanding balances (to be specified)	-	

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

54 Contract balances

₹ in million

	March 31, 2023	March 31, 2022
Receivables, which are included in 'trade receivables'	582.94	436.02
Contract assets (Unbilled revenue)	80.86	115.45
Contract Liabilities		
Advances from customers towards sale of residential flats	1,664.42	1,660.47
Advances from customers towards hospitality services	245.68	151.77

55 DISCLOSURE UNDER SECTION 186 OF THE COMPANIES ACT 2013

The operations of the Company are classified as 'infrastructure facilities' as defined under Schedule VI to the Act. Accordingly, the disclosure requirements specified in sub-section 4 of Section 186 of the Act in respect of loans given, guarantee given or security provided and the related disclosures on purposes/ utilisation by recipient companies, are not applicable to the Company.

Details of investments made during the year ended March 31, 2023 as per section 186(4) of the Companies Act, 2013:

Name of entity	March 31, 2022	Investments made	Investments redeemed / sold	March 31, 2023
Stargaze Properties Private Limited	0.01	-	-	**0.01**
Krishna Valley Power Private Limited	19.91	-	-	**19.91**
Sahyadri Renewable Energy Private Limited	31.46	-	-	**31.46**
Renew Wind Power Energy (AP) Limited	0.61	0.69	-	**1.29**
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, 2022 as per section 186(4) of the Companies Act, 2013:

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

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i) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

ii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

NOTES TO THE REVISED STANDALONE FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

57

As per the MCA Notification dated 6 August 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the Company is required to maintain a backup of the books of account and other relevant books and papers in electronic mode that should be accessible in India at all the time. Also, the Company is required to create backup of accounts on servers physically located in India on a daily basis.

The books of account along with other relevant records and papers of the Company is maintained in electronic mode, across all units. These are readily accessible in India at all times and currently a backup is maintained on a cloud based server. Such servers are located in India, with the exception of certain units, which are located overseas. The Company is in the process of complying with the requirement of maintaining server(s) in India for these units for backup of books of account and other relevant books and papers, on a daily basis, pursuant to the amendment.

As per our revised audit report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Suhas Pai
Partner
Membership No. 119057

Hyderabad
July 03, 2023

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

Sanjay Sethi
Managing Director & CEO
(DIN. 00641243)

Joseph Conrad Dsouza
Director
(DIN. 00010576)

Milind Wadekar
Chief Financial officer
(Membership No: 116372)

Christabelle Baptista
Company Secretary
(Membership No: A17817)

Mumbai
July 03, 2023

REVISED INDEPENDENT AUDITOR'S REPORT

To,
The Members,
Chalet Hotels Limited

REPORT ON THE AUDIT OF THE REVISED CONSOLIDATED FINANCIAL STATEMENTS

This Report supersedes our Report dated 9 May 2023

Opinion

We have audited the revised consolidated financial statements of Chalet Hotels Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the revised consolidated balance sheet as at 31 March 2023, and the revised consolidated statement of profit and loss (including other comprehensive income), revised consolidated statement of changes in equity and revised consolidated statement of cash flows for the year then ended, and notes to the revised consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the revised consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid revised 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 revised consolidated state of affairs of the Group as at 31 March 2023, of its revised consolidated profit and other comprehensive loss, revised consolidated changes in equity and revised consolidated cash flows for the year then ended.

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 Revised* 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 revised 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 along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matter" section below, is sufficient and appropriate to provide a basis for our opinion on the revised consolidated financial statements.

Emphasis of Matters

a. We draw attention to Note 39(I)(c) to the revised consolidated financial statements regarding the ongoing litigation in respect of leasehold rights to proportionate undivided interest in land and building at Vashi (Navi Mumbai) purchased 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 under two public interest litigation. On 21 November 2014, the Honourable High Court at Bombay ordered K Raheja Corp Private Limited to restore the land to its original condition (which would interalia require the buildings thereon to be demolished) and hand over the vacant possession thereof to CIDCO within six months of the date of judgement. K Raheja Corp Private Limited has filed a special leave petition against the abovementioned order in the Honourable Supreme Court of India. The Hon'ble Supreme Court of India on 21 January 2015 has passed Status Quo Order and the matter is currently pending with it. The agreement for purchase of leasehold rights between the Holding Company and K Raheja Corp Private Limited was subject to the outcome of the litigation and the management does not except any potential material loss to be borne by the Group. Pending the outcome of proceedings and a final closure of the matter, no adjustments have been made in the revised consolidated financial statements as at 31 March 2023 to the carrying value of the leasehold rights (reflected as prepayments) aggregating to Rs 48.54 million (31 March 2022 49.74 million) and the hotel assets thereon (reflected as property, plant and equipment) aggregating to Rs 346.24 million as at 31 March 2023 (31 March 2022: Rs 372.12 million).

b. We draw attention to Note 1 and Note 51 of the revised consolidated financial statements which states that the consolidated financial statements approved by the Board of Directors on 09 May 2023 are revised basis the approval of the Scheme of amalgamation ("the Scheme") of the Holding Company and its two wholly owned subsidiaries (Belaire Hotels Private Limited and Seapearl Hotels Private Limited) by the National Company Law Tribunal (NCLT) vide its order dated 19 May 2023 with appointed date 1 April 2020. A certified copy of the order sanctioning the Scheme has been filed by the Group with the Registrar of

REVISED INDEPENDENT AUDITOR'S REPORT (Contd.)

the Companies. Maharashtra on 19 June 2023. As per the requirements of Appendix C to Ind AS 103 "Business Combinations", the merger has been given effect to as if it had occurred from the beginning of the preceding period in these revised consolidated financial statements.

We had issued an auditor's report dated 09 May 2023 on the consolidated financial statements to the members of the Holding Company. In accordance with the provisions of Standard on Auditing 560 (Revised) 'Subsequent Events' issued by The Institute of Chartered Accountants of India, our audit procedures, in so far as they relate to the revision to the consolidated financial statements, have been carried out solely on impact of the Scheme and no additional procedures have been carried out for any other events occurring after 09 May 2023 (being the date of our earlier audit report on the earlier consolidated financial statements). Our earlier audit report dated 09 May 2023 on the earlier consolidated financial statements is superseded by this revised report on these revised consolidated financial statements.

Our opinion is not modified in respect of these matters.

Key Audit Matters

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

Revenue recognition

See Note 1.2 B to revised consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group is principally engaged as a hotel owner and property owner. It's revenue comprises hotel revenue (including hotel room revenue, food and beverage revenue and other hotel-related revenue) and rental income from investment properties. The accounting policies for the different revenue streams are set out in Note 1.2 B to the revised consolidated financial statements. Revenue is a key performance indicator of the Group and there is risk of overstatement of revenue due to fraud resulting from pressure to achieve targets and earnings expectations. Based on the above we have identified revenue recognition as a Key Audit Matter.	Our audit procedures included: • Tested the Group's revenue recognition accounting policies and its compliance with Ind AS 115; • Tested design, implementation and operating effectiveness of the controls, assisted by IT specialists, of the revenue recognition process; • Tested the general information technology controls and key application controls surrounding revenue recognition; • Tested on a sample basis revenue recognized in the correct financial period by tracing it to invoices, receipts, etc.; • Tested the adequacy of disclosures relating to the Revenue recognition in the financial statements; • Tested on a sample basis invoices recorded during the year for identification of point in time for transfer of control to the customer; and • Performed substantive analytical procedures including year on year variance analysis and cash to sales reconciliation for the financial year.

Litigation and Claims

See Note 9, 26 and 39(I)(c) to revised consolidated financial statements

The key audit matter	How the matter was addressed in our audit
During the year ended 31 March 2023, the Group had 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.	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;

REVISED INDEPENDENT AUDITOR'S REPORT (Contd.)

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	• Read correspondence from the Group's external lawyers in response to our requests for significant litigations and assessed the competence and objectivity of the external lawyers; • Additionally, considered effect of new information post 1 April 2023 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 2023; and • Assessed the Group's disclosures adequately reflect the quantitative and qualitative considerations in relation to the matters in accordance with auditing standards.

Purchase Price Allocation ('PPA')

See Note 38 to revised consolidated financial statements

The key audit matter	How the matter was addressed in our audit
On 23 March 2023, the Holding Company acquired a 100% stake in The Dukes Retreat Private Limited and Sonmil Industries Private Limited, an unlisted equity listed companies pursuant to the Share Purchase Agreement ("SPA"). The Group determined the acquisition to be within the scope of Ind AS 103 'Business Combinations'. Ind AS 103 requires an identified assets and liabilities be recognized at fair value at the date of acquisition, with the excess of the acquisition cost over the identified fair value of recognized assets and liabilities as goodwill. The Group appointed independent professional valuer to perform valuation of assets for the purpose of allocation of the consolidated purchase price to the respective assets and liabilities acquired (hereinafter referred to as 'the purchase price allocation' or 'the PPA'). The Group determined the fair values of the net identifiable assets acquired was Rs 1,230.25 million as part of the PPA and accordingly, the consideration paid in excess of the net assets acquired resulted in recognition of Goodwill of Rs 311 million. Significant assumptions and estimates are used as of the date of acquisition in the determination of the fair values of the identified assets acquired and liabilities assumed in the transaction. Significant judgements were made in respect of the future projections and the discount rate used in assessing the carrying value of the net assets acquired. Accordingly, this is considered to be a key audit matter.	Our audit procedures included: • Obtained an understanding of the transaction and identified key terms relevant to the accounting for the transaction; • Read relevant parts of the Share Purchase Agreement and assessed the Company's conclusion regarding business combination accounting in accordance with Ind AS 103; • Assessed the competence, capabilities and objectivity of the experts engaged by the Company and gained an understanding of the work of the experts by perusal of the valuation reports; • Obtained an understanding of the process and tested the Design, Implementation and Operating effectiveness of controls over Purchase Price Allocation (PPA); • Traced the value of the consideration transferred with reference to the Share Purchase Agreement; • Involved our internal valuation experts to challenge the methodology and key assumptions used in allocation of the purchase price to various assets and liabilities acquired and the resultant fair values arrived at; • Tested arithmetical accuracy of the working used in the Purchase price allocation; and • Assessed the adequacy of the disclosures made in the Financial Statements in compliance with the requirements of relevant Indian Accounting 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 financial statements and auditor's reports thereon.

Our opinion on the revised 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 revised 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 revised 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 and based on the reports of other auditors, 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 Revised Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these revised consolidated financial statements in term of the requirements of the Act that give a true and fair view of the revised consolidated state of affairs, revised consolidated profit/ loss and other comprehensive income, revised consolidated statement of changes in equity and revised 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the revised 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 revised consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the revised 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.

Auditor's Responsibilities for the Audit of the Revised Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the revised 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 revised 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 revised 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 the Management and Board of Directors.

REVISED INDEPENDENT AUDITOR'S REPORT (Contd.)

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of revised 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 revised 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 revised consolidated financial statements, including the disclosures, and whether the revised consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group to express an opinion on the revised consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the revised consolidated financial statements of which we are the independent auditors. For the other entities included in the revised consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the revised 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 revised consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

a. We did not audit the financial statements of two subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of ₹ 369.60 million as at 31 March 2023, total revenues (before consolidation adjustments) of ₹ Nil and net cash (inflows) (before consolidation adjustments) amounting to ₹ 77.74 million for the period ended on that date, as considered in the revised consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the revised consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the revised consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

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 and on the consideration of reports

of the other auditors on separate financial statements of such subsidiaries, as were audited by other auditors, as noted in the "Other Matter" paragraph, we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid revised consolidated financial statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid revised consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except that the back-up of certain units (refer note 59) which form part of the 'books of account and other relevant books and papers in electronic mode' have not been maintained on the servers physically located in India.

c. The revised consolidated balance sheet, the revised consolidated statement of profit and loss (including other comprehensive income), the revised consolidated statement of changes in equity and the revised 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 revised consolidated financial statements.

d. In our opinion, the aforesaid revised consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A (b) above.

g. 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 Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the "Other Matter" paragraph:

a. The revised consolidated financial statements disclose the impact of pending litigations as at 31 March 2023 on the revised consolidated financial position of the Group. Refer Note 39 to the revised consolidated financial statements.

b. Provision has been made in the revised 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 13 to the revised 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 2023.

d (i) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of their knowledge and belief, other than as disclosed in the Note 58 to the revised 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 Holding Company or any of such subsidiary companies 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 Holding Company or any of such subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of their knowledge and belief, other than as disclosed in the Note 58 to the revised consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Holding Company and its subsidiary companies incorporated in India have neither declared nor paid any dividend during the year.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or any of such subsidiary companies only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. 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

Suhas Pai
Partner
Membership No.: 119057
ICAI UDIN: 23119057BGWTBQ5092

Place: Hyderabad
Date: 03 July 2023

ANNEXURE A

to the Revised Independent Auditor's Report on the Revised Consolidated Financial Statements of Chalet Hotels Limited for the year ended 31 March 2023

(REFERRED TO IN PARAGRAPH 1 UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE)

This Report supersedes our Report dated 9 May 2023

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the revised consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by the respective auditors in their reports 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
3	Chalet Hotels & Properties (Kerala) Private Limited	U55101KL2006PTC020125	Subsidiary	Clause (xvii) and (xix)
4,	Chalet Airport Hotel Private Limited	U55101MH2022PTC388704	Subsidiary	Clause (xvii)

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

Suhas Pai
Partner
Membership No.: 119057
ICAI UDIN: 23119057BGWTBQ5092

Place: Hyderabad
Date: 03 July 2023

ANNEXURE B

to the Revised Independent Auditor's Report on the revised consolidated financial statements of Chalet Hotels Limited for the year ended 31 March 2023

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE AFORESAID REVISED CONSOLIDATED FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

This Report supersedes our Report dated 9 May 2023

Opinion

In conjunction with our audit of the revised consolidated financial statements of Chalet Hotels Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statements of subsidiary companies, as were audited by the other auditors, 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 2023, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Emphasis of matter

We draw attention to Note 1 and Note 51 of the revised consolidated financial statements which states that the consolidated financial statements approved by the Board of Directors on 09 May 2023 are revised basis the approval of the Scheme of amalgamation ("the Scheme") of the Holding Company and its two wholly owned subsidiaries (Belaire Hotels Private Limited and Seapearl Hotels Private Limited by the National Company Law Tribunal (NCLT) vide its order dated 19 May 2023 with appointed date 1 April 2020. A certified copy of the order sanctioning the Scheme has been filed by the Company with the Registrar of the Companies. Maharashtra on 19 June 2023. As per the requirements of Appendix C to Ind AS 103 "Business Combination", the merger has been given effect to as if it had occurred from the beginning of the preceding period in the revised consolidated financial statements.

We had issued an auditor's report dated 09 May 2023 on the consolidated financial statements to the members of the Holding Company. In accordance with the provisions of Standard on Auditing 560 (Revised) 'Subsequent Events' issued by The Institute of Chartered Accountants of India, our audit procedures, in so far as they relate to the revision to the consolidated financial statements, have been carried out solely on impact of the Scheme and no additional procedures have been carried out for any other events occurring after 09 May 2023 (being the date of our earlier audit report on the earlier consolidated financial statements). Our earlier audit report dated 09 May 2023 on the earlier consolidated financial statements is superseded by this revised report on these revised consolidated financial statements.

Our opinion is not modified in respect of this matter.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to 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 if such controls operated effectively in all material respects.

ANNEXURE B TO THE REVISED INDEPENDENT AUDITOR'S REPORT (Contd.)

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 internal financial controls with reference to financial statements, 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 revised consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to 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 revised consolidated 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 revised consolidated 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 revised consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to 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 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.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements/ financial information insofar as it relates to two (2) subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

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

Suhas Pai
Partner
Membership No.: 119057
ICAI UDIN: 23119057BGWTBQ5092

Place: Hyderabad
Date: 03 July 2023

REVISED CONSOLIDATED BALANCE SHEET

as at March 31, 2023

₹ in million

Particulars	Note	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	2	20,968.70	19,741.37
Right of Use assets	37	524.67	589.55
Capital work-in-progress	3	977.74	322.27
Investment property	4	16,473.85	13,560.39
Goodwill	5, 38	537.11	226.11
Other intangible assets	6	31.25	16.48
Financial assets			
(i) Other investments	7	68.47	62.79
(ii) Others	8	587.83	387.04
Deferred tax assets (net)	20	1,444.97	2,352.68
Non-current tax assets (net)		154.84	207.67
Other non-current assets	9	494.64	343.70
Total non-current assets		**42,264.07**	**37,810.05**
Current assets			
Inventories	10	4,129.26	3,934.97
Financial assets			
(i) Trade receivables	11	589.51	436.02
(ii) Cash and cash equivalents	12 a	444.54	245.23
(iii) Bank balances other then cash and cash equivalents	12 b	775.26	753.22
(iv) Others	13	129.98	150.63
Other current assets	14	975.13	901.89
Total current assets		**7,043.68**	**6,421.96**
TOTAL ASSETS		**49,307.75**	**44,232.01**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	2,050.25	2,050.24
Other equity	16	13,369.14	11,362.30
Non controlling interests		(4.06)	(2.62)
Total equity		**15,415.33**	**13,409.92**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	17	22,077.12	21,428.13
(ia) Lease liabilities	37	548.56	591.47
(ii) Others	18	252.74	159.59
Provisions	19	82.85	80.41
Deferred tax liabilities (net)	20	-	11.93
Other non-current liabilities	21	154.78	139.80
Total non-current liabilities		**23,116.05**	**22,411.33**
Current liabilities			
Financial liabilities			
(i) Borrowings	22	5,861.59	3,911.69
(ia) Lease liabilities	37	42.91	39.70
(ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises and	23	144.59	89.83
(b) Total outstanding dues to creditors other than micro enterprises and small enterprises	23	1,357.26	776.95
(iii) Other financial liabilities	24	1,047.01	623.78
Other current liabilities	25	2,214.57	2,116.72
Provisions	26	108.44	852.09
Total current liabilities		**10,776.37**	**8,410.76**
TOTAL EQUITY AND LIABILITIES		**49,307.75**	**44,232.01**

Significant Accounting Policies 1
Notes to the Revised Consolidated Financial Statements 2-59
The notes referred to above form an integral part of the Revised Consolidated financial statements.
As per our revised audit report of even date attached

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

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

Suhas Pai
Partner
Membership No. 119057

Sanjay Sethi
Managing Director & CEO
(DIN. 00641243)

Joseph Conrad Dsouza
Director
(DIN. 00010576)

Milind Wadekar
Chief Financial officer
(Membership No: 116372)

Christabelle Baptista
Company Secretary
(Membership No: A17817)

Hyderabad
July 03, 2023

Mumbai
July 03, 2023

REVISED CONSOLIDATED STATEMENT OF PROFIT AND LOSS
for the year ended March 31, 2023

₹ in million

Particulars	Note	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from Continuing operations			
Revenue from operations	27	11,284.67	5,078.07
Other income	28	494.87	219.32
Total income (A)		**11,779.54**	**5,297.39**
Expenses from Continuing operations			
Real estate development cost	29 a	85.06	221.66
Changes in inventories of finished good and construction work in progress	29 a	-	(12.80)
Food and beverages consumed	29 b	999.19	538.63
Operating supplies consumed	29 c	392.66	243.76
Employee benefits expense	30	1,510.96	999.76
Other expenses	32	3,768.63	2,102.29
Total expenses (B)		**6,756.50**	**4,093.30**
Earnings before interest, depreciation, amortization and tax (EBITDA) before exceptional items from Continuing operations (C) (A-B)		**5,023.04**	**1,204.09**
Depreciation and amortization expenses	2,4,6,37	1,173.09	1,184.23
Finance costs	31	1,544.74	1,444.13
Profit / (Loss) before exceptional items and tax from Continuing operations (D)		**2,305.21**	**(1,424.27)**
Exceptional items (E)	33	**423.08**	**(44.58)**
Profit / (Loss) before income tax from Continuing operations (F) (D+E)		**2,728.29**	**(1,468.85)**
Tax expense (G)		**895.39**	**(719.53)**
Current tax (includes tax for the earlier years)	20	178.65	(37.76)
MAT credit entitlement		(178.41)	-
Deferred tax expense / (credit)	20	895.15	(681.77)
Profit / (Loss) for the year from Continuing operations (H) (F-G)		**1,832.90**	**(749.32)**
Discontinued Operations	49		
(Loss) from discontinued operations before tax		-	(65.37)
Tax expense of discontinued operations		-	-
(Loss) from discontinued operations (I)		**-**	**(65.37)**
Profit / (Loss) for the year (H + I)		**1,832.90**	**(814.69)**
Other comprehensive (expense) from Continuing operations			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		(7.51)	1.65
Income tax credit on above		2.87	(0.15)
Other comprehensive (expense) /Income for the year, net of tax (J)		**(4.64)**	**1.50**
Total comprehensive income / (expense) for the year (K) (J+I+H)		**1,828.26**	**(813.19)**
Profit / (Loss) attributable to :			
Owners of the Company		1,833.32	(815.29)
Non-controlling interests		(0.42)	0.60
Other comprehensive (expense) attributable to :			
Owners of the Company		(4.64)	1.50
Non-controlling interests		-	-
Total comprehensive Income / (expense) attributable to :			
Owners of the Company		1,828.68	(813.79)
Non-controlling interests		**(0.42)**	**0.60**
Earnings per equity share - Continuing operations (Face value of ₹ 10 each)			
Basic	34	8.94	(3.66)
Diluted	34	8.94	(3.66)
Earnings per equity share - Discontinued operations (Face value of ₹ 10 each)			
Basic	34	-	(0.32)
Diluted	34	-	(0.32)
Earnings per equity share - Continuing and Discontinued operations (Face value of ₹ 10 each)			
Basic	34	8.94	(3.98)
Diluted	34	8.94	(3.98)

Significant Accounting Policies 1

Notes to the Revised Consolidated Financial Statements 2-59

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

As per our revised audit report of even date attached

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

Suhas Pai
Partner
Membership No. 119057

Hyderabad
July 03, 2023

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

Sanjay Sethi
Managing Director & CEO
(DIN. 00641243)

Joseph Conrad Dsouza
Director
(DIN. 00010576)

Milind Wadekar
Chief Financial officer
(Membership No: 116372)

Christabelle Baptista
Company Secretary
(Membership No: A17817)

Mumbai
July 03, 2023

REVISED CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

₹ in million

Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**		
	Profit /(Loss) before tax from Continuing operations	2,728.29	(1,468.85)
	(Loss) before tax from discontinued operations	-	(65.37)
	Adjustments for :		
	Interest income from instruments measured at amortized cost	(316.30)	(57.13)
	Depreciation and amortization expenses	1,173.09	1,184.23
	Finance costs	1,544.74	1,444.13
	Unrealized exchange loss	25.85	-
	Provision for estimated cost	(423.08)	44.58
	Profit on sale of property, plant and equipment (net)	(5.78)	(3.66)
	Property, plants and equipment written off	-	21.25
	Profit on sale of investment	(1.99)	(0.12)
	Provision for doubtful debts, advances and bad debt written off	6.55	5.46
	Employee stock option expense	78.98	1.02
	Export benefits and entitlements	(36.91)	(59.42)
	Provision for mark to market on derivative contract	(0.75)	(12.18)
	Provision for stock obsolescence	-	3.04
	Proposed dividend*	(0.00)	-
	Sundry balance written back	-	(0.28)
	Total	**2,044.40**	**2,570.91**
	Operating Profit before working capital changes	**4,772.69**	**1,036.69**
	Adjustments		
	(Increase) in trade receivables and current assets	(408.90)	(222.40)
	(Increase) in inventories	(373.06)	(10.33)
	Increase / (Decrease) in trade payables and current liabilities	746.65	(219.43)
	Total	**(35.31)**	**(452.16)**
	Income Taxes (net of refund)	31.46	37.67
	NET CASH GENERATED FROM OPERATING ACTIVITIES (A)	4,768.84	622.20
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)	(1,748.17)	(415.92)
	Proceeds from sale of property, plants and equipments and investment property	33.42	19.51
	Purchase of investments (including investment property and investment property under construction)	(4,125.34)	(3,019.00)
	Sale/redemption of Investments	-	0.31
	Loans given (refer note 47)	(5.00)	-
	Loans received (refer note 47)	5.00	-
	Interest income received	29.23	56.01
	Fixed deposits matured / (placed) (net)	(21.05)	(598.76)
	Margin money matured / (placed) (net)	(92.12)	(3.12)
	NET CASH (USED IN) FROM INVESTING ACTIVITIES (B)	**(5,924.03)**	**(3,960.98)**

REVISED CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

₹ in million

C.	**CASH FLOW FROM FINANCING ACTIVITIES :**		
	Issue of preference shares	250.00	500.00
	Issue of equity shares	1.32	-
	Proceeds from long-term borrowings	9,976.13	7,233.66
	Repayment of long-term borrowings	(7,951.35)	(2,280.99)
	Proposed dividend*	0.00	-
	Payment of lease liability	(88.67)	(39.70)
	Intercorporate Deposit taken	450.00	-
	Proceeds from short-term borrowings (net)	-	1.00
	Repayment of short-term borrowings (net)	-	(2.74)
	Interest and finance charges paid	(1,376.98)	(1,301.77)
	NET CASH GENERATED FROM FINANCING ACTIVITIES (C)	**1,260.45**	**4,109.46**
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)	**105.26**	**770.69**
	CASH AND CASH EQUIVALENTS - OPENING BALANCE	**231.51**	**(539.18)**
	Acquired in Business Combination	17.53	-
	CASH AND CASH EQUIVALENTS - CLOSING BALANCE	**354.30**	**231.51**

**Amount less than million*

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

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Cash and cash equivalents (refer Note 12 a)**	444.54	245.23
Less: Over draft accounts from banks (refer Note 22)**	(90.24)	(13.72)
Cash and cash equivalents as per Revised Consolidated statement of cash flows	**354.30**	**231.51**

3 The movement of borrowings as per Ind AS 7 is as follows:

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Opening borrowings	25,326.10	19,775.04
Proceeds from long-term borrowings***	10,226.12	7,733.66
Repayment of long-term borrowings	(7,951.35)	(2,283.74)
Proceeds from short-term borrowings	-	1.00
Non-cash adjustments	(135.77)	100.14
	27,465.10	**25,326.10**

** 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 and loans from Promoters-Directors.

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

As per our revised audit report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Suhas Pai
Partner
Membership No. 119057

Hyderabad
July 03, 2023

For and on behalf of the Board of Directors of
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Milind Wadekar
Chief Financial officer
(Membership No: 116372)

Christabelle Baptista
Company Secretary
(Membership No: A17817)

Mumbai
July 03, 2023

REVISED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023

(A) EQUITY SHARE CAPITAL

₹ in million

	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the reporting year	2,050.24	2,050.24
Shares issued during the year	0.01	-
Balance at the end of the reporting year	2,050.25	2,050.24

(B) OTHER EQUITY

	Attributable to the equity holders of the parent						
	Other Equity - Reserve and Surplus						Total Equity
	Equity Component of Compound Instrument (Note 16)	Employee stock option reserve (Note 16)	Capital Reserve (Note 16)	Securities Premium (Note 16)	General reserve (Note 16)	Retained earnings* (Note 16)	
Balance as at March 31, 2022	**438.33**	**23.87**	**84.99**	**10,269.19**	**1,071.96**	**(526.04)**	**11,362.30**
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	438.33	23.87	84.99	10,269.19	1,071.96	(526.04)	11,362.30
Total comprehensive income for the year							
Adjustments:							
Equity Component of Compound Instrument	95.67	-	-	-	-	-	95.67
Securities Premium	-	-	-	0.31	-	-	0.31
Employee stock option reserve	-	78.98	-	-	-	-	78.98
Transferred to retained earnings	-	(0.17)	-	-	-	0.17	-
Profit for the year	-	-	-	-	-	1,833.32	1,833.32
Add: other Adjustments	-	-	-	-	-	3.20	3.20
Proposed dividend**	-	-	-	-	-	(0.00)	(0.00)
Remeasurements of defined benefit plans (net of tax)	-	-	-	-	-	(4.64)	(4.64)
Total comprehensive income for the year	**95.67**	**78.81**	**-**	**0.31**	**-**	**1,832.05**	**2,006.84**
Balance as at March 31, 2023	**534.00**	**102.68**	**84.99**	**10,269.50**	**1,071.96**	**1,306.01**	**13,369.14**
Balance at April 01, 2021	373.48	32.29	84.99	10,269.19	1,071.96	278.31	12,110.22
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	-	-	-	-	-	(815.29)	(815.29)
Remeasurements of defined benefit plans (net of tax)	-	-	-	-	-	1.50	1.50
Total comprehensive income 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**	**(526.04)**	**11,362.30**

*Includes impact of fair valuation of land on transition to Ind AS (net of related tax impact) ₹ 3,710.05 million (March 31, 2022 ₹3,710.05 million).
**Amount less than million.

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

As per our revised audit report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
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Hyderabad
July 03, 2023

Mumbai
July 03, 2023

NOTES
to the Revised Consolidated Financial Statements

1.1 COMPANY BACKGROUND

The Consolidated Financial Statement comprises of consolidated financial statements of Chalet Hotels Limited ('the Company' or 'the Holding Company'), its subsidiary companies (collectively, 'the Group'). The Company is a public limited company, which is domiciled and incorporated in the Republic of India with its registered office situated at Raheja Tower, Plot No. C-30, Block 'G', Next to Bank of Baroda, Bandra Kurla Complex, Bandra East, Mumbai 400 051. The Company was incorporated under the Companies Act, 1956 on 6 January 1986 and has been converted into a public company with effect from 6 June 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, 2023, the Group has, (a) seven hotels (and one service apartment building) operating at Powai and Sahar (Mumbai), Vashi (Navi Mumbai), Pune, Khandala, 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.

On 23 March 2023, the Group has acquired stake in "The Dukes Retreat Private Limited" (Dukes) and "Sonmil Industries Private Limited" (SIPL) for a complete cash consideration of Rs 829.11 mn and Rs 756.46 mn respectively. Consequent to such acquisition Dukes and SIPL has become the wholly owned subsidiary of the Group.

The Management has considered 31 March 2023 as acquisition date for the purpose of purchase price allocations/consolidation, since the financial performance of the entities acquired for the period from 23 March 2023 to 31 March 2023 are not material to the consolidated financial performance.

1.2 SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation and presentation

Compliance with Indian Accounting Standard (Ind AS)

The earlier Consolidated financial statements of the group for the year ended 31 March 2023 were approved by the Board of Directors on 9 May 2023 without giving effect to the Scheme of Arrangement of amalgamation of Belaire Hotels Private Limited and Seapearl Hotels Private Limited with the Company ("the Scheme"), since the application seeking approval of the Scheme was pending before the NCLT as of that date. The earlier consolidated financial statements of the Company are being revised pursuant to an approved Scheme, the details of which are stated in note 51.These revised 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 revised consolidated financial statements are authorised for issue by the Board of Directors of the group at their meeting held on 3 July 2023.

(i) Basis of measurement

The Consolidated Financial Statements has been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer- Accounting policy regarding financials instruments);
- Net defined benefit (asset) / liability – plan (assets) / liability measured at fair value less present value of defined benefit obligation; and
- land at fair value on transition date.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

(ii) Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All the financial information have been presented in Indian

Rupees (INR) and all amounts have been rounded-off to the nearest millions, except for share data and as otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentage may not precisely reflect the absolute figures.

(iii) Use of estimates and judgements

While preparing the Consolidated Financial Statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgements. These judgements affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the consolidated Balance Sheet date and the reported amount of income and expenses for the reporting period. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgement, estimates and assumptions are required in particular for:

- **Determination of the estimated useful lives**

  Useful lives of property, plant and equipment and investment property are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

- **Recognition and measurement of defined benefit obligations**

  The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

- **Recognition of deferred tax assets**

  Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

- **Recognition and measurement of other provisions**

  The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

- **Discounting of long-term financial assets / liabilities**

  All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities/ assets which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

- **Impairment of investments**

  The Company reviews its carrying value of investments carried at cost or amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

- **Litigation**

  From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

- **Impairment testing**

  Property, plant and equipment, Right-of-Use assets and intangible assets that are subject to depreciation/amortisation 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. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

- **Determining whether an arrangement contains a lease**

  At inception of an arrangement, the Group determines whether the arrangement is or contains a lease.

  At inception or on reassessment of an arrangement that contains a lease, the Group separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Group's incremental borrowing rate. And in case of operating lease, treat all payments under the arrangement as lease payments.

  Critical Judgements in determining the lease term: Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and there by assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

  Critical judgements in determining the discount rate: The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

- **Fair value of financial instruments**

  Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts. Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective bankers.

  Further information about the assumptions made in measuring fair values is included in the following notes:

  Note G, J & K – impairment test of non-financial assets: key assumptions underlying recoverable amounts; and

  Note N 1(c) – Impairment of financial assets

(iv) Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values for, both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 2 – Property, plant and equipment (Freehold land) Note 4 – Investment property
- Note 43 – Financial instruments

(v) Current and non-current classification

The Schedule III to the Act requires assets and liabilities to be classified as either current or non-current.

An asset is classified as current when it satisfies any of the following criteria:

(a) it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is expected to be realised within twelve months after the balance sheet date; or

(d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for atleast twelve months after the balance sheet date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

(a) it is expected to be settled in, the entity's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is due to be settled within twelve months after the balance sheet date; or

(d) the Group does not have an unconditional right to defer settlement of the liability for atleast twelve months after the balance sheet date.

All other liabilities are classified as non-current.

Operating cycle

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

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

Basis of consolidation

Subsidiary:

The Consolidated financial statements incorporate the financial statements of the

Group and entities controlled by the Company. Subsidiary is an entity over which the holding company has control.

The Company controls an investee when the Company has power over the investee, is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power to direct the relevant activities of the investee. Subsidiary is fully consolidated when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary.

The acquisition method of accounting is used to account for business combinations by the Group. The Group combines the financial statements of the Holding company and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies into line with the Group's accounting policies.

Non-controlling interests in the results and equity of subsidiary are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Consolidated Statement of Balance Sheet respectively.

In the Consolidated Financial Statements, 'Goodwill' represents the excess of the cost to the Holding company of its investment in the subsidiary over its share of equity, at the respective dates on which the investments are made. Alternatively, where the share of equity as on the date of investment is in excess of cost of investment, it is recognised as 'Capital Reserve' in the Consolidated financial statements.

A. Business combination

Transaction costs are expensed as incurred, except to the extent related to the issue of debt or equity securities. The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are recognised in the consolidated statement of profit and loss.

Common control

Business combinations involving entities that are ultimately controlled by the same parties before and after the business combination are considered as Common control entities. Common control transactions are accounted using pooling of interest method. The financial statements in respect of prior periods have been restated from the period that the Transferor Company became a subsidiary of the Transferee Company where the assets and liabilities of the transferee are recorded at their existing carrying values, the identity of reserves of the transferee company is preserved.

No common control

The Group uses the "acquisition method" of accounting to account for its business combinations. The consideration transferred by the Company to obtain control of a business is calculated as the sum of the fair values of assets transferred, liabilities incurred and the equity interests issued by the Company as at the acquisition date i.e. date on which it obtains control of the acquiree which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition-related costs are recognised in the statement of profit and loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on acquisition-date.

Goodwill is measured as the excess of the aggregate of the consideration transferred and the amount 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 recognises any additional assets or liabilities that are so identified, any gain thereafter is recognised in OCI and accumulated in equity as Capital Reserve. If there does not exist clear evidence of the underlying reasons for classifying the Business combination as a bargain purchase, the Company recognises the gain, after reassessing and reviewing, directly in equity as Capital Reserve.

(I) Revenue from operations:

i. Real estate development and sale

Revenue from real estate activity is recognised to the extent that it is probable that the economic benefits will flow to the Group, all significant risks and rewards of ownership are transferred to the customers and it is not unreasonable to expect ultimate collection and no significant uncertainty exists regarding the amount of consideration.

Revenue from real estate development activity is recognised at a point in time when significant risks and rewards are transferred to the Customer i.e. when the control of the residential flat is transferred to the Customer.

Cost of construction/ development includes all costs directly related to the Project and other expenditure as identified by the management which are reasonably allocable to the project.

Unbilled revenue from Real Estate represents revenue recognised over and above amount due as per payment plans agreed with the customers. Progress billings which exceed the costs and recognised profits to date on projects under construction are disclosed as advance received from customers under other current liabilities. Any billed amount that has not been collected is disclosed under trade receivables.

ii. Hospitality business

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer. Revenue from sales of goods or rendering of services is net of Indirect taxes, returns and variable consideration on account of discounts and schemes offered by the company as part of the contract.

Revenue from operations

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

Revenue is recognised upon rendering of the service, provided pervasive evidence of an arrangement exists, tariff / rates are fixed or are determinable and collectability is reasonably certain.

Revenue recognised is net of indirect taxes, returns and discounts.

iii. Rental income

Revenues from property leased out under an operating lease are recognised over the tenure of the lease / service agreement on a straight line basis over the term of the lease, except where the rentals are structured to increase in line with expected general inflation, and except where there is uncertainty of ultimate collection.

Initial direct costs incurred by lessors in negotiating and arranging an operating lease is accounted as separate asset and will be recognised as an expense over the lease term on the same basis as the lease income.

iv. Income from other services

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

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

(II) Other Income

i. Dividend income

Dividend income is recognised only when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be measured reliably.

ii. Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets on initial recognition. Interest income is included in other income in the Consolidated statement of profit or loss.

B. Foreign currency

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the consolidated statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of profit and loss on a net basis within other gains / (losses).

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured.

C. Employee benefits

i. Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Short-term benefits such as salaries, wages, short-term compensation absences, etc., are determined on an undiscounted basis and recognised in the period in which the employee renders the related service.

Also, the liability for compensated absences is determined by actuarial valuation carried out by the independent actuary as at each Balance sheet date and provided for as incurred in the year in which services are rendered by employees.

ii. Post-employment benefits

Defined contribution plans

The defined contribution plans i.e. provident fund (administered through Regional Provident Fund Office) and employee state insurance corporation are post-employment benefit plans under which a Group pays fixed contributions and will have no legal and constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Statement of Profit and Loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The following post – employment benefit plans are covered under the defined benefit plans:

- Gratuity Fund

  The Group follows unfunded gratuity except for one of its Hotel division (Westin, Hyderabad) and for Corporate office in Belaire Hotels Private Limited, its subsidiary where fund is maintained with Life Insurance Corporation of India. The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus the Group's defined benefit plans.

When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

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 recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

iii. Terminal Benefits:

All terminal benefits are recognised as an expense in the period in which they are incurred.

iv. Employee stock option expense

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

D. Income-tax

Income-tax expense comprises current and deferred tax. It is recognised in net profit in the consolidated statement of profit or loss except to the extent that it relates to items recognised directly in equity or in the Other Comprehensive Income (OCI).

i. Current tax

Current tax is the amount of tax payable (recoverable) in respect of the taxable profit / (tax loss) for the year determined in accordance with the provisions of the Income-tax Act, 1961. Taxable profit differs from 'profit before tax' as reported in the Consolidated Statement of Profit and Loss because of items of income or expenses that are taxable or deductible in other years & items that are never taxable or deductible. Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case laws and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets and therefore the tax charge in the Statement of Profit and Loss.

The group periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and liabilities are offset only if, the Group:

a) has a legally enforceable right to set off the recognised amounts; and

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

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and
- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Taxes relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Consolidated Statement of profit and loss.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Minimum Alternative Tax ("MAT") credit forming part of deferred tax asset is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

A new Section 115BAA was inserted in the Income Tax Act, 1961, by The Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions/ conditions defined in the said section.

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

E. Inventories

Hospitality

Stocks of stores, food and beverages are carried at the lower of cost and net realizable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses Cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present condition and location. Cost is arrived at by the weighted average cost method.

Stocks of stores and spares and operating supplies (viz. crockery, cutlery, glassware and linen) once issued to the operating departments are considered as consumed and expensed to the Consolidated Statement of Profit and Loss. Unserviceable/ damaged/discarded stocks and shortages are charged to the Consolidated Statement of Profit and Loss.

Real Estate Development (Residential Flats)

Property is valued at lower of cost and net 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 unutilised project materials) at site is computed by the weighted moving average method and carried at lower of cost and Net Realizable value.

F. Property, plant and equipment

i. Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation / amortisaton and impairment losses, if any except for freehold land which is not depreciated. Cost comprises of purchase price and any attributable cost such as duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Consolidated Statement of Profit and Loss.

Properties in the course of construction for production, supply or administration purposes are carried at cost, less any impairment loss recognised. Cost includes professional fees and, for qualifying assets borrowing costs capitalised in accordance with the group's accounting policy. Such properties are classified to the appropriate categories of Property, Plant & Equipment when completed and are ready for intended use. Depreciation on these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

i. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. Depreciation

Depreciation is charged to the Consolidated Statement of Profit and Loss so as to expense the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method, as per the useful life prescribed in Schedule II to the Companies Act, 2013 except , in whose case the life of the assets had been re-assessed as under based on technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

Asset Type	Useful Life		Schedule II
	March 2023	March 2022	
Buildings (Interior and Accessories)	14 Years	14 Years	NA
Plant and Machinery	5 - 15 Years	5 - 15 Years	15 Years
Electrical installations	10 - 14 Years	10 - 14 Years	10 Years
Office Equipment's	2 - 5 Years	2 - 5 Years	5 Years
Vehicles	5 Years	5 Years	6 Years

Building interiors and accessories comprise of the interiors of the Hotel building which will undergo renovation, are depreciated on a SLM basis over a period of 10 years, which in management's view, represents the useful life of such assets.

Building constructed on leasehold land are amortised from the date of commencement of commercial operations over the balance lease period.

Leasehold Improvements are depreciated over the primary period of lease.

Temporary structures and assets costing ₹ 5,000/- or less are depreciated at 100% in the year of capitalisation.

Freehold land is measured at fair value as per Ind AS 113 with the resultant impact being accounted for in the reserves. The fair value of the Group's freehold land parcels as at April 1, 2016 have been arrived at on the basis of a valuation carried out by an independent registered appraiser not related to the Group with appropriate qualifications and relevant experience in the valuation of properties at relevant locations. The fair value was determined based on a combination of Discounted Cash Flow method and Residual method.

The assets' useful lives and residual values are reviewed at the Balance Sheet date and the effect of any changes in estimates are accounted for on a prospective basis.

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's or cash generating unit's carrying amount exceeds its recoverable amount. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. In case of 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.

G. Intangible assets

Recognition and measurement

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

Subsequent expenditure

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

Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in the Consolidated Statement of profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

Intangible assets are amortised on straight-line method over estimated useful life of 4 years, which in management's view represents the economic useful life of these assets.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate prospectively.

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the consolidated statement of profit and loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

H. Goodwill

In case of merger, Goodwill' represents the excess of the cost to the Holding company of its investment in the subsidiary over its share of equity, at the respective dates on which the investments are made.

In case of acquisition, Goodwill comprises the portion of the purchase price for an acquisition that exceeds the Group's share in the identifiable assets, with deductions for liabilities, calculated on the date of acquisition.

Goodwill on business combination is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the consolidated statement of profit and loss, to the extent the amount was previously charged to the consolidated statement of profit and loss. In case of revalued assets, such reversal is not recognised.

I. Investment property and investment property under construction

(a) Recognition and measurement

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its investment property recognised as at 1 April 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of such investment property.

Investment property and investment property under construction represents the cost incurred in respect of areas retail block and commercial office space. Property under construction is accounted for as investment property under construction until construction or development is complete.

Direct expenses like cost of land, including related transaction costs, site labour cost, material used for project construction, project management consultancy, costs for moving the plant and machinery to the site and general expenses incurred specifically for the respective project like insurance, design and technical assistance, and construction overheads are taken as the cost of the project.

Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties under construction are carried individually at cost less impairment, if any. Impairment of investment property is determined in accordance with the policy stated for impairment of assets.

(b) Depreciation

Depreciation on investment property has been provided pro rata for the period of use by the Straight Line Method. The useful lives of Investment Property is estimated by management and the same is as prescribed in Schedule II to the Act, except in respect of the following categories of assets, where the life of these assets differs from Schedule II.

Any gain or loss on disposal of an investment property is recognised in Consolidated statement of profit and loss.

The fair values of investment property are disclosed in the notes. Fair values are determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

Asset Type	Useful Life		Schedule II
	March 2023	March 2022	
Buildings (Interior and Accessories)	14 Years	14 Years	NA
Plant and Machinery - DG set, HVAC system, Elevators and Firefighting system - Others	 15 Years 14 Years	 15 Years 14 Years	15 Years
Electrical installations	14 Years	14 Years	10 Years
Office Equipments	4 Years	4 Years	5 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.

J. Investments

The Group reviews its carrying value of investments carried at cost or amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

K. 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 assetsare substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Borrowing costs that are not directly attributable to a qualifying asset are recognised in the Consolidated Statement of Profit and Loss using the effective interest method.

L. 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 45 for segment information presented.

M. Financial Instruments

1. Financial assets

(a) Recognition and initial measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss directly attributable transaction costs. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Classification and subsequent measurement

The Group classifies its financial assets into a) financial assets measured at amortised cost, and b) financial assets measured at fair value through profit or loss (FVTPL). Management determines the classification of its financial assets at the time of initial recognition or, where applicable, at the time of reclassification.

(i) Financial assets measured at amortised costs

A financial asset is classified at amortised costs if it is held within a business model whose objective is to a) hold financial asset in order to collect contractual cash flows and b) the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using effective interest rate method (EIR). Amortised cost is arrived at after taking into consideration any discount on fees or costs that are an integral part of the EIR. The amortisation of such interests forms part of finance income in the consolidated statement of profit and loss. Any impairment loss arising from these assets are recognised in the consolidated statement of profit and loss.

(ii) Financial assets measured at fair value through profit and loss (FVTPL)

This is a residual category for classification. Any asset which do not meet the criteria for classification as at amortised cost, is classified as FVTPL. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in the consolidated statement of profit or loss.

(ii) Financial assets measured at fair value through other comprehensive income (FVOCI)

- Debt investments at FVOCI: These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in consolidated statement of profit and loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to consolidated statement of profit and loss.

- Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognised as income in consolidated statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to consolidated statement of profit and loss.

(b) ***Derecognition***

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset and associated liability for any amounts it may have to pay.

(c) Impairment of financial assets

In accordance with Ind-AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, eposits, and bank balance.

b) Trade receivables- The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

2. Financial liabilities

(a) Recognition, measurement and classification

Financial liabilities are classified as either held at a) fair value through profit or loss, or b) at amortised cost. Management determines the classification of its financial liabilities at the time of initial recognition or, where applicable, at the time of reclassification. The classification is done in accordance with the substance of the contractual arrangement and the definition of a financial liability and an equity instruments. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities at amortised cost includes loan and borrowings, interest free security deposit, interest accrued but not due on borrowings, Retention money payable, trade and other payables. Such financial liabilities are recognised initially at fair value minus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

The Group's financial liabilities at fair value through profit or loss includes derivative financial instruments.

(b) Financial guarantee contracts

The Group on a case to case basis elects to account for financial guarantee contracts as a financial instruments or as an insurance contracts as specified in Ind AS 109 on Financial Instruments and Ind AS 104 on Insurance contracts. The Group has regarded all its financial guarantee contracts as insurance contracts. At the end of each reporting period, the Group performs a liability adequacy test, (i.e. it assesses the likelihood of a pay-out based on current undiscounted estimates of future cash flows), and any deficiency is recognised in consolidated statement of profit and loss.

(c) ***Derecognition***

The Group derecognises financial liabilities when its contractual obligations are discharged or cancelled or have expired.

3. Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount presented in the Consolidated statement of financial position when, and only when, the Group has legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

4. Derivative financial instruments

The Group uses derivative financial instruments, such as foreign exchange forward contracts, interest rate swaps and currency options to manage its exposure to interest rate and foreign exchange risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured to their fair value. The resulting gain/loss is recognised in consolidated statement of profit and loss immediately at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The Group does not designate the derivative instrument as a hedging instrument.

N. Provisions, contingent liabilities and contingent assets

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Claims against the Group where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets where it is probable that future economic benefits will flow to the Group are not recognised but disclosed in the Consolidated Financial Statements. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

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. Group 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. Group as a lessee

The Group 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 Group recognises 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 recognised in the statement of profit and loss.

The Group 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 recognises 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 recognises 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 recognised as an expense on a straight-line basis over the lease term.

O. 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.

P. 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.

Q. 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.

R. 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.

S. Government Grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in consolidated statement of profit and loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the consolidated Balance Sheet and transferred to consolidated statement of profit and loss on a systematic and rational basis over the useful lives of the related assets.

T. 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.

U. 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.

V. Earnings before interest and depreciation and amortisation ("adjusted EBITDA")

The Group presents adjusted EBITDA in the consolidated statement of profit and loss; this is not specifically required by Ind AS 1. The terms adjusted EBITDA are not defined in Ind AS. Ind AS complaint Schedule III allows companies to present Line items, sub-line items and sub-totals shall be presented as an addition or substitution on the face of the financial statements when such presentation is relevant to an understanding of the Group's financial position or performance or to cater to industry/sector-specific disclosure requirements or when required for compliance with the amendments to the Companies Act or under the Indian Accounting Standards.

Measurement of adjusted EBITDA

Accordingly, the Group has elected to present earnings before interest, tax, depreciation and amortisation (adjusted EBITDA) before exceptional items, as a separate line item on the face of the Consolidated Statement of Profit and Loss. The Group measures adjusted EBITDA before exceptional items, on the basis of profit/ (loss) from continuing operations including other income.

In its measurement, the Group does not include exceptional items, depreciation and amortisation expense, finance costs, share of profit from associate and tax expense.

Y. Recent pronouncements - New Standards/Amendments notified but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 - Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 - Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

The Group does not expect the effect of this on the financial statements to be material, based on preliminary evaluation.

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

2 PROPERTY, PLANT AND EQUIPMENT

Reconciliation of carrying amount as at March 31, 2023

₹ in million

Particulars	Gross block					Accumulated depreciation/ amortization					Net block
	Opening balance as at April 01, 2022	Acquired in Business Combination [Refer Note 38(A)]	Additions/ Transferred In	Deductions	Closing balance as at March 31, 2023	Opening balance as at April 01, 2022	Adjustments	For the year	Deductions	Closing balance as at March 31, 2023	As at March 31, 2023
Tangible assets											
Freehold land	7,756.67	781.57	80.01	9.20	8,609.05	-	-	-	-	-	8,609.05
Lease hold land	-	0.01	0.73	-	0.74	-	-	-	-	-	0.74
Buildings	13,883.23	207.05	872.86	1.19	14,961.95	4,250.02	83.46	450.47	0.05	4,783.90	10,178.05
Plant and machinery	4,738.28	8.78	226.73	71.41	4,902.38	3,248.15	51.64	265.98	68.41	3,497.36	1,405.02
Data processing equipments	275.52	-	8.83	14.34	270.01	249.30	-	18.85	14.30	253.85	16.16
Electrical installations	1,702.77	-	88.45	3.28	1,787.94	1,240.00	19.03	90.53	2.95	1,346.61	441.33
Furniture and fixtures	2,132.59	7.74	51.79	105.32	2,086.80	1,765.06	3.59	110.29	103.31	1,775.63	311.17
Vehicles	117.85	0.13	0.51	47.58	70.91	114.31	-	0.88	47.47	67.72	3.19
Office equipments	96.29	0.48	3.01	5.60	94.18	94.99	-	0.79	5.59	90.19	3.99
Total	**30,703.20**	**1,005.76**	**1,332.92**	**257.92**	**32,783.96**	**10,961.82**	**157.72**	**937.79**	**242.08**	**11,815.26**	**20,968.70**

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARch 31, 2023 (Contd.)

2 PROPERTY, PLANT AND EQUIPMENT (CONTD.)

Reconciliation of carrying amount
as at March 31, 2022

₹ in million

Particulars	Gross block				Accumulated depreciation				Net block
	Opening balance as at April 01, 2021	Additions	Deductions	Closing balance as at March 31, 2022	Opening balance as at April 01, 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	7,756.67	-	-	-	-	7,756.67
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	4,738.28	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	0.85	249.30	26.22
Electrical installations	1,662.36	41.34	0.93	1,702.77	1,156.45	84.49	0.94	1,240.00	462.77
Furniture and fixtures	2,092.01	60.04	19.46	2,132.59	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	94.99	1.30
Total	**30,791.25**	**462.20**	**550.25**	**30,703.20**	**10,197.18**	**918.79**	**154.14**	**10,961.82**	**19,741.37**

Notes:

1) Refer Note 17 and Note 22 for information on Property, plant and equipment pledged as security by the Group.

2) Refer Note 39(II) for contractual commitments with respect to property plant and equipments.

3) 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 in the schedule 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 Standalone financial statements. The carrying value of property, plant and equipment in respect of the aforementioned hotel as at March 31, 2023 is ₹348.46 milliion (March 31, 2022: ₹372.12 million).

4) The Group proposes to convert Bengaluru ALC commercial Building to Hotel Building, the assets pertaining to said Building has been transferred to Property, plant and Equipments from Investment Property (refer note 4A).

2 PROPERTY, PLANT AND EQUIPMENT (CONTD.)

5) 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 Note 4 and read with Note 39(I) (c) of the standalone 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 standalone financial statements, the lease agreements are duly executed in favour of the Holding Company except for below:

Details as on March 31, 2023

Description of item of property	Gross carrying value (In million)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Freehold land	880.97	Belaire Hotels Private Limited	NA	2007-08	Assets acquired by the holding company on account of merger and is in name of erstwhile company (refer note 51)
Buildings	1,716.47	Belaire Hotels Private Limited	NA	2013-14	Assets acquired by the holding company on account of merger and is in name of erstwhile company (refer note 51)

Details as on March 31, 2022

Description of item of property	Gross carrying value (In million)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Freehold land	880.97	Belaire Hotels Private Limited	NA	2007-08	Assets acquired by the holding company on account of merger and is in name of erstwhile company (refer note 51)
Buildings	1,701.60	Belaire Hotels Private Limited	NA	2013-14	Assets acquired by the holding company on account of merger and is in name of erstwhile company (refer note 51)

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

3 CAPITAL WORK-IN-PROGRESS

1) Details of capital work-in-progress

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	322.27	416.19
Add: Additions during the year	1,070.45	434.07
Less: Capitalized during the year	(357.27)	(438.50)
Less: Cost incurred for Commercial complex, Powai, Mumbai transfered to to Investment property under construction.	-	(31.78)
Closing Balance	1,035.45	379.98
Less: Provision for impairment	(57.71)	(57.71)
Net balance	**977.74**	**322.27**

There was delay in implementation of International Convention Center Complex (ICCC) Project as the Department of Tourism (DOT), Government of Kerala (GOK) is yet to contribute land for the project as its equity contribution in kind. The management believes the project to be viable. During the year ended March 31, 2020, as there were conditions of uncertainty, it had taken a prudent and conservative call to write off capital work in progress without prejudicing the going concern.

In view of this delay, the Group has further extended the performance guarantee given to the DOT, GOK, for a period up to March 12, 2024. The Group has ceased capitalization of borrowing cost with effect from the financial year 2014-15.

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

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Legal and professional charges	10.01	13.65
Employee costs	19.51	34.95
Rates, taxes and license fees	13.28	2.46
Repairs and maintenance	-	-
Interest and other finance costs	55.48	29.63
Miscellaneous expenses	-	16.72
Other income/sale of scrap	-	(0.04)
Depreciation	37.72	-
Total	**136.00**	**97.37**

3) Capital work in progress (CWIP) Ageing Schedule
As at March 31, 2023

₹ in million

Particulars	Capital work in progress ageing schedule as at March 31, 2023				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	694.38	150.28	124.85	-	969.51
Projects temporarily suspended	-	4.73	3.50	-	8.23
Total	**694.38**	**155.01**	**128.35**	**-**	**977.74**

3 CAPITAL WORK-IN-PROGRESS (CONTD.)

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	149.22	127.50	-	-	276.72
Total	**193.53**	**128.74**	**-**	**-**	**322.27**

Details of capital work in progress whose completion is overdue or has exceeded its cost as compared to its original plan:

As at March 31, 2023

₹ in million

Particulars	CWIP to be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	695.68	-	-	-
Hotel at Powai, Mumbai	-	-	-	-
Hotel at Telangana	695.68	-	-	-
Projects temporarily suspended	-	-	-	5.11
Hotel at Navi Mumbai	-	-	-	5.11
Total	**695.68**	**-**	**-**	**5.11**

As at March 31, 2022

₹ in million

Particulars	CWIP to be completed in			
	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	-	5.11
Hotel at Navi Mumbai	-	-	-	-
Total	**21.41**	**271.62**	**-**	**5.11**

4 INVESTMENT PROPERTY

A. Reconciliation of carrying amount

as at March 31, 2023

₹ in million

Particulars	Gross block				Accumulated depreciation / amortization				Net block
	Opening balance as at April 01, 2022	Additions/ Transfers	Deductions/ Transfers	Closing balance as at March 31, 2023	Opening balance as at April 01, 2022	For the year	Deductions/ Transfers	Closing balance as at March 31, 2023	As at March 31, 2023
Commercial complex, Bengaluru I	893.37	-	893.37	**-**	157.72	-	157.72	**-**	**-**
Cignus Whitefield I Bangalore		3,100.70		**3,100.70**		17.95		**17.95**	**3,082.75**
Commercial Block II Sahar, Mumbai	1,203.25	36.15	-	**1,239.40**	206.87	41.73	-	**248.60**	**990.80**
Commercial Block I Sahar, Mumbai.	3,203.54	0.06	-	**3,203.60**	344.64	85.62	-	**430.26**	**2,773.34**
Cignus Whitefield II Bangalore	1,729.08	-	3.88	**1,725.20**	628.11	52.57	3.53	**677.15**	**1,048.05**
Total (A)	**7,029.24**	**3,136.91**	**897.25**	**9,268.90**	**1,337.34**	**197.87**	**161.25**	**1,373.96**	**7,894.94**
Investment property under construction									
Business centers and offices, Sahar, Mumbai									**0.01**
Cignus Powai I, Mumbai									**7,317.56**
Cignus Powai II, Mumbai									**1,167.28**
Cignus Whitefield I Bangalore									**15.93**
Cignus Whitefield II Bangalore									**78.13**
Total (B)									**8,578.91**
Total (A+B)									**16,473.85**

Note 4(A): The Group proposes to convert Bengaluru ALC commercial Building to Hotel Building, the assets pertaining to said Building has been transferred to Property, plant and Equipments from Investment Property (refer note 2).

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

4 INVESTMENT PROPERTY (CONTD.)

as at March 31, 2022

₹ in million

Particulars	Gross block				Accumulated depreciation/amortization				Net block
	Opening balance as at April 01, 2021	Additions	Deductions	Closing balance as at March 31, 2022	Opening balance as at April 01, 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	1,196.15	7.10	-	1,203.25	166.53	40.34	-	206.87	996.38
Commercial Block I Sahar, Mumbai.	3,203.54	-	-	3,203.54	259.02	85.62	-	344.64	2,858.90
Cignus Whitefield II Bangalore	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	5,691.89
Investment property under construction									
Business centers and offices, Sahar, Mumbai									19.85
Cignus Powai I, Mumbai									4,924.96
Cignus Powai II, Mumbai									1,038.44
Cignus Whitefield I Bangalore									1,882.05
Cignus Whitefield II Bangalore									3.20
Total (B)									7,868.50
Total (A+B)									13,560.39

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 ₹589.36 million (March 31, 2022 ₹364.10 million) are capitalized under investment property under construction.

3. Details of investment property under construction.

₹ in million

Particulars	March 31, 2023	March 31, 2022
Opening Balance	7,868.50	4,036.52
Add: Additions during the year	3,847.59	3,429.98
Add: Cost incurred for Commercial complex, Powai, Mumbai transfered from Capital work-in-progress (refer note 2 and 3)	-	409.89
Less: Capitalized during the year	(3,137.18)	(7.89)
Closing Balance	**8,578.91**	7,868.50

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

4 INVESTMENT PROPERTY (CONTD.)

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

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Legal and professional charges	**66.39**	30.42
Employee costs	**69.03**	38.96
Rates, taxes and license fees	**151.87**	1,258.16
Land	**-**	378.01
Interest and other finance costs	**589.36**	364.10
Miscellaneous expenses	**33.50**	11.02
Other income/sale of scrap	**(0.27)**	(0.63)
Total	**909.90**	2,080.04

B. Fair value measurement

i. Fair value hierarchy

The fair value of investment property was determined by external, independent property valuers, having appropriate recognized professional qualification and experience.

The fair value measurement for all of the investment properties has been categorized as a Level 3 fair value based on the inputs to the valuation technique used.

₹ in million

Investment properties	Fair Value as on March 31, 2023	Fair Value as on March 31, 2022
Commercial complex, Bengaluru I*	-	800.00
Commercial Block II Sahar, Mumbai**	1,902.17	1,750.00
Commercial Block I, Sahar, Mumbai**	7,911.42	7,838.49
Cignus Whitefield II Bangalore**	1,771.83	1,762.46
Cignus Whitefield I Bangalore**	4,246.94	-

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

**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

The fair value of investment property has been determined by external, independent property valuers / management, having appropriate recognized professional qualifications and recent experience in the location and category of the property being valued.

The fair value measurement for all of the investment property has been categorized as a Level 3 fair value based on the inputs to the valuation technique used.

The Group follows discounted cash flows technique. The valuation model considers the present value of net cash flows to be generated from the property, taking into account the expected rental growth rate, vacant years, occupancy rate, lease incentive costs such as rent-free years and other costs not paid by tenants. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality and lease terms. The land of Commercial Complex, Bengaluru is valued by residual method. The valuation of Retail block, Sahar, Mumbai considers change in end use to commercial purpose and is disclosed in note no 49.

4 INVESTMENT PROPERTY (CONTD.)

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

Investment properties	Valuation technique	Significant unobservable Inputs	Range	
			March 31, 2023	March 31, 2022
Commercial complex, Bengaluru I	Depreciable Replacement method	NA	NA	NA
Commercial Block II Sahar, Mumbai	DCF Method	Occupancy Range	94% to100%	94% to100%
		Base Rent (₹)	120 for Retailers 130 for Commercials	120 for Retailers 130 for Commercials
		Escalation %	4.77% p.a.	4.77% p.a.
		WAAC	12.10%	12.10%
		Growth Rate	4.00%	4.00%
Commercial Block I Sahar, Mumbai.	DCF Method	Occupancy Range	100%	100%
		Base Rent (₹)	197	133
		Escalation %	4.77% p.a.	4.77% p.a.
		WAAC	12.30%	12.10%
		Growth Rate	4.00%	4.00%
Cignus Whitefield II Bangalore	DCF Method	Occupancy Range	94% to100%	94% to100%
		Base Rent (₹)	57.00	54.00
		Escalation %	4.77% p.a.	4.77% p.a.
		WAAC	12.30%	12.10%
		Growth Rate	4.00%	4.00%
Cignus Whitefield I Bangalore	DCF Method	Occupancy Range	96% to100%	-
		Base Rent (₹)	60.00	-
		Escalation %	4.77% p.a.	-
		WAAC	12.30%	-
		Growth Rate	4.00%	-

C. Information regarding income and expenditure of investment property

₹ in million

Particulars	March 31, 2023	March 31, 2022
Rental income derived from investment properties	886.77	933.64
Direct operating expenditure (including repairs and maintenance) generating rental income	77.09	83.44
Direct operating expenditure that did not generate rental income	-	-
Profit arising from investment properties before depreciation and indirect expenses	809.68	850.20
Depreciation	197.87	211.26
Profit arising from investment properties before indirect expenses	**611.81**	638.95

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

4 INVESTMENT PROPERTY (CONTD.)

E. Investment properties under construction ageing:

As at March 31, 2023

₹ in million

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	2,611.84	3,191.76	2,085.05	690.26	8,578.91
Projects temporarily suspended	-	-	-	-	-
Total	**2,611.84**	**3,191.76**	**2,085.05**	**690.26**	**8,578.91**

As at March 31, 2022

₹ in million

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	3,837.01	2,358.87	1,096.17	576.45	7,868.50
Projects temporarily suspended	-	-	-	-	-
Total	**3,837.01**	**2,358.87**	**1,096.17**	**576.45**	**7,868.50**

F. Details of investment property whose completion is overdue or has exceeded its cost as compared to its original plan:

As at March 31, 2023

₹ in million

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	**7,324.40**	**-**	**-**	**1,167.33**
Cignus Powai I, Mumbai	7,308.93	-	-	-
Cignus Whitefield II Bangalore	15.47	-	-	-
Cignus Powai II, Mumbai	-	-	-	1,167.33
Projects temporarily suspended				
Total	**7,324.40**	**-**	**-**	**1,167.33**

As at March 31, 2022

₹ in million

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	4,919.72	1,881.59	-	-
Cignus Powai I, Mumbai	4,919.72	-	-	-
Cignus Whitefield I Bangalore	-	1,881.59	-	-
Cignus Whitefield II Bangalore	-	-	-	-
Projects temporarily suspended	-	-	-	-
Total	**4,919.72**	**1,881.59**	**-**	**-**

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

4 INVESTMENT PROPERTY (CONTD.)

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

as at March 31, 2023

₹ in million

Particulars	Gross block				Accumulated depreciation/amortization				Net block
	Opening balance as at April 01, 2022	Additions/ Transfers	Deductions/ Transfers	Closing balance as at March 31, 2023	Opening balance as at April 01, 2022	For the year	Deductions/ Transfers	Closing balance as at March 31, 2023	As at March 31, 2023
Tangible assets									
Freehold land	813.66	179.68	80.01	913.33	-	-	-	-	913.33
Buildings	4,718.81	2,336.83	633.02	6,422.62	717.60	109.13	83.46	743.27	5,679.35
Plant and machinery	1,063.11	505.91	132.43	1,436.59	412.57	64.14	53.21	423.50	1,013.09
Computers	2.33	0.06	-	2.39	2.22	0.06	-	2.28	0.11
Electrical installations	391.60	114.43	45.10	460.93	173.62	22.91	19.03	177.50	283.43
Furniture and fixtures	37.46	-	6.64	30.82	29.51	1.45	5.51	25.45	5.37
Office equipments	1.68	-	-	1.68	1.28	0.17	-	1.45	0.23
	7,028.65	**3,136.91**	**897.20**	**9,268.36**	**1,336.80**	**197.86**	**161.21**	**1,373.45**	**7,894.91**
Intangible assets									
Software	0.59	-	0.05	0.54	0.54	0.01	0.04	0.51	0.03
	0.59	-	0.05	0.54	0.54	0.01	0.04	0.51	0.03
Total	**7,029.24**	**3,136.91**	**897.25**	**9,268.90**	**1,337.34**	**197.87**	**161.25**	**1,373.96**	**7,894.94**

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

4 INVESTMENT PROPERTY (CONTD.)

as at March 31, 2022

₹ in million

Particulars	Gross block				Accumulated depreciation/amortization				Net block
	Opening balance as at April 01, 2021	Additions	Deductions	Closing balance as at March 31, 2022	Opening balance as at April 01, 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	4,718.81	613.86	113.53	9.79	717.60	4,001.21
Plant and machinery	1,082.06	2.66	21.61	1,063.11	358.33	67.24	13.00	412.57	650.54
Computers	2.33	-	-	2.33	2.05	0.17	-	2.22	0.11
Electrical installations	399.34	-	7.74	391.60	154.46	24.62	5.46	173.62	217.98
Furniture and fixtures	73.02	-	35.56	37.46	58.06	5.44	33.99	29.51	7.95
Office equipments	1.68	-	-	1.68	1.03	0.25	-	1.28	0.40
	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	0.04
	0.59	-	-	0.59	0.53	0.01	-	0.54	0.04
Total	**7,102.52**	**7.89**	**81.17**	**7,029.24**	**1,188.33**	**211.26**	**62.24**	**1,337.34**	**5,691.89**

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

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

₹ in million

Particulars	March 31, 2023	March 31, 2022
Goodwill on business acquisition (refer note below)	537.11	226.11
Goodwill on consolidation (refer note 38)	311.00	-
	848.11	226.11

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, 2023	March 31, 2022
Hotel at Bengaluru	164.04	164.04
Cignus Whitefield II Bengaluru	25.49	25.49
Commercial complex, Bengaluru I	36.58	36.58
The Dukes Retreat Private Limited & Sonmil Industries Private Limited	311.00	-
Total	**537.11**	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 at Bengaluru

₹ in million

Particulars (in %)	March 31, 2023	March 31, 2022
Discount rate	11.70%	12%
Terminal value multiple	13.5 times	13.5 times

B. Cignus Whitefield II Bengaluru

₹ in million

Particulars (in %)	March 31, 2023	March 31, 2022
Discount rate	12.30%	12%
Terminal value multiple	12.50 times	12.83 times

C. Commercial complex, Bengaluru I

₹ in million

Particulars (in %)	March 31, 2023	March 31, 2022
Discount rate	12.30%	12%
Terminal value multiple	12.50 times	12.83 times

Discount rate

The discount rate is a pre tax measure based on the rate of 10 year government bonds issued by the Government of India, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU.

Terminal value growth rate

Terminal value growth rate used for the purpose of calculation of terminal value has been determined based on the long-term compound annual growth rate in EBITDA.

The above assumptions are reviewed annually as part of management's budgeting and strategic planning cycles. These estimates may differ from actual results. The values assigned to each of the key assumptions reflect the Management's past experience as their assessment of future trends, and are consistent with external / internal sources of information.

Based on the above assumptions and analysis, no impairment was identified for any of the CGU as at March 31, 2023 and March 31, 2022 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 REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

6 OTHER INTANGIBLE ASSETS

As at March 31, 2023

₹ in million

Particulars	Gross block					Accumulated amortization				Net block
	Opening balance as at April 01, 2022	Acquired in Business Combination (refer note 38)	Additions/ Transferred In	Deductions	Closing balance as at March 31, 2023	Opening balance as at April 01, 2022	Charged for the year	Deductions	Closing balance as at March 31, 2023	As at March 31, 2023
Trade marks	0.04	-	-	-	0.04	0.04	-	-	0.04	-
Brands	-	23.00	-	-	23.00	-	-	-	-	23.00
Computer software	104.69	-	2.07	-	106.76	88.21	10.30	-	98.51	8.25
Total	**104.73**	**23.00**	**2.07**	**-**	**129.80**	**88.25**	**10.30**	**-**	**98.55**	**31.25**

As at March 31, 2022

₹ in million

Particulars	Gross block				Accumulated amortization				Net block
	Opening balance as at April 01, 2021	Additions	Deductions	Closing balance as at March 31, 2022	Opening balance as at April 01, 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

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

7 OTHER INVESTMENTS

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
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, 2022: 1,000) shares of Stargaze Properties Private Limited	0.01	0.01
10,000 (March 31, 2022: 6,050) shares of Renew Wind Power Energy (AP) Limited	1.29	0.61
9,91,345 (March 31, 2022: 9,91,345) shares of Krishna Valley Power Private Limited	19.91	19.91
1,044,500 (March 31, 2022: 1,044,500) shares of Sahyadri Renewable Energy Private Limited	31.46	31.46
3,55,000 (March 31, 2022: 3,55,000) shares of Vikramaditya Renewable Energy Private Limited	10.67	10.67
REC Limited - Bonds (500 Bonds of ₹10000/- each)	5.00	-
Measured at amortized cost		
National Saving Certificates	0.13	0.13
	68.47	**62.79**
Aggregate amount of unquoted securities	68.47	62.79
Aggregate amount of quoted securities	-	-
Market value of quoted securities	-	-
Aggregate amount of impairment in the value of investments	-	-

8 OTHER NON-CURRENT FINANCIAL ASSETS

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)		
To other than related parties		
Deposits with banks with more than 12 months maturity	387.59	269.89
Deposits		
Security deposits - related parties	21.91	20.07
Security deposits - others	175.03	86.97
Others	3.30	10.11
	587.83	387.04

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

9 OTHER NON-CURRENT ASSETS

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
(Secured, unsecured, considered good)		
To other than related parties		
(Unsecured, considered good)		
Capital advances	171.92	145.85
Less: Provision for doubtful advances	(1.80)	(1.80)
Prepayments [refer note 39 (I)(c)] and note below	238.44	199.65
Deferred Finance Expenses	86.08	-
	494.64	343.70

In December 2005, the Company had purchased the entire building comprising of the hotel and apartments therein, together with a demarcated portion of the leasehold rights to land at Vashi (Navi Mumbai) from K. Raheja Corp Private Limited (reflected under prepayment and others above). The Company has been operating the Four Points By Sheraton Hotel at the said premises. Two Public Interest Litigations challenging the allotment of land by CIDCO to K. Raheja Corp Private Limited had been filed in 2003-04. During the financial year 2014-15, the Honourable High Court at Bombay ordered K. Raheja Corp Private Limited to demolish the structure and hand back the land to CIDCO. K Raheja Corp Private Limited has filed a special leave petition against the order in the Supreme Court. The Supreme Court on January 22, 2015 directed the maintenance of a status quo. Pending the outcome of proceedings and a final closure of the matter no adjustments have been made in the Standalone financial statements.The balance of prepaid lease rental in relation to such leasehold land as of March 31, 2023 is ₹48.54 million (March 31, 2022: ₹49.74 million).

10 INVENTORIES *(valued at lower of cost and net realizable value)*

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Hospitality :		
Food, beverages and smokes	108.16	86.69
Stores and spares	1.34	4.05
Property development :		
Property under development (refer note 50)	4,159.24	4,182.32
Less: Provision for impairment (refer note 29a)	(263.29)	(429.79)
Property under development	3,895.95	3,752.53
Materials at site	122.27	89.22
Retail:		
Materials at site.	1.54	2.48
	4,129.26	3,934.97

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

11 TRADE RECEIVABLES

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good, unless otherwise stated)		
Trade receivables	522.00	328.76
Less: Allowance for doubtful trade receivables	(13.95)	(17.96)
Considered good	508.05	310.80
Trade receivables	2.25	13.34
Less: Allowance for doubtful trade receivables	(1.65)	(3.57)
Trade Receivables which have significant increase in Credit Risk	0.60	9.77
Trade receivables	12.58	12.58
Less: Allowance for doubtful trade receivables	(12.58)	(12.58)
Credit Impaired	-	-
Unbilled revenue	81.95	129.09
Less: Provision for impairment	(1.09)	(13.64)
	80.86	115.45
	589.51	436.02

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

Trade receivables Ageing Schedule

As at March 31, 2023

₹ in million

Particulars	Unbilled revenue	Outstanding for following periods from due date of Invoice					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	80.86	490.11	18.11	8.53	3.25	1.09	**601.95**
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	0.60	**0.60**
Undisputed Trade receivable – credit impaired	1.09	-	-	-	-	12.58	**13.67**
Disputed Trade receivables - considered good	-	0.87	0.04	-	-	-	**0.91**
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	1.65	**1.65**
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	**-**
Total	**81.95**	**490.98**	**18.15**	**8.53**	**3.25**	**15.92**	**618.78**

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

11 TRADE RECEIVABLES (CONTD.)

As at March 31, 2022

₹ in million

Particulars	Unbilled revenue	Outstanding for following periods from due date of Invoice					Total
		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**

12 A CASH AND CASH EQUIVALENTS

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with banks		
- Current accounts	436.54	235.92
Cash on hand	8.00	9.31
	444.54	245.23

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.

12 B BANK BALANCES OTHER THEN CASH AND CASH EQUIVALENTS

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
In term deposit accounts (balances held as margin money)	295.61	45.21
In term deposit accounts (others)	479.65	708.01
	775.26	753.22

- Includes accrued interest of ₹ 20.28 million (March 31, 2022: 8.11 million)

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

13 OTHER CURRENT FINANCIAL ASSETS

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)		
To other than related parties		
Export benefits and entitlements	-	49.92
Mark to market derivative contracts	0.75	-
Deposits		
Security deposits - related parties (refer Note 47)	14.25	13.61
Security deposits - others	6.01	9.33
Option deposits - related parties (refer Note 47)	50.00	50.00
Others	58.97	27.77
	129.98	150.63

14 OTHER CURRENT ASSETS

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good)		
To other than related parties		
Advance to suppliers	117.37	121.74
Less: Provision for doubtful advances	(10.73)	(10.73)
	106.64	111.01
Indirect tax balances/receivable credits	60.69	46.46
Unbilled revenue	656.06	571.05
Prepayment	141.88	165.27
Advances	1.45	-
Others	8.41	8.10
	975.13	901.89

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

15 SHARE CAPITAL

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

₹ in million

Particulars	March 31, 2023	March 31, 2022
(i) Authorized		
229,100,000 (March 31, 2022: 229,100,000) equity shares of the par value of ₹ 10 each	2,291.00	2,291.00
(ii) Issued, subscribed and paid-up		
205,024,864 (March 31, 2022: 205,023,864) equity shares of the par value of ₹ 10 each	2,050.25	2,050.24
Total	**2,050.25**	2,050.24

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

₹ in million

Particulars	March 31, 2023		March 31, 2022	
	Number	Amount	Number	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
Add:				
Fresh issue (Refer note f)	1,000	0.01	-	-
Number of equity shares outstanding at the end of the year	205,024,864	2,050.25	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, 2023		March 31, 2022	
	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*	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.

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

15 SHARE CAPITAL (CONTD.)

(d) Rights, preferences and restrictions attached to equity shares.

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shareholders are entitled to receive dividend as declared from time to time, subject to preferential right of preference shareholders to payment of dividend. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his/its share of the paid-up equity share capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

(e) Details of shares held by promoters

As at March 31, 2023

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%
	Ravi Chandru Raheja	5,163,159	-	5,163,159	2.52%	0%
	Jyoti Chandru Raheja	7,780,300	-	7,780,300	3.79%	0%
	Sumati Ravi Raheja	5,163,159	-	5,163,159	2.52%	0%
	Ivory Properties And Hotels Private Limited	3,571,533	-	3,571,533	1.74%	0%
	K Raheja Private Limited	12,400,000	-	12,400,000	6.05%	0%
	K Raheja Corp Private Limited	3,785,824	-	3,785,824	1.85%	0%
	Touchstone Properties And Hotels Private Limited	14,500,000	-	14,500,000	7.07%	0%
	Genext Hardware And Parks Private Limited	800,000	-	800,000	0.39%	0%
	Cape Trading LLP	13,116,180	-	13,116,180	6.40%	0%
	Casa Maria Properties LLP	16,496,280	-	16,496,280	8.05%	0%
	Capstan Trading LLP	16,495,680	-	16,495,680	8.05%	0%
	Palm Shelter Estate Development LLP	7,692,387	-	7,692,387	3.75%	0%
	Raghukool Estate Developement LLP	16,495,680	-	16,495,680	8.05%	0%
	Anbee Constructions LLP	13,116,180	-	13,116,180	6.40%	0%
Total		**146,902,680**	**-**	**146,902,680**	**71.65%**	
Total Number of Equity Shares		**205,023,864**		**205,024,864**		

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

15 SHARE CAPITAL (CONTD.)

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%	0.00%
	Ravi Chandru Raheja	10,326,318	(5,163,159)	5,163,159	2.52%	(2.52)%
	Jyoti Chandru Raheja	-	7,780,300	7,780,300	3.79%	3.79%
	Sumati Ravi Raheja	-	5,163,159	5,163,159	2.52%	2.52%
	Ivory Properties And Hotels Private Limited	11,351,833	(7,780,300)	3,571,533	1.74%	(3.79)%
	K Raheja Private Limited	12,400,000	-	12,400,000	6.05%	0.00%
	K Raheja Corp Private Limited	3,785,824	-	3,785,824	1.85%	0.00%
	Touchstone Properties And Hotels Private Limited	14,500,000	-	14,500,000	7.07%	0.00%
	Genext Hardware And Parks Private Limited	800,000	-	800,000	0.39%	0.00%
	Cape Trading LLP	13,116,180	-	13,116,180	6.40%	0.00%
	Casa Maria Properties LLP	16,496,280	-	16,496,280	8.05%	0.00%
	Capstan Trading LLP	16,495,680	-	16,495,680	8.05%	0.00%
	Palm Shelter Estate Development LLP	7,692,387	-	7,692,387	3.75%	0.00%
	Raghukool Estate Developement LLP	16,495,680	-	16,495,680	8.05%	0.00%
	Anbee Constructions LLP	13,116,180	-	13,116,180	6.40%	0.00%
Total		**146,902,680**	**-**	**146,902,680**	**71.65%**	
Total Number of Equity Shares		**205,023,864**		**205,023,864**		

f) Employee stock option plan

Number of shares reserved for ESOP is 1,350,831.

Term attached to stock options granted to employees are described in note 48.

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

16 OTHER EQUITY

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Equity Component of Compound Instruments		
Balance at the beginning of the year	438.33	373.48
Add: Additions during the year	95.67	64.85
At the end of the year	534.00	438.33
ESOP reserve		
Balance at the beginning of the year	23.87	32.29
Add: Additions during the year	78.98	1.02
Less: Transferred to retained earnings	0.17	9.44
At the end of the year	102.68	23.87
Securities premium		
Balance at the beginning of the year	10,269.19	10,269.19
Add: Premium on issued equity shares	0.31	-
At the end of the year	10,269.50	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
At the end of the year	84.99	84.99
Retained earnings		
Balance at the beginning of the year	(526.04)	278.31
Add: Profit / (Loss) for the year	1,828.68	(813.79)
Add: Other Adjustments	3.20	-
Add: Transferred from employee stock option reserve	0.17	9.44
Proposed dividend*	(0.00)	-
At the end of the year	1,306.01	(526.04)
	13,369.14	11,362.30

**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 and unsecured interest free loan from Promoters-Directors.

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.

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

16 OTHER EQUITY (CONTD.)

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, 2022 ₹3,710.05 million).

17 LONG-TERM BORROWINGS

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings		
Secured		
Rupee term loans		
i) From bank (refer note A)	10,811.11	11,385.24
ii) From financial institutions (refer note A)	9,023.71	7,633.46
Foreign currency term loans		
i) From bank (refer note A)	-	662.76
Preference share liability		
Non-cumulative redeemable preference shares (refer note B)	1,858.93	1,746.67
Unsecured		
From related parties	383.37	-
	22,077.12	21,428.13

A) Terms of repayment

Particulars	Sanction Amount ₹ in million	Loan Outstanding as at March 31, 2023 / March 31, 2022** ₹ in million	Carrying rate of Interest As at March 31, 2023	Carrying rate of Interest As at March 31, 2022	Repayment/ Modification of terms	Security Details
TERM LOANS- Rupee Loans						
Standard Chartered Bank	2,000.00	(1,295.42)	7.75% to 7.85%	8.80% to 7.75%	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)	2008.00 (2235.13)	7.55% to 8.20%	7.75% to 7.55%	Repayable in quarterly 30 instalments from December 2021 to March 2029.	

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

17 LONG-TERM BORROWINGS (CONTD.)

Particulars	Sanction Amount ₹ in million	Loan Outstanding as at March 31, 2023 / March 31, 2022** ₹ in million	Carrying rate of Interest As at March 31, 2023	Carrying rate of Interest As at March 31, 2022	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)	931.98 (1010.01)	7.05% to 8.50%	7.90% to 7.05%	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.
*The bank has confirmed that no event of default has been called due to the breach of covenants during the year 2022-23.						
ICICI Bank Limited	3,080 (Term Loan - ₹ 2,285 million with ₹ 300 million OD as a sub-limit of term loan)	(1,336.57)	8.25%	8.40% to 8.25%	Repayable quarterly instalment starting from December 2017 to September 2025. This loan fully paid on April 22.	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	645.16 (645.16)	6.66% to 8.94%	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	1360.06 (1357.45)	6.60% to 9.00%	6.50%	Repayable in 48 monthly installments starting July, 2023	

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

17 LONG-TERM BORROWINGS (CONTD.)

Particulars	Sanction Amount ₹ in million	Loan Outstanding as at March 31, 2023 / March 31, 2022** ₹ in million	Carrying rate of Interest As at March 31, 2023	Carrying rate of Interest As at March 31, 2022	Repayment/ Modification of terms	Security Details
Standard Chartered Bank	900 (Term Loan - ₹ 750 million and OD ₹ 150 million)	(626.18)	7.40% to 7.65%	8.80% to 7.40%	Repayable monthly instalment over 144 months starting from July 2017 to July 2029. This loan was fully paid on March 2023.	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	2346.67 (2455.42)	8.30% to 8.70%	8.45% to 8.30%	Repayable in 36 Quarterly installments starting from January 2022	First pari passu charge on the immovable & movable fixed assets of the Marriott hotel, Bengaluru ("Hotel") First pari passu charge on current assets of the Hotel First pari passu charge on receivables of the Hotel
ICICI Bank Limited	1,900.00	447.20 (653.68)	8.25% to 8.60%	8.40% to 8.25%	Repayable quarterly instalment from September 2016 to June 2025.	It is secured by (i) Pari-passu charge on immovable and movable property and receivables (both present and future) from Marriott Hotel Bangalore, Whitefield (ii) pari-passu charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Marriott Hotel Bangalore, Whitefield.
Federal Bank	3,000.00	2,976.13	8.30%	-	Bullet repayment in February, 2024	First and exclusive charge on immovable and movable property and receivables pertaining to commercial properties located in Whitefield, Bangalore

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

17 LONG-TERM BORROWINGS (CONTD.)

Particulars	Sanction Amount ₹ in million	Loan Outstanding as at March 31, 2023 / March 31, 2022** ₹ in million	Carrying rate of Interest As at March 31, 2023	Carrying rate of Interest As at March 31, 2022	Repayment/ Modification of terms	Security Details
Axis Bank Limited	4500.00 (Term loan - 420.00 million with ₹300.00 million OD as a sub-limit of term loan)	964.07	8.95%	-	Repayable in quarterly installments starting from January 2023 to March 2033.	First and exclusive charge on immovable and movable property and receivables pertaining to Westin Hyderabad hotel
DBS Bank Limited	132.00	1,259.45	7.45%	-	Repayable in Monthly instalments from July 2022 to Sept 2025.	It is secured by (i) Exclusive charge on immovable and movable property and receivables (both present and future) at Business Center 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 Center at, Sahar Mumbai.
Axis Bank Limited	120.00	(6.40)	0.13	12.65%	Repayable in 38 unequal quarterly instalments, from November 2014 to February 2024. The loan is fully repaid in May 2022.	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.

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

17 LONG-TERM BORROWINGS (CONTD.)

Particulars	Sanction Amount ₹ in million	Loan Outstanding as at March 31, 2023 / March 31, 2022** ₹ in million	Carrying rate of Interest As at March 31, 2023	Carrying rate of Interest As at March 31, 2022	Repayment/ Modification of terms	Security Details
						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	3,250.00 (Term Loan - ₹ 2,900.00 million, DSRA OD ₹150.00 million and OD ₹ 200.00 million)	2492.17 (2,656.83)	7.00% to 7.45%	7.85% to 7.00%	Repayable in Monthly instalments from April 2020 to September 2025.	It is secured by (i) Exclusive charge on immovable and movable property and receivables (both present and future) at Business Center 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 Center at, Sahar Mumbai.
Bajaj Finance Limited	5,000.00	426.40 (456.26)	7.00% to 7.45%	7.85% to 7.02%	Repayable in Monthly instalments from April 2020 to September 2025.	
From Financial Institutions						
Housing Development Finance Corporation Limited	1,350.00	132.80 (340.60)	6.75% to 9.35%	7.50% to 6.75%	Repayable in 120 monthly instalment from loan drawn out date i.e, October 2014.	It is secured by (i) Exclusive charge on immovable property and receivables at Four Points By Sheraton, Vashi (ii) Exclusive charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Four Points By Sheraton, Vashi (iii) Guarantee by related party.

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

17 LONG-TERM BORROWINGS (CONTD.)

Particulars	Sanction Amount ₹ in million	Loan Outstanding as at March 31, 2023 / March 31, 2022** ₹ in million	Carrying rate of Interest As at March 31, 2023	Carrying rate of Interest As at March 31, 2022	Repayment/ Modification of terms	Security Details
Housing Development Finance Corporation Limited	2,500 (Line of Credit)	1200 (1,600.00)	6.75% to 9.25%	7.50% to 6.75%	Line of credit to be reduced every year starting from March 2019 to March 2026.	It is secured by (i) Pari-passu charge on immovable property and receivables (both present and future) from Sahar Hotel and retails operations (ii) pari- passu charge by way of assignment or creation of charge in favour of the lender of all Insurance contracts and Insurance proceeds pertaining to Sahar Hotel and retails operations.
Housing Development Finance Corporation Limited	2,000.00	1996.63 (1996.00)	6.75% to 9.35%	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.
International Financial corporation (IFC)	375.00	1,983.31	7.27% to 9.49%	-	Semi annual repayments from Jul-24 to Jan-32.	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 REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

17 LONG-TERM BORROWINGS (CONTD.)

Particulars	Sanction Amount ₹ in million	Loan Outstanding as at March 31, 2023 / March 31, 2022** ₹ in million	Carrying rate of Interest As at March 31, 2023	Carrying rate of Interest As at March 31, 2022	Repayment/ Modification of terms	Security Details
Housing Development Finance Corporation Limited	3,600.00	1129.96 (1,598.62)	6.75% to 9.35%	7.50% to 7.20%	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	3268.25 (2765.16)	7.25% to 9.85%	7.95% to 7.25%	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)	-	4.00% fixed plus 3 month libor	Repayable quarterly from June 2018 to March 2027.This loan was fully paid on April 2022.	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 REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

17 LONG-TERM BORROWINGS (CONTD.)

Particulars	Sanction Amount ₹ in million	Loan Outstanding as at March 31, 2023 / March 31, 2022** ₹ in million	Carrying rate of Interest As at March 31, 2023	Carrying rate of Interest As at March 31, 2022	Repayment/ Modification of terms	Security Details
Axis Bank Limited	USD 35 million (drawn down USD 31.15 million)	(887.36)	-	4.5% + 6 months LIBOR	Repayable in 38 unequal quarterly instalments, from November 2014 to February 2024.The loan is fully paid in May 2022.	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);

Unsecured

From related parties

The Holding Company accorded to raise funds from the Promoters of the Company or their nominees by way of Unsecured Loans or Inter Corporate Deposits or any combination thereof upto an amount not exceeding ₹1,000 million on an interest-free basis, in accordance with the terms and conditions set out in the Subscription Agreement dated June 04, 2018 and the amendment thereto to be executed between the Company and the Promoters viz. Mr. Ravi C. Raheja and Mr. Neel C. Raheja, if necessary. In this regard, the Group has borrowed ₹ 450 million as at March 31, 2023 (March 31, 2022: ₹Nil).

** Previous year information are disclose within brackets

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

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

17 LONG-TERM BORROWINGS (CONTD.)

As at 31 March 2023

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-22	Inventory	22.91	23.55	(0.64)	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-22	Inventory	21.13	21.77	(0.64)	
Indian Overseas Bank	Dec-22	Inventory	22.88	22.82	0.06	
Indian Overseas Bank	Mar-23	Inventory	-	-	-	

As at 31 March 2022

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 Authorized, Issued, Subscribed and Paid-up Preference Share Capital as below:

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Authorized		
1,600 (March 31, 2022: 1600) 0.001% Non-cumulative redeemable preference shares of ₹ 100,000 each	160.00	160.00
10,000 (March 31, 2022: 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, 2022: 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, 2022: 1600) 0.001% Non-cumulative redeemable preference shares of ₹ 100,000 each	160.00	160.00
20,000 (March 31, 2022: 20,000) (Series A 10,000 and Series B 10,000) 0.00% Non-cumulative, Non-convertible redeemable preference shares.	1,698.93	1,586.67
Series A: Fully-paid up ₹ 100,000 each (Fully paid up ₹100,000 each in year ended March 31, 2022) and		
Series B: Fully-paid up ₹100,000 each (Partly paid up ₹ 75,000 each in year ended March 31, 2022).		
Total	**1,858.93**	1,746.67

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

17 LONG-TERM BORROWINGS (CONTD.)

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

₹ in million

Particulars	March 31, 2023		March 31, 2022	
	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, 2022: 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	921.56	10,000	828.00
Adjustments* / Issued during the year	-	(79.55)	-	93.56
Number of Preference shares outstanding at the end of the year	10,000	842.01	10,000	921.56
10,000 (March 31, 2022: 10,000) (Series B) 0.00% Non-cumulative, Non-convertible redeemable preference shares subscribed and fully paid up of Series B ₹ 1,00,000 each.				
Number of Preference shares outstanding at the beginning of the year	10,000	665.11	10,000	206.61
Adjustments* / Issued during the year**	-	191.81	-	458.50
Number of Preference shares outstanding at the end of the year	**10,000**	**856.92**	10,000	665.11
Total	**21,600**	**1,858.93**	**21,600**	**1,746.67**

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

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

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

17 LONG-TERM BORROWINGS (CONTD.)

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

₹ in million

Particulars	March 31, 2023		March 31, 2022	
	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, 2022:10,000 fully paid up ₹100,000 each)				
Series A				
Mr. Ravi Chandru Raheja	2,325	23.25%	2,325	23.25%
Mr. Neel Chandru Raheja	2,325	23.25%	2,325	23.25%
K Raheja Corp Private Limited	4,500	45.00%	4,500	45.00%
Ivory Properties and Hotels Private Limited	850	8.50%	850	8.50%
Total	**10,000**	**100%**	10,000	100%
10,000 0.00% Non-cumulative, Non-convertible redeemable preference shares of ₹100,000 each subscribed and fully paid up of ₹ 1,00,000 each. (March 31, 2022:10,000 partly paid up ₹ 75,000 each)				
Series B				
Mr. Ravi Chandru Raheja	2,325	23.25%	2,325	23.25%
Mr. Neel Chandru Raheja	2,325	23.25%	2,325	23.25%
K Raheja Corp Private Limited	4,500	45.00%	4,500	45.00%
Ivory Properties and Hotels Private Limited	850	8.50%	850	8.50%
Total	**10,000**	**100%**	**10,000**	100%

(d) Rights, Preferences and restrictions attached to preference shares.

The Group 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 Group 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 Group are due for redemption at par. Accordingly, the preference shares are liable to be redeemed at any time at the option of the Group but not later than December 21, 2023.

In the event of liquidation of the Group 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.

17 LONG-TERM BORROWINGS (CONTD.)

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 04, 2018, the Promoter - Directors, have agreed to provide the Group 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 Group 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 Group has a paid up preference share capital of ₹ 2,000 million as at March 31, 2023 (March 31, 2022: ₹1,750.00 million).

The Preference Shares do not carry any voting rights whatsoever in any meetings of the shareholders of the Group or of members of any class of shares of the Group.

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 Group 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.

During the year ended March 31, 2023 amount of ₹ 1,600/- was proposed as preference dividend to 1,600 0.001% Non-cumulative redeemable preference shares of ₹ 100,000 each.

18 OTHER NON-CURRENT FINANCIAL LIABILITIES

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	217.34	128.89
Retention money	35.40	6.72
Deferred government grant (refer Note 35)	-	23.98
	252.74	159.59

19 PROVISIONS

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for gratuity	82.85	80.41
	82.85	80.41

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

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, 2023	For the year ended March 31, 2022
Current tax		
Current year (Including earlier years)	178.65	(37.76)
MAT credit entitlement	(178.41)	-
Deferred tax expense /(credit)	895.15	(681.77)
Tax charge/ (credit) for the year	**895.39**	(719.53)

(b) Amounts recognized in other comprehensive income

₹ in million

Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022		
	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	(7.51)	2.87	(4.64)	1.65	(0.15)	1.50
	(7.51)	**2.87**	**(4.64)**	1.65	(0.15)	1.50

(c) Reconciliation of effective tax rate for continuing operations

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit /(Loss) before tax	2,728.29	(1,534.22)
Group's domestic tax rate	34.94%	34.94%
Tax using the Company's domestic tax rate	953.37	(536.12)
Tax effect of:		
Recogition of deferred tax on previously unrecognized tax losses	-	1.74
Expenses not allowed under tax	112.46	40.85
Standard deduction	(84.05)	(89.21)
Indexation of land and investment property	(158.80)	(125.58)
Provision for cost escalation	-	-
Consolidation Adjustments	(9.93)	26.55
Others	82.10	-
	895.15	(681.77)

The Group weighted average tax rates for years ended March 31, 2023 and March 31, 2022 is 32.81 % and 44.44 %, respectively.

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

20 TAX EXPENSE (CONTD.)

(e) Movement in deferred tax balances

Movement in deferred tax balances for the year ended March 31, 2023

₹ in million

Particulars	Net balance as at March 31, 2022	Recognized in profit or loss credit/ (charge)	Recognized in OCI	Recognized in equity	Others	Net balance as at March 31, 2023
Deferred tax asset/(liabilities)						
Property, plant and equipment	(2,774.44)	161.72	-	-	-	(2,612.72)
Investment property	192.95	39.26	-	-	-	232.21
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	2,592.68	(127.64)	-	-	-	2,465.04
Investments	-	-	-	-	-	-
Provisions	322.06	(238.39)	2.87	-	-	86.54
Borrowings	(38.26)	10.60	-	-	-	(27.66)
Other current liabilities	145.26	(7.07)	-	-	-	138.19
Other current assets	(199.55)	(34.70)	-	-	-	(234.25)
Unabsorbed depreciation/ carry forward tax losses	1,357.11	(675.65)	-	-	-	681.46
Unabsorbed losses on House property	416.11	(19.16)	-	-	-	396.95
Employee Stock Option	4.47	-	-	-	-	4.47
Inventory	11.35	-	-	-	-	11.35
Right of use assets and lease liability	14.70	8.80	-	-	-	23.50
MAT Credit Entitlement	195.00	(16.59)	-	-	-	178.41
Other items	121.51	0.85	-	-	-	121.72
Deferred tax assets/(liabilities)	**2,340.76**	**(898.02)**	**2.87**	**-**	**-**	**1,444.97**

₹ in million

Particulars	Net balance as at March 31, 2023
Deferred tax assets	1,444.97
Deferred tax liabilities	-
Net deferred tax assets	**1,444.97**

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

20 TAX EXPENSE (CONTD.)

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	-	-	-	-	-	-
Provisions	411.85	(89.64)	(0.15)	-	-	322.06
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	-	14.70	-	-	-	14.70
MAT Credit Entitlement	195.00	-	-	-	-	195.00
Other items	77.51	44.00	-	-	-	121.51
Deferred tax assets/(liabilities)	**1,658.99**	**681.92**	**(0.15)**	**-**	**-**	**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	**2,340.75**

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.

Deferred tax assets for the carry forward of unused tax losses on business and house property are recognized to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilized. The Company recognizes 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 realized.

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

20 TAX EXPENSE (CONTD.)

Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

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 Group, 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 Group had convincing evidence based on its business plans and budgets to the extent that the deferred tax asset will be realized. Consequently, the Group has not recognized deferred tax asset of ₹1,078.41 million as at March 31, 2023 (March 31, 2022 : ₹1,773.22 million) on the carried forward losses of the Group.

21 OTHER NON-CURRENT LIABILITIES

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred finance income	154.78	139.80
	154.78	139.80

22 BORROWINGS

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Over draft accounts from banks	90.24	13.72
Unsecured		
From related parties	37.96	35.99
Buyer's credit	-	-
Current maturity of long term debt (refer Note 17)	5,733.39	3,861.98
	5,861.59	3,911.69

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

22 BORROWINGS (CONTD.)

A) Terms of repayment

Rate of interest

Particulars	Sanction Amount ₹ in million	Carrying rate of Interest As at March 31, 2023	Carrying rate of Interest As at March 31, 2022	Repayment/ Modification of terms	Security Details
Standard Chartered Bank	500 (Including two sub limit of 20 million each)	7.25% to 7.90%	9.55% to 7.25%	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)	8.30%	8.35% to 8.30%	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	3,250(Term Loan - ₹ 2,900 million, DSRA OD ₹150 million and OD ₹ 200 million)	7.25% to 9.50%	7.2% to 7.25%	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 Center 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 Center at, Sahar Mumbai.
Indian Overseas Bank	50.00	11.55%	11.55%	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.

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

22 BORROWINGS (CONTD.)

Particulars	Sanction Amount ₹ in million	Carrying rate of Interest As at March 31, 2023	Carrying rate of Interest As at March 31, 2022	Repayment/ Modification of terms	Security Details
ICICI Bank Limited	1,900 (Term Loan - 1,530 million and OD 150 million)	8.30% to 9.70%	8.35% to 8.30%	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)	8.25% to 9.60%	8.30% to 8.25%	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.
Axis Bank Limited	4,500 (Term loan - 420 million with ₹300 million OD as a sub-limit of term loan)	8.95%	-	Overdraft to be reduced in proportion of last 30 Cr repayment of term loan	First and exclusive charge on immovable and movable property and receivables pertaining to Westin Hyderabad hotel
HSBC Limited	1,150 (Term loan - ₹1,130 million with ₹ 20 million OD as a sub-limit of term loan)	7.40% to 8.85%	8.25% to 7.40%	Renewal every year	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

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

22 BORROWINGS (CONTD.)

Particulars	Sanction Amount ₹ in million	Carrying rate of Interest As at March 31, 2023	Carrying rate of Interest As at March 31, 2022	Repayment/ Modification of terms	Security Details
Standard Chartered Bank	900 (Term Loan - ₹ 750 million and OD ₹ 150 million)	7.25% to 7.70%	7.60% to 7.25%	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 2022-23.

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.

From Related Parties					
K Raheja Corp Private Limited	NA	8.50%	8.50%	Repayable on demand.	Unsecured

23 TRADE PAYABLES

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises and (refer Note 40)	144.59	89.83
Total outstanding dues to creditors other than micro enterprises and small enterprises	1,357.26	776.95
	1,501.85	866.78

Trade payable Ageing Schedule

₹ in million

Particulars	Outstanding for following periods from due 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	141.98	0.42	-	-	142.40
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,201.63	73.83	36.73	44.72	1,356.91
Disputed dues of micro enterprises and small enterprises	1.62	0.57	-	-	2.19
Disputed dues of creditors other than micro enterprises and small enterprises	0.22	0.08	0.05	-	0.35
Total	**1,345.45**	**74.90**	**36.78**	**44.72**	**1,501.85**

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

23 TRADE PAYABLES (CONTD.)

As at March 31, 2022

₹ in million

Particulars	Outstanding for following periods from due 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	89.08	-	0.04	0.71	89.83
Total outstanding dues of creditors other than micro enterprises and small enterprises	696.43	50.94	21.74	7.84	776.95
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	**785.51**	**50.94**	**21.78**	**8.55**	**866.78**

24 CURRENT - OTHER FINANCIAL LIABILITIES

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Creditors for capital expenditure		
- Total outstanding dues of micro enterprises and small enterprises and (refer Note 40)	376.41	77.04
- Total outstanding dues to creditors other than micro enterprises and small enterprises	409.52	303.94
Retention payable	94.62	43.82
Proposed Dividend* [refer note 17(d)]	0.00	-
Security deposits	35.62	85.27
Mark to market derivative contracts	-	12.18
Other liabilities	130.84	101.53
	1,047.01	623.78

**Amount less than million*

25 OTHER CURRENT LIABILITIES

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Income received in advance (unearned revenue)		
Advances from customers towards sale of residential flats	1,664.42	1,660.47
Advances from customers towards hospitality services	251.48	151.77
Deferred finance income	4.15	4.41
Statutory dues payable*	294.52	300.07
	2,214.57	2,116.72

*Statutory dues payable includes ESIC, TDS payable , provident fund payable, indirect taxes payable etc.

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

26 SHORT-TERM PROVISIONS

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for gratuity	42.43	33.70
Provision for compensated absences	52.75	44.65
Provision for estimated / actual cancellation and alteration cost (Refer foot note).	13.26	773.74
	108.44	852.09

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 interim order passed by the Karnataka High Court, in the petition filed by the Holding Company, the Holding Company had suspended construction activity at the Project and sale of flats.

Pending the outcome of the proceedings and a final closure of the matter, the Holding Company suspended revenue recognition based on the percentage completion method after financial year ended March 31, 2014. Further, in case of cancellations subsequent to March 31, 2014, the Holding Company reversed the revenue and derecognized margins in the respective year of cancellation. The Holding Company also recompensed flat owners, in accordance with mitigation plans framed by the Holding Company on account of the delay in completion of the project.

During the year ended March 31, 2018, without prejudice to its rights and remedies under law and keeping the commercial considerations in perspective, the Board of Directors of the Holding Company, decided that the Holding Company should proactively consider re-commencement of construction up to the miminum permissible limits and engage with the buyers above the 10th floor for evaluating possible options. Accordingly, the Holding Company has reassessed the estimated cost of completion of the project upto 10th floor as per the aforementioned plan and has recognized a provision towards the following:

- cost of alteration of superstructure
- estimated costs in relation to potential cancellations

Further, cost of actual cancellation (where applicable) has also been provided for and included in the provision referred to above.

By Judgement dated May 29, 2020 the Karnataka High Court 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. 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'. Final orders in the matter have been passed by the Hon'Ble Karnataka High 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 and approval from BBMP has been received.

The Holding Company has also received approval for modification of the plan and extension for RERA completion deadline.

During the year, on account of various approval in place, the Management has considered reversal of earlier created provision for interest in relation to potential cancellation for the said flats above 10th floor amounting to ₹ 584.82 million and same is included in provision utilized during the year.

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

26 SHORT-TERM PROVISIONS (CONTD.)

Movement for provision for estimated / actual cancellation and alteration cost

₹ in million

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for cost of alteration of super structure	-	161.15
Provision for estimated/actual cancellation		
Opening balance	612.59	585.35
Provisions made during the year*	20.19	73.83
Provisions utilized/reversed during the year	(619.52)	(46.59)
Closing balance	13.26	612.59
Total	**13.26**	773.74

*Include provision for demolition of Bengaluru Multiplex and Inorbit Mall into Bengaluru Commercial

27 REVENUE FROM OPERATIONS FROM CONTINUING OPERATIONS

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Sale of services		
Hospitality:		
Room income	6,157.02	2,195.09
Food, beverages and smokes	3,385.90	1,565.44
Others services	741.77	297.79
Rental/Annuity Business:		
Lease rent	886.78	933.64
(b) Sale of products		
Real estate:		
Sale of residential flats	-	-
Rental/Annuity Business:		
Maintenance and other recoveries	95.81	70.95
Revenue from other services	17.39	15.16
	11,284.67	5,078.07

28 OTHER INCOME

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income from instruments measured at amortized cost	316.30	57.13
Net mark to market gain on derivative contracts	2.32	2.00
Export benefits and entitlements (refer note 35)	36.91	59.42
Profit on sale of investments (net)	1.99	0.12
Profit on sale of property, plant and equipment (net)	5.78	3.66
Interest on income tax refund	30.76	26.85
Miscellaneous income	100.81	70.14
	494.87	219.32

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

29 a Real estate development cost

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Real estate development cost	85.06	221.66
	85.06	221.66
(ii) Changes in inventories of finished good and work in progress		
Opening project work in progress	4,129.12	4,114.78
	4,129.12	4,114.78
Add:		
Incurred during the year	117.72	1.54
Impairment of super structure cost	(350.89)	-
Less: Closing stock		
Transferred to property under development project	3,895.95	4,129.12
	-	**(12.80)**

29 b Food and beverages consumed*

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Food and beverages materials at the beginning of the year	86.69	77.03
Purchases	1,020.66	548.29
Food and beverages materials at the end of the year	108.16	86.69
	999.19	538.63

*Includes complimentaries ₹ 77.39 million (March 31, 2022: ₹48.43 million).

29c Operating supplies consumed

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Purchases	392.66	243.76
	392.66	243.76

30 EMPLOYEE BENEFITS EXPENSE

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, wages and bonus	1,214.81	840.53
Contributions to provident fund and other funds	68.36	49.40
Staff welfare expenses	148.81	108.81
Employee stock option expense (Refer Note 48)	78.98	1.02
	1,510.96	999.76

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

31 FINANCE COSTS

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expenses	1,538.43	1,424.34
Exchange differences regarded as an adjustment to borrowing cost	4.46	18.49
Other borrowing cost	1.85	1.30
	1,544.74	1,444.13

32 OTHER EXPENSES

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Travelling and conveyance expenses	25.47	7.41
Power and fuel *	647.34	462.88
Rent	29.37	24.20
Repairs and maintenance		
- Buildings	171.67	40.29
- Plant and machinery	239.25	156.86
- Others	108.64	45.37
Insurance	42.31	39.86
Rates and taxes	292.42	275.38
Business promotion expenses	359.05	115.60
Commission	275.96	100.15
Royalty and management fees	510.56	141.76
Legal and professional charges	234.37	137.07
Other hotel operating cost	276.06	147.43
Bad debt written off	6.55	0.22
Provision for doubtful debts	-	5.24
Loss on foreign exchange fluctuation (Net)	25.86	16.15
Donations	0.02	0.02
Director sitting fees	4.13	4.52
Payment to auditors (Refer Note 41)	17.18	13.20
Buyout labour & manpower contract	334.34	147.36
Corporate social responsibility expenses	0.81	0.66
Acquisition related cost (refer note 38)	21.31	-
Sunk cost	-	77.16
Miscellaneous expenses ***	145.96	143.50
	3,768.63	2,102.29

*Net of ₹ 1.88 million (March 31, 2022: ₹ 12.25 million) on account of recoveries.

***Net of ₹ 2.75 million (March 31, 2022: ₹ 1.57 million) on account of recoveries.

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

33 EXCEPTIONAL ITEMS

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Exceptional items (refer note 26)		
-Provision for impairment loss on Inventories	(184.38)	-
-Reversal of provision for cost of alteration of super structure cost	22.64	-
-Provision for estimated cost in relation to potential cancellation	-	(44.58)
-Reversal of provision for estimated cost in relation to potential cancellation	584.82	-
Total	**423.08**	(44.58)

34 EARNINGS PER SHARE (EPS)

₹ in million

Particulars	March 31, 2023	March 31, 2022
Profit / (Loss) attributable to equity shareholders from Continuing operations	1,833.32	(749.92)
Profit / (Loss) attributable to equity shareholders from Discontinued operations	-	(65.37)
Profit / (Loss) attributable to equity holders of the Company	1,833.32	(815.29)
Calculation of weighted average number of equity shares		
Number of shares at the beginning of the year	205,023,864.00	205,023,864.00
Add: Shares issued during the year	1,000.00	-
Number of equity shares outstanding at the end of the year	205,024,864.00	205,023,864.00
Weighted average number of equity shares outstanding during the year	**205,024,433.86**	205,023,864.00
Total Number of potential Equity Shares	**94,600.67**	-
Weighted average number of equity shares outstanding during the year(Diluted)	**205,119,034.53**	205,023,864.00
Earnings per equity share - Continuing operations (Face value of ₹ 10 each)		
Basic	8.94	(3.66)
Diluted	8.94	(3.66)
Earnings per equity share - Discontinued operations (Face value of ₹ 10 each)		
Basic	-	(0.32)
Diluted	-	(0.32)
Earnings per equity share - Continuing and Discontinued operations (Face value of ₹ 10 each)		
Basic	8.94	(3.98)
Diluted	8.94	(3.98)

Note:

Weighted average number of shares is the number of equity shares outstanding at the beginning of the year/ year adjusted by the number of equity shares issued during year/ year, multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

The impact of dilution on account of ESOP will not be considered if they are anti-dilutive.

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

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 revised Statement of Profit and Loss on fulfilment of such obligation.

₹ in million

Particulars	March 31, 2023	March 31, 2022
Opening Balance	23.98	-
Grants received during the year	12.93	33.40
Less: Released to Revised Statement of Profit and Loss	(36.91)	(9.42)
Closing balance	-	23.98

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 utilized against future imports.

The Group 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, 2023	March 31, 2022
Opening balance	49.92	-
Grants received during the year	-	50.00
Less: Utilization	(49.92)	(0.08)
Less: Written off	-	-
Closing balance	-	49.92
Income recognized in Revised Statement of Profit and Loss on account of EPCG (A)	36.91	9.42
Income recognized in Revised Statement of Profit and Loss on account of SFIS/ SEIS (B)	-	50.00
Total income recognized in the Revised Statement of Profit and Loss (A+B)	**36.91**	59.42

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 recognized as expense in the Revised 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 recognized the following amounts in the Revised Consolidated Statement of Profit and Loss for the year.

₹ in million

Particulars	March 31, 2023	March 31, 2022
Employer's contribution to Provident Fund and ESIC	68.36	49.40
	68.36	49.40

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

36 EMPLOYEE BENEFITS (CONTD.)

b) Defined benefit plan

Gratuity

The Group provides for gratuity for employees as per the Payment of Gratuity Act, 1972.

The Group follows unfunded gratuity except for:

(i) Hotel division of holding company (Westin, Hyderabad) where fund is maintained with Life Insurance Corporation of India.

(ii) One of the subsidiary company (Corporate office) where fund is maintained with Life Insurance Corporation of India.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity was carried out as at March 31, 2023. 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, 2023	March 31, 2022
Defined benefit obligation	125.28	114.11
Less: Fair value of plan assets	(3.43)	(3.43)
Net defined benefit obligation	**121.85**	110.68

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, 2023	March 31, 2022
1	**Movement in defined benefit obligation:**		
	At the beginning of the year	114.11	109.50
	Current service cost	9.13	12.48
	Interest cost	5.87	4.55
	Recognized in other comprehensive income	-	(0.42)
	Due to change in demographic assumptions	(8.99)	0.64
	Due to change in financial assumptions	3.76	(3.27)
	Due to experience	12.74	0.98
	Benefit paid	(11.34)	(10.35)
	At the end of the year	**125.28**	114.11
2	**Movement in fair value of plan assets:**		
	At the beginning of the year	3.43	3.38
	Interest income	0.05	0.04
	Expected return on plan assets	(0.05)	0.02
	At the end of the year	**3.43**	3.43
3	**Recognized in profit or loss**		
	Current service cost	9.09	10.24
	Interest expense	5.87	4.70
	Interest income	0.05	0.04
	For the year	**14.91**	14.90
4	**Recognized in other comprehensive income**		
	Actuarial (gains)/losses on obligations	7.51	(1.65)

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

36 EMPLOYEE BENEFITS (CONTD.)

	Particulars	March 31, 2023	March 31, 2022
	For the year	7.51	(1.65)
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		
	Rate of increase in salaries (%)	8 - 9%	5 - 9%
	Discount rate (%)	7.2 - 7.29%	4.56 - 5.15%
	Employee turnover rate	24-60%	22-56%
	Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

7 Sensitivity of the defined benefit obligation

₹ in million

Particulars	March 31, 2023		March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(2.88)	3.08	(2.91)	3.12
Rate of increase in salaries (1% movement)	3.00	(2.86)	3.01	(2.86)
Rate of employee turnover (1% movement)	(0.40)	0.41	(0.55)	0.58

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, 2024 is ₹ 39.80 million (March 31, 2023): ₹ 31.14 million

9 The expected future cash flows as at March 31, 2023 were as follows

Particulars	Up to 1 year	Between 1-2 years	Between 2-5 years	More than 5 years	Total
March 31, 2023	39.80	24.00	48.18	30.55	142.53
Defined benefit obligation (gratuity - non funded)	37.52	22.85	47.14	30.37	137.87
Defined benefit obligation (gratuity)	2.28	1.15	1.04	0.18	4.65
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

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

36 EMPLOYEE BENEFITS (CONTD.)

(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 Revised Consolidated Statement of Profit and Loss during the year. The following table provides details in relation to compensated absences.

Particulars	March 31, 2023	March 31, 2022
Expenses for the year	**14.94**	5.81
Closing balance	**52.75**	44.65

37 LEASES

A. Leases as lessor (Operating lease)

The Group leases out its investment property on operating lease basis (Refer note 4). Also, the Group leases office premises and shops in hotel premises.

i) Amount recognized in the Revised Consolidated Statement of Profit and Loss :

₹ in million

Description	For the year ended March 31, 2023	For the year ended March 31, 2022
Income from lease of shops in hotels included in revenue from operations	0.18	5.81
Income from lease of office premises included in revenue from operations	886.78	933.64
Total	**886.96**	939.45

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, 2023	For the year ended March 31, 2022
Less than one year	2.81	8.55
Between one and five years	13.51	23.91
More than five years	284.31	285.35
	300.63	317.81

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, 2023	For the year ended March 31, 2022
Less than one year	862.79	745.46
Between one and five years	3,682.69	3,243.81
More than five years	1,300.86	2,177.74
Total	**5,846.34**	6,167.00

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

37 LEASES (CONTD.)

B. Right-of-use assets

₹ in million

Particulars	March 31, 2023	March 31, 2022
Cost		
Opening Balance	649.09	-
Additions	-	649.09
Disposals	-	-
Balance at March 31, 2023	**649.09**	**649.09**
Accumulated depreciation and impairment		
Opening Balance April 01, 2022	59.54	-
Additions*	64.88	59.54
Disposals	-	-
Balance at March 31, 2023	**124.42**	**59.54**

* During the year depreciation of ₹ 27.14 million (March 31, 2022 - ₹ 43.24 million) has been charged to revised Consolidated Statement of Profit and loss Account.

₹ in million

Particulars	March 31, 2023	March 31, 2022
Carrying amounts		
Balance at March 31, 2023	**524.67**	**589.55**
Lease Liabilities		
Balance at April 01, 2022	631.17	-
Additions	-	621.20
Less:Disposals	-	-
Add: Interest Expense on lease Liabilities	48.97	46.92
Less: Total cash outflow for leases	88.67	36.95
Balance at March 31,	**591.47**	**631.17**
Long term lease liabilities	548.56	591.47
Short term lease liabilities	42.91	39.70
	591.47	**631.17**

Breakdown of lease expenses

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Short-term lease expense	67.25	11.47
Low value lease expense	6.71	32.49
Total lease expense	**73.95**	43.96

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

37 LEASES (CONTD.)

Maturity analysis - Undiscounted

₹ in million

Particulars	**Total**
Lease liabilities	
Less than 1 year	88.67
Between 1 and 2 years	92.36
2 and 5 years	296.67
Over 5 years	336.17
Total	**812.87**

38

A. Acquisition of The Dukes Retreat Private Limited and Sonmil Industries Hotels Private Limited.

On March 23, 2023, the Group has acquired stake in "The Dukes Retreat Private Limited" (Dukes) and "Sonmil Industries Private Limited" (SIPL) for a complete cash consideration of ₹ 829.11 million and ₹ 756.46 million respectively. Consequent to such acquisition Dukes and SIPL has become the wholly owned subsidiaries of the Group.

The Management has considered March 31, 2023 as acquisition date for the purpose of purchase price allocations/ consolidation, since the financial performance of the entities acquired for the period from March 23, 2023 to March 31, 2023 are not material to the consolidated financial performance.

B. Fair value of consideration transferred

The Dukes Retreat Private Limited

Effective purchase consideration of ₹817.56 million has been discharged as under :

Particulars	**Amount (₹)**
Equity shares	817.56
Total consideration transferred for Business combination	**817.56**

Sonmil Industries Private Limited

Effective purchase consideration of ₹746.45 million has been discharged as under :

Particulars	**Amount (₹)**
Equity shares	746.45
Total consideration transferred for Business combination	**746.45**

C. The Fair Value of identifiable assets acquired and liabilities assumed as on the acquisition date

Particulars	**Amount (₹)**
Non-current assets	
Property, plant and equipment	1,005.76
Financial assets	
Other Investments	-
Total non-current assets	**1,005.76**
Current assets	
Inventories	5.34
Financial assets	
(i) Trade receivables	7.10
(ii) Cash and cash balances*	234.00
(iii) Loans and advances	8.20
Other current assets	0.10
Total current assets	**254.74**
Total Assets	**1,260.50**

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

38 C. The Fair Value of identifiable assets acquired and liabilities assumed as on the acquisition date (Contd.)

Particulars	Amount (₹)
EQUITY AND LIABILITIES	
Equity	
Equity share capital	-
Other equity	-
Total equity	-
Liabilities	
Non-current liabilities	
Deferred tax liabilities	
Current liabilities	30.25
Total Liabilities	**30.25**

* Above includes cash and cash equivalents of ₹ 17.53 millions.

D. Amounts recognized as Goodwill and Dukes Brand for:

The Dukes Retreat Private Limited & Sonmil Industries Private Limited

Particulars	Amount (₹)
Fair Value of the consideration transferred	1,564.25
Fair Value of the net assets acquired	1,230.25
Goodwill on consolidation	**311.00**
Dukes Brand	**23.00**

E. Acquisition related costs

During the current year, acquisition related costs of ₹21.31 million had been recognized as acquisition related cost in the revised Consolidated Statement of Profit & Loss. The stamp duty of ₹0.24 million have been added to cost of investments.

39 (I) Contingent liabilities and commitments (to the extent not provided for)

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Contingent liabilities		
Claims against the Group not acknowledged as debts		
Disputed service tax demands	69.74	67.39
Disputed income tax demands	401.54	323.51
Disputed VAT demands	13.08	13.08
Disputed provident funds demands	5.80	5.80
Labour Dispute	12.21	12.21
Transportation Charges	0.08	0.08
Power Facilitation Agreement	36.17	36.17
Contractors Claim	184.87	113.77
Performance Guarantees given to Department of Tourism of Kerala	50.00	50.00
EPCG obligation	4.78	4.34
SFIS/SEIS Scheme	17.27	16.73

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.

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

39 (I) Contingent liabilities and commitments (to the extent not provided for) (Contd.)

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 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). The Holding Company has been operating Four Points By Sheraton, Navi Mumbai, Vashi 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 above standalone financial results. The balance of prepaid lease rental in relation to such leasehold land as of March 31, 2023 is ₹ 48.54 million (March 31, 2022: ₹ 49.74 million) and carrying value of property, plant and equipment as at March 31, 2023 is ₹ 348.46 million (March 31, 2022: ₹ 372.12 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 in million. The Company has filed a reply in the matter, requesting to not precipitate the matter in view of the existing Court Order of Gujarat High Court. Personal Hearings were held on October 10, 2020 on behalf of the Company and former director, Mr. Ramesh Valecha however no orders have been passed.

e. The Group has considered as at March 31, 2023 ₹ 31.41 million (March 31, 2022: ₹ 31.41 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 and has received favorable order for same. Based on the High Court order the Company has filed application for refund of the said amount with GST authorities.

39 (II) Commitments

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
a. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**1,930.07**	3,154.96

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

40 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, 2023	For the year ended March 31, 2022
The amounts remaining unpaid to micro and small enterprises as at the end of the year.		
Principal	520.95	166.77
Interest	0.05	0.10
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	0.05	0.10
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	-	-

41 PAYMENT TO AUDITORS

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Audit fees	13.42	10.51
Tax audit fees	0.68	0.50
Other services	1.74	1.65
Out of pocket expenses	1.35	0.54
Amount debited to Revised Consolidated Statement of Profit and Loss (excluding taxes)	**17.18**	13.20

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

42 CORPORATE SOCIAL RESPONSIBILITY

Details of CSR expenditure:

₹ in million

Particulars	March 31, 2023	March 31, 2022
a) Gross amount required to be spent by the Company during the year	-	-
b) Amount approved by the Board to be spent during the year	2.50	2.50
c) Amount spent during the year ending on March 31, 2022:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	0.81	0.66
d) 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, 2023

In case of S. 135(6) (Ongoing Project)

₹ in million

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 case of S. 135(5) (Other than ongoing Project)

₹ in million

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
-	-	-	0.81	(0.81)

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

42 CORPORATE SOCIAL RESPONSIBILITY (CONTD.)

March 31, 2022

In case of S. 135(6) (Ongoing Project)

₹ in million

Opening Balance	In Separate CSR Unspent A/c	Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company			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 case of S. 135(5) (Other than ongoing Project)

₹ in million

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)

43 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

(A) Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

₹ in million

March 31, 2023	Carrying amount			Fair value			
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Non-current financial assets							
Investment in equity shares	68.34		68.34	-	-	68.34	68.34
Other investments	-	0.13	0.13	-	-	-	-
Other non-current financial assets	-	587.83	587.83	-	-	-	-
Current financial assets			-				
Trade receivables	-	589.51	589.51	-	-	-	-
Cash and cash equivalents	-	444.54	444.54	-	-	-	-
Other bank balances	-	775.26	775.26	-	-	-	-
Other current financial assets	-	129.23	129.23	-	-	-	-
Derivative asset	0.75	-	0.75	-	-	-	-
	69.09	**2,526.50**	**2,595.59**	**-**	**-**	**68.34**	**68.34**
Non-current financial liabilities							
Borrowings	-	22,077.12	22,077.12	-	-	-	-
Other non-current financial liabilities	-	252.74	252.74	-	-	-	-
Lease liabilities		548.56	548.56	-	-	-	-
Current financial liabilities			-				-
Borrowings	-	5,861.59	5,861.59	-	-	-	-
Trade payables	-	1,501.85	1,501.85	-	-	-	-
Other financial liabilities		1,047.01	1,047.01	-	-	-	-
Lease liabilities	-	42.91	42.91	-	-	-	-
	-	**31,331.78**	**31,331.78**	**-**	**-**	**-**	**-**

43 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

₹ in million

March 31, 2022	Carrying amount			Fair value			
	FVTPL	Amortised 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	-	-	-	-
Others	-	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	-	-	-	-
	62.66	**1,972.27**	**2,034.93**	**-**	**-**	**62.66**	**62.66**
Non-current financial liabilities							
Borrowings	-	21,428.13	21,428.13	-	-	-	-
Other non-current financial liabilities	-	159.59	159.59	-	-	-	-
Lease liabilities	-	591.47	591.47		-		-
Current financial liabilities							
Borrowings	-	3,911.69	3,911.69	-	-	-	-
Trade payables	-	866.78	866.78	-	-	-	-
Other financial liabilities	-	611.61	611.61	-	-	-	-
Lease liabilities		39.70	39.70		-		-
Derivative liability	-	12.18	12.18	-	-	-	-
	-	**27,621.16**	**27,621.16**	**-**	**-**	**-**	**-**

(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.

43 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

(ii) Fair value measurements using significant unobservable inputs (level 3)

Reconciliation of level 3 fair values

Particulars	FVTPL Equity shares
Balance at March 31, 2022	62.66
Additions / Deletions during the year	5.68
Balance at March 31, 2023	**68.34**

(iii) Sensitivity analysis

The Group has invested in equity shares of entities engaged in generation of hydro power for securing the supply of renewable energy. The Group does not have any exposure or rights to variable returns. Hence no sensitivity is required for such equity shares.

Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk;
- Market risk;

Risk management framework

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors is responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyze 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 analyzed 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.

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

43 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

Impairment

The ageing of trade and other receivables that were not impaired was as follows.

₹ in million

Particulars	March 31, 2023	March 31, 2022
(a) Trade Receivables considered good - Secured;		
(b) Trade Receivables considered good - Unsecured;		
Neither past due not impaired		
Past due not impaired		
Less than 6 months	571.84	404.22
More than 6 months	31.02	49.22
Total	**602.86**	453.44
(c) Trade Receivables which have significant increase in Credit Risk; and	2.25	13.73
(d) Trade Receivables - credit impaired	**13.67**	16.60

The movement in the allowance for impairment in respect of other receivables during the year was as follows:

₹ in million

Particulars	March 31, 2023	March 31, 2022
Balance as at March 31, 2022	47.75	101.76
Impairment loss recognized / (reversed)	(77.02)	(54.01)
Balance as at March 31, 2023	(29.27)	47.75

(b) Cash and cash equivalents and other bank balances

The cash and cash equivalents and other bank balances are held with bank and financial institution counterparties with good credit rating.

(c) Derivatives

The derivatives are entered into with banks, financial institutions and other counterparties with good credit ratings. Further exposures to counter-parties are closely monitored and kept within the approved limits.

(d) Other financial assets

Other financial assets are neither past due nor impaired.

(C) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

43 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

₹ in million

March 31, 2023	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)	27,810.51	27,810.51	5,661.79	5,608.49	18,887.60	5,792.04
Security deposits	252.74	252.74	-	1.51	70.54	180.68
Current, non derivative financial liabilities						
Borrowings	128.20	1.00	1.00	-	-	-
Trade payables	1,501.85	0.64	0.64	-	-	-
Other current financial liabilities (excluding current maturity of long term debt and derivative contracts)	1,047.01	1,047.01	1,047.01	-	-	-
Derivative financial assets						
Forward exchange contract (gross settled)						
- Outflow	373.05	373.05	373.05	-	-	-
- Inflow	(369.45)	(369.45)	(369.45)	-	-	-
Total	**30,743.91**	**29,115.49**	**6,714.03**	**5,610.00**	**18,958.14**	**5,972.72**

₹ in million

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	25,290.11	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 assets						
Forward exchange contract (gross settled)						
- Outflow	341.20	341.20	341.20	-	-	-
- Inflow	(328.35)	(328.35)	(328.35)	-	-	-
Total	**27,002.83**	**27,002.83**	**5,449.42**	**4,849.68**	**15,490.58**	**5,716.09**

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.

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

43 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

(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, 2023		March 31, 2022	
Forward contract	Buy	USD	INR	**USD**	**4.5 million**	USD	4.33 million

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows. The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

The amounts reflected in the table below represent the exposure to respective currency in Indian Rupees :

₹ in million

Particulars	March 31, 2023			March 31, 2022		
	USD	EUR	GBP	USD	EUR	GBP
Financial liabilities						
Foreign currency loans (including interest accrued)	-	-	-	1,147.61	-	-
Trade payables	637.37	-	0.10	219.79	-	0.02
	637.37	-	0.10	1,367.40	-	0.02
Derivatives						
Foreign currency forward exchange contract	(369.45)	-	-	(328.35)	-	-
	(369.45)	-	-	(328.35)	-	-
Net exposure	**267.92**	**-**	**0.10**	1,039.05	-	0.02

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against all other foreign currencies at March 31, would have affected the measurement of financial instruments denominated in a foreign currency and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

₹ in million

	Profit or loss before tax			
Particulars	**March 31, 2023**		**March 31, 2022**	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
Effect in INR (before tax)				
USD (1% movement)	**2.68**	**(2.68)**	10.39	(10.39)

43 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

(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, 2023	NIL
March 31, 2022	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, 2023	**March 31, 2022**
Fixed-rate instruments		
Non current borrowings		
Non-cumulative redeemable preference shares	1,858.93	1,746.67
From related parties	383.37	-
Current borrowings		
Loan from related parties other than directors	37.96	35.99
Total	2,280.26	1,782.66
Variable-rate instruments		
Non current borrowings		
Rupee term loans from banks	10,811.11	11,385.24
Rupee term loans from financial institutions	9,023.71	7,633.46
Foreign currency term loans from banks	-	662.76
Current borrowings		
Cash credit/overdraft accounts from banks	90.24	13.72
Current maturity of long term debt	5,733.39	3,861.98
Total	**25,658.45**	23,557.16
TOTAL	**27,938.71**	25,339.82

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, 2023	**(256.58)**	**256.58**
March 31, 2022	(235.57)	235.57

44 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, 2023	March 31, 2022
Total borrowings	27,938.71	25,339.82
Less: Cash and cash equivalents	444.54	245.23
Less: Bank deposits	775.26	753.22
Adjusted net debt	**26,718.91**	24,341.37
Total equity	**15,415.33**	13,409.92
Adjusted net debt to adjusted equity ratio	**1.73**	1.82

45 SEGMENT REPORTING

A. General Information

(a) Factors used to identify the entity's reportable segment s, including the basis for segmentation

For management purposes, the Company is organised into business units based on its products and services and has three reportable segments, as follows:

- Hospitality (Hotels) comprises of the income earned through Hotel operations
- Real estate comprises of income from sale of residential flats
- Retail comprises of the income earned through leasing of commercial properties

The Chief Operating Decision Maker ("CODM") evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and gross profit as the performance indicator for all of the operating segments, and does not review the total assets and liabilities of an operating segment.

(b) Following are reportable segments

Reportable segment

Hospitality (Hotels)

Real Estate

Rental / Annuity Business *(formerly known as Retail & Commercial)*

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

45 SEGMENT REPORTING (CONTD.)

B. Information about reportable segments

For the year ended March 31, 2023	Reportable segments					
Particulars	**Hospitality (Hotels)**	**Real Estate**	**Rental / Annuity Business**	**Rental / Annuity Business *(Discontinued operations)* (Refer note 49)**	**Unallocated**	**Total**
Revenue						
External Customers	10,280.91	-	999.99	-	498.64	11,779.54
Inter-segment	-	-	-	-	-	-
Total Revenue	**10,280.91**	**-**	**999.99**	**-**	**498.64**	**11,779.54**
Segment profit / (loss) before tax	**3,382.61**	**273.11**	**633.96**	**-**	**-**	**4,289.68**
Unallocated expenses						
Interest Expenses	-	-	-	-	1,544.74	1,544.74
Depreciation	-	-	-	-	23.25	23.25
Other Expenses	-	-	-	-	492.04	492.04
Total Unallocated Expenses	**-**	**-**	**-**	**-**	**2,060.03**	**2,060.03**
Unallocated income						
Interest Income	-	-	-	-	316.30	316.30
Other Income	-	-	-	-	182.34	182.34
Total Unallocated Income	**-**	**-**	**-**	**-**	**498.64**	**498.64**
Profit before Taxation	-	-	-	-	-	2,728.29
Tax expenses	-	-	-	-	-	895.39
Profit after taxation	-	-	-	-	-	1,832.90
Segment assets	**25,018.83**	**4,179.73**	**17,471.95**	**-**	**2,637.25**	**49,307.76**
Segment liabilities	**2,854.34**	**1,811.00**	**1,002.01**	**-**	**28,225.08**	**33,892.43**
Other disclosures						
Capital expenditure	655.47	-	710.41	-	-	1,365.88
Depreciation and amortization	944.13	0.42	205.69	-	22.85	1,173.09
Non cash expenses other than depreciation and amortization	92.95	-	-	-	7.61	100.56

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

45 SEGMENT REPORTING (CONTD.)

B. Information about reportable segments

For the year ended March 31, 2022	**Reportable segments**					
Particulars	**Hospitality (Hotels)**	**Real Estate**	**Rental / Annuity Business**	**Rental / Annuity Business *(Discontinued operations)* (Refer note 49*)***	**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)
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

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

46 DETAILS OF INTERESTS IN SUBSIDIARIES AND ASSOCIATES

Subsidiaries

The details of the Company's subsidiary at March 31, 2023 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, 2023	Shareholding % As on March 31, 2022
Chalet Hotels & Properties (Kerala) Private Limited	India	90%	90%
The Dukes Retreat Private Limited (w.e.f March 23, 2023)	India	100%	-
Sonmil Industries Private Limited (w.e.f March 23, 2023)	India	100%	-
Chalet Airport Hotel Private Limited (w.e.f August 18, 2022)	India	100%	-

The Group has not Consolidated investment in below entities as an "Associate" as Management believes that it does not have control nor have any power to participate in financial and operating policy decision of these companies. The Group neither has exposure or rights to variable returns. These investments are solely in order to obtain captive solar power supply for sum of its hotel units.

1) Krishna Valley Power Private Limited

2) Sahyadri Renewable Energy Private Limited

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, 2023	Non-controlling interest March 31, 2022
Chalet Hotels & Properties (Kerala) Private Limited	India	10%	10%

The balance attributable towards the non-controlling interest of Chalet Hotels & Properties (Kerala) Private Limited was (₹40.39 million) (March 31, 2022 ₹ 36.33 million), Accordingly, disclosures applicable to non-controlling interest have not been provided.

47 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 (IND AS 24) ARE GIVEN BELOW:

List of related parties

₹ in million

Relationship	Name of party – March 31, 2023	Name of party – March 31, 2022
Subsidiary	Chalet Hotels & Properties (Kerala) Private Limited	Chalet Hotels & Properties (Kerala) Private Limited
	Chalet Airport Hotel Private Limited (Incorporated on August 18, 2022)	
	The Dukes Retreat Private Limited (w.e.f. March 23, 2023)	
	Sonmil Insudtries Private Limited(w.e.f. March 23, 2023)	
Key Managerial Personnel / Relative (KMP)	Sanjay Sethi -Managing Director & CEO	Sanjay Sethi -Managing Director & CEO
	Milind Wadekar, CFO	Milind Wadekar, CFO
Non- Executive directors/ Relative	Ravi C Raheja	Ravi C Raheja
	Neel C Raheja	Neel C Raheja
Independent directors	Arthur De Haast	Arthur De Haast
	Joseph Conrad D'Souza	Joseph Conrad D'Souza
	Hetal Gandhi	Hetal Gandhi
	Radhika Piramal	Radhika Piramal

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

47 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 (IND AS 24) ARE GIVEN BELOW (CONTD.)

Relationship	Name of party	
	March 31, 2023	March 31, 2022
Other KMP as per Companies Act, 2013	Rajneesh Malhotra, Chief Operating Officer (w.e.f October 28, 2021)	Rajneesh Malhotra, Chief Operating Officer (w.e.f October 28, 2021)
	Christabelle Baptista, Company Secrectary	Christabelle Baptista, Company Secrectary
Enterprises Controlled / Jointly controlled by Non-executive directors	Brookfields Agro & Development Private Limited	Brookfields Agro & Development Private Limited
	Cavalcade Properties Private Limited	Cavalcade Properties Private Limited
	Convex Properties Private Limited	Convex Properties Private Limited
	Grange Hotels And Properties Private Limited	Grange Hotels And Properties Private Limited
	Immense Properties Private Limited	Immense Properties Private Limited
	Novel Properties Private Limited	Novel Properties Private Limited
	Pact Real Estate Private Limited	Pact Real Estate Private Limited
	Paradigm Logistics & Distribution Private Limited	Paradigm Logistics & Distribution Private Limited
	Sustain Properties Private Limited	Sustain Properties Private Limited
	Aqualine Real Estate Private Limited	Aqualine Real Estate Private Limited
	Feat Properties Private Limited	Feat Properties Private Limited
	Carin Properties Private Limited	Carin Properties Private Limited
	Asterope Properties Private Limited (erstwhile Flabbergast Properties Private Limited)	Asterope Properties Private Limited (erstwhile Flabbergast Properties Private Limited)
	Sundew Real Estate Private Limited	Sundew Real Estate Private Limited
	K Raheja Corp Advisory Services (Cyprus) Private Limited	K Raheja Corp Advisory Services (Cyprus) Private Limited
	Content Properties Private Limited	Content Properties Private Limited
	Grandwell Properties And Leasing Private Limited	Grandwell Properties And Leasing Private Limited
	K Raheja Corp Investment Managers LLP	K Raheja Corp Investment Managers LLP
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	Jyoti C. Raheja
	Sumati R. Raheja	Sumati R. Raheja

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

47 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 (IND AS 24) ARE GIVEN BELOW (CONTD.)

Relationship	Name of party	
	March 31, 2023	March 31, 2022
Other Related parties	Imperial Serviced Offices & Property Management Private Limited	Imperial Serviced Offices & Property Management Private Limited
	Inorbit Malls (India) Private Limited	Inorbit Malls (India) Private Limited
	K Raheja Corporate Services Private Limited	K Raheja Corporate Services Private Limited
	K Raheja IT Park (Hyderabad) Limited	K Raheja IT Park (Hyderabad) Limited
	Intime Properties Private Limited	Intime Properties Private Limited
	Mindspace Business Parks Private Limited	Mindspace Business Parks Private Limited
	Sundew Properties Limited	Sundew Properties Limited
	Trion Properties Private Limited	Trion Properties Private Limited
	Newfound Properties & Leasing Private Limited	Newfound Properties & Leasing Private Limited
	Nakshtra Logistics Private Limited	Nakshtra Logistics Private Limited
	Praman Properties Private Limited	Praman Properties Private Limited
	Nirankar Properties Private Limited	Nirankar Properties Private Limited
Other Related parties #	Genext Hardware And Parks Private Limited	Genext Hardware And Parks Private Limited
	Gigaplex Estate Private Limited	Gigaplex Estate Private Limited
	Horizonview Properties Private Limited	Horizonview Properties Private Limited
	Inorbit Malls (India) Private Limited	Inorbit Malls (India) Private Limited
	K Raheja Corp Investment Managers LLP	K Raheja Corp Investment Managers LLP
	K Raheja Corp Private Limited	K Raheja Corp Private Limited
	K Raheja Corporate IT Park (Hyderabad) Limited	K Raheja Corporate IT Park (Hyderabad) Limited
	K Raheja Private Limited	K Raheja Private Limited
	K.Raheja Corporate Services Private Limited	K.Raheja Corporate Services Private Limited
	Mindspace Business Parks Private Limited	Mindspace Business Parks Private Limited
	Pact Real Estate Private Limited	Pact Real Estate Private Limited
	Paradigm Logistics & Distribution Private Limited	Paradigm Logistics & Distribution Private Limited
	Sundew Properties Limited	Sundew Properties Limited
	Sycamore Properties Private Limited	Sycamore Properties Private Limited
	Trion Properties Private Limited	Trion Properties Private Limited
	Shoppers Stop Limited	Shoppers Stop 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 REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

47 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 (IND AS 24) ARE GIVEN BELOW (CONTD.)

Related party disclosures for Year ended March 31, 2023

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 Property, Plant & Equipment	-	0.13
2	Sales of services - Rooms income, Food, beverages and smokes	-	22.93
3	Other Income	-	9.58
4	Interest Expenses	-	2.18
5	Other expenses	2.21	213.82
6	Purchase of material	-	1.18
7	Director sitting fees	4.13	-
8	Salaries, wages and bonus (Including Employee stock option)	145.44	-
9	Advance Given	-	0.13
10	Loan Given	5.00	-
11	Loan Refund	5.00	-
12	Loan Taken	450.00	-
13	Equity share capital (Employee stock option exercised)	0.32	-
14	Preference Shares Issued	116.25	133.75
15	Deposit Given	-	0.65
	Balances outstanding as at the year-end	**-**	**-**
16	Trade payables	0.05	0.32
17	Trade Receivables	-	4.78
18	Interest Payable	-	12.27
19	Deposit receivable	-	108.59
20	Preference shares outstanding	930.00	1,070.00
21	Loan Payable	450.00	25.69

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

47 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 (IND AS 24) ARE GIVEN BELOW (CONTD.)

Significant transactions with material related parties for year ended March 31, 2023

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 Property, Plant & Equipment**		
	Trion Properties Private Limited	-	0.13
2	**Sales of services - Rooms income, Food, beverages and smokes**		
	Asterope Properties Private Limited		0.04
	Genext Hardware & Parks P	-	0.06
	Horizon View Properties Limited	-	0.02
	Inorbit Malls (India) Private Limited	-	0.61
	Juhu Beach Resorts Limited	-	14.25
	K Raheja Corp Investment Managers LLP	-	0.76
	K Raheja Corp Private Limited	-	0.15
	K Raheja Corp Real Estate Private Limited	-	0.04
	K Raheja Corporate Services Private Limited	-	4.22
	K Raheja IT Park (Hyderabad) Limited	-	0.10
	K Raheja Private Limited	-	0.07
	KRC Infrastructure & Projects Private Limited	-	0.13
	Mindspace Business Parks Private Limited	-	0.30
	New Found Properties And Leasing Private Limited	-	0.04
	Paradigm Logistics & Distribution Private Limited	-	0.31
	Pact Real Estate Private Limited	-	0.01
	Shoppers Stop Limited	-	1.28
	Sundew Properties Limited	-	0.12
	Sustain Properties Private Limited	-	0.12
	Sycamore Properties Private Limited	-	0.06
	Trion Properties Private Limited	-	0.24
3	**Other Income**		
	K Raheja Corp Private Limited	-	5.58
	Hillside Investments Private Limited	-	4.00
4	**Interest Expenses**		
	K Raheja Corp Private Limited	-	2.18
5	**Other expenses**		
	Arthur De Haast	2.21	-
	Inorbit Malls (India) Private Limited	-	0.35
	Juhu Beach Resorts Limited	-	1.10
	K Raheja Corp Investment Managers LLP	-	16.35

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

47 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 (IND AS 24) ARE GIVEN BELOW (CONTD.)

Sr. no	Particulars	Key Management Personnel / Relative/Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
	K Raheja Corporate Services Private Limited	-	86.81
	KRC Infrastructure & Projects Private Limited	-	1.82
	Krishna Valley Power Private Limited	-	0.94
	Shoppers Stop Limited	-	0.04
	Sundew Properties Limited	-	106.43
	Trion Properties Private Limited	-	(0.03)
6	**Purchase of material**		
	K Raheja IT Park Hyderabad Limited		1.18
7	**Director sitting fees**		
	Arthur De Haast	0.63	-
	Hetal Gandhi	0.85	-
	Joseph Conrad D' Souza	0.90	-
	Neel C.Raheja	0.70	-
	Radhika Dilip Piramal	0.48	-
	Ravi C.Raheja	0.58	-
8	**Salaries, wages and bonus (Including Employee stock option)**		
	Christabelle Baptista	6.54	
	Milind Wadekar	18.24	
	Rajneesh Malhotra	24.84	
	Sanjay Sethi	95.83	
9	**Advance Given**		
	Shoppers Stop Limited		0.13
10	**Loan Given**		
	Milind Wadekar	5.00	-
11	**Loan Refund**		
	Milind Wadekar	5.00	
12	**Loan Taken**		
	Neel C.Raheja	225.00	-
	Ravi C.Raheja	225.00	
13	**Equity share capital (Employee stock option exercised)**		
	Sanjay Sethi	0.32	-
14	**Preference Shares Issued**		
	Ivory Properties and Hotels Private Limited	-	21.25
	K Raheja Corp Private Limited	-	112.50
	Neel C.Raheja	58.13	-
	Ravi C.Raheja	58.13	-

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

47 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 (IND AS 24) ARE GIVEN BELOW (CONTD.)

Sr. no	Particulars	Key Management Personnel / Relative/Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
15	**Deposit Given**		
	K Raheja Corporate Services Private Limited	-	0.65
16	**Trade payables**		
	Neel C.Raheja	0.05	-
	Shoppers Stop Limited	-	0.04
	Inorbit Malls (India) Private Limited	-	0.06
	Hillside Investments Private Limited		0.22
17	**Trade Receivables**		
	Juhu Beach Resorts Limited	-	2.32
	K Raheja Corp Investment Managers LLP	-	0.31
	K Raheja Corp Private Limited	-	0.58
	K Raheja Corp Real Estate Private Limited	-	0.02
	K Raheja Corp Real Estate Private Limited	-	0.02
	K Raheja Corporate Services Private Limited	-	1.04
	K Raheja Private Limited	-	0.02
	Inorbit Malls (India) Private Limited		0.09
	Mindspace Business Parks Private Limited	-	0.14
	Asterope Properties Private Limited		0.01
	Paradigm Logistics & Distribution Private Limited	-	0.20
	Trion Properties Private Limited	-	0.04
18	**Interest Payable**		
	K Raheja Corp Private Limited		12.27
19	**Deposit receivable**		
	K.Raheja Corporate Services Private Limited	-	14.25
	Mindspace Business Parks Private Limited	-	50.00
	Sundew Properties Limited	-	44.33
20	**Preference shares outstanding**		
	Ivory Properties and Hotels Private Limited	-	170.00
	K Raheja Corp Private Limited	-	900.00
	Neel C.Raheja	465.00	-
	Ravi C.Raheja	465.00	-
21	**Loan Payable**		
	Neel C.Raheja	225.00	
	Ravi C.Raheja	225.00	-
	K Raheja Corp Private Limited		25.69

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

47 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 (IND AS 24) ARE GIVEN BELOW (CONTD.)

Related party disclosures for Year ended March 31, 2022

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 Shares	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
14	Preference shares outstanding	813.75	936.25

Significant transactions with material related parties for year ended March 31, 2022

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

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

47 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 (IND AS 24) ARE GIVEN BELOW (CONTD.)

Sr. no	Particulars	Key Management Personnel / Relative/Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
	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
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	-

The managerial remuneration paid/payable by the Group for 2021-22 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.

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

47 RELATED PARTY DISCLOSURES, AS REQUIRED BY INDIAN ACCOUNTING STANDARD 24 (IND AS 24) ARE GIVEN BELOW (CONTD.)

Sr. no	Particulars	Key Management Personnel / Relative/Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
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 Private 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
	KRC INFRASTUCTURE AND PROJECTS PRIVATE Limited	-	0.03
	Pact Real Estate Private Limited	-	0.01
	Trion Properties Private Limited	-	0.02
12	**Deposit receivable**		
	K.Raheja Corporate Services Private Limited	-	13.61
	Mindspace Business Parks Private Limited	-	50.00
	Sundew Properties Limited	-	44.33
13	**Advance Given**		
	Shoppers Stop Limited	-	0.03
14	**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	-

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

48 EMPLOYEE STOCK OPTION SCHEMES

Description of share-based payment arrangements:

At March 31, 2023, 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'- 'Amended 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:

₹ in million

Particulars	March 31, 2023		March 31, 2022	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Outstanding at the beginning of the year	320	134,000	320	200,000
Granted during the year	-	-	-	-
Exercised during the year	320	1,000	-	-
Lapsed/ forfeited /surrendered	-	-	320	66,000
Outstanding at the end of the year	320	133,000	320	134,000
Exercisable at the end of the year	320	133,000	320	134,000

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

48 EMPLOYEE STOCK OPTION SCHEMES (CONTD.)

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	49.31-60.23	As per Black Scholes Model
Exercise price	₹/share	320	As per the Scheme
Expected volatility (Weighted average volatility)	% p.a.	45.61%-49.45%	Based on comparable listing companies
Expected life (expected weighted average life)	in years	1.01-1.51	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.	0.00%	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.	5.69% - 6.14%	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, 2023 have an exercise price of ₹ 320 and a weighted average remaining contractual life of 0.78 year.

The expense recognized for the year ended March 31, 2023 is ₹Nil (March 31, 2022 is ₹1.02 million)

** calculated considering simple average method*

Employee Stock Option Plan 2022:

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 July 22, 2022 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'-2022	1,217,831	For the Options to vest, the Grantee has to be in employment of the Group on the date of the vesting.	The Exercise Period in respect of a Vested Option shall be a maximum period of 5 (Five) years from the date of Vesting of Options.	3 years	July 22, 2022	One year from vesting year	291.52

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

48 EMPLOYEE STOCK OPTION SCHEMES (CONTD.)

Reconciliation of Outstanding share options

The number and weighted-average exercise price of share options under the share option plans are as follows:

₹ in million

Particulars	March 31, 2023		March 31, 2022	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	291.52	1,217,831	-	-
Exercised during the year	-	-	-	-
Lapsed/ forfeited /surrendered	-	-	-	-
Outstanding at the end of the year	291.52	1,217,831	-	-
Exercisable at the end of the year	-	-	-	-

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	142.37 - 176.26	As per Black Scholes Model
Exercise price	₹/share	291.52	As per the Scheme
Expected volatility (Weighted average volatility)	% p.a.	47.21%	Based on comparable listing companies
Expected life (expected weighted average life)	in years	3.48-5.48	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.	6.83%- 7.08%	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, 2023 have an exercise price of ₹ 291.52 and a weighted average remaining contractual life of 3.19 year.

The expense recognized for the year ended March 31, 2023 is ₹78.98 (March 31, 2022 is ₹Nil)

** calculated considering simple average method*

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (CONTD.)

49 DISCONTINUED OPERATIONS

During the previous 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 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, 2023	For the year ended March 31, 2022
Revenue	-	33.25
Expenses	-	98.62
Results from operations	-	(65.37)
Income Tax	-	-
Loss/ (Profit) from discontinued operations, net of tax	**-**	(65.37)

The Loss from discontinued operation of ₹ Nil (March 31, 2022 ₹ (65.37) million is attributable entirely to the owners of the Company, of the loss from continuing operations ₹ Nil [March 31, 2022 ₹ (749.33)] million.

The cash flows of the discontinued operations for the year are presented below:

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Net Cash (Used in) From Operating Activities	-	(51.06)
Net Cash (Used In) /Generated From Investing Activities	-	-
Net Cash Generated From /(Used In) Financing Activities	-	-

50 BENGALURU RESIDENTIAL PROJECT

₹ in million

Particulars	March 31, 2023	March 31, 2022
Inventories	4,159.24	4,182.32
Less: Provisions for impairment	(263.29)	(429.79)
Inventories, net	3,895.95	3,752.53
Advances from customers towards sale of residential flats	1,664.42	1,660.47

51 SCHEME OF MERGER

The Group has given effect to the Scheme of Arrangement of amalgamation of Belaire Hotels Private Limited and Seapearl Hotels Private Limited with the Holding Company ("the Scheme") in the earlier approved consolidated financial statements for tthe year ended March 31, 2023 from the Appointed date of April 01, 2020 by revising the consolidated financial statements approved by the Board of Directors on May 09, 2023. The manner in which Scheme has been given effect to and revision of consolidated financial statements has been explained in detail below.

Application seeking approval of the Scheme was filed with Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench on April 26, 2021. The consolidated financial statements of the group for the year ended March 31, 2023 were approved by the Board of Directors at its meeting held on May 09, 2023 without giving effect to the Scheme since the petition was pending before the NCLT as of date.

On receipt of the certified copy of the order dated May 19, 2023 from NCLT, Mumbai Bench sanctioning the Scheme, with appointed date April 01, 2020, and upon filing the same with Registrar of Companies, Maharashtra on June 19, 2023 the Scheme has become effective.

These Revised consolidated financial statements for the year ended March 31, 2023 have been prepared pursuant to the Scheme from the specified retrospective appointed date of April 01, 2020. Pursuant to the Scheme, all the assets, liabilities, reserves and surplus of the transferor company have been transferred to and vested in the Company with effect from the appointed date at their carrying values and the financial information in the revised consolidated financial statements has been restated from April 01, 2020 as per requirements of Appendix C to Ind AS 103.

The revision to the consolidated financial statements has been carried out solely for the impact of above referred merger and no additional adjustments have been carried out for any other events occurring after May 09, 2023 (being the date when the financial statements were first approved by the Board of Directors of the group) other than stated above.

The details of transferor companies and their merger are as below:

Name of the transferor company	**Belaire Hotels Private Limited ("BHPL") and Seapearl Hotels Private Limited ("SHPL") [collectively referred to as 'Transferor Companies']**
General nature of business	Hospitality services
Appointed Date of the Scheme	April 01, 2020
Description and number of shares issued	Nil
% of Company's equity shares exchanged	Nil

Pursuant to the approved Scheme of Merger, the Company has accounted for merger in its books with effect from April 01, 2020 as per the applicable accounting principles prescribed under under Appendix C to Ind AS 103 for common control business combinations.

Accounting treatment

i. All of the assets, liabilities and reserves in the books of account of the Transferee upon the Scheme becoming effective, the audited financial statements of the Transferor Companies as on the close of business on the day immediately preceding the Appointed Date shall be forwarded to the Transferee Company by the Transferor Companies;

ii. The Book Value of all the assets, liabilities (excluding the Belaire FCCD's and Belaire ICD) and reserves of Transferor Companies as recorded in the financial statements have been recorded in the books of accounts of the Transferee Company as such, subject to suitable adjustments being made, if any, to ensure uniformity of accounting policies;

iii. Investments in the Share Capital of the Transferor Companies in the books of accounts of the Transferee Company, whether held directly or indirectly through nominees, stand cancelled;

iv. Surplus arising as a result of amalgamation of the Transferor Companies into and with the Transferee Company, in terms of this Scheme, after adjustment of the amount of investment of the Transferee Company in the Transferor Companies due to cancellation of the share capital of the Transferor Company, have been adjusted to capital reserves in the books of the Transferee Company;

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

51 SCHEME OF MERGER (CONTD.)

v. Identity of the reserves of the Transferor Companies, have been preserved and appear in the financial statements of the Transferee Company in the same form and manner, in which they appeared in the financial statements of the Transferor Companies, as on the Appointed Date;

vi. All outstanding balances (including the Belaire FCCD's and Belaire ICD) as on the Appointed date between the Transferor Companies and the Transferee Company stand cancelled and there are no further obligation in that behalf;

vii. The financial statements of Transferee reflect the financial position on the basis of consistent accounting policies.

The book value of assets and liabilities taken over from the Transferor Companies as on the Appointed date i.e. April 01, 2020 are as below:

Belaire Hotels Private Limited

₹ in million

Particulars	Amount
Non-current assets	
Property, plant and equipment	2,955.43
Other Financial assets	29.75
Other non-current assets	1.59
Non-current tax assets (net)	22.89
Total non-current assets	**3,009.66**
Current assets	
Inventories	4.78
Financial assets	
(i) Trade receivables	27.48
(ii) Cash and cash equivalents	32.17
Other current assets	20.04
Total current assets	**84.47**
Total Assets (A)	**3,094.13**
Non current liabilities	
Financial liabilities	
(i) Borrowings	1,149.13
Provisions	2.91
Current liabilities	
Financial liabilities	
(i) Borrowing	575.50
(ii) Trade payables	52.46
(iii) Other financial liabilities	5.63
Other current liabilities	24.66
Provisions	0.30
Total Liabilities (B)	**1,810.59**
Total identified assets acquired (C)= (A)-(B)	1,283.54
Cost of investments in merged undertaking (D)	1,193.32
Net impact transferred to Capital reserve (G)= (C)-(D)	90.22*

*Surplus arising as result of the sanction of the scheme after adjustment of cost of investments shall be adjusted and credited to Capital Reserve Account.

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

51 SCHEME OF MERGER (CONTD.)

Seapearl Hotels Private Limited

₹ in million

Particulars	Amount
Current assets	
Financial assets	
(i) Cash and cash equivalents	0.25
(ii) Loans	575.50
Total Assets (A)	**575.75**
Current liabilities	
Financial liabilities	
(i) Trade payables	1.05
Other current liabilities*	0.00
Provisions*	0.00
Total Liabilities (B)	**1.06**
Total identified assets acquired (C)= (A)-(B)	574.69
Cost of investments in merged undertaking (D)	574.69
Net impact transferred to Capital reserve (G)= (C)-(D)	-

*Amount less than million

Notes:

1. All related financial captions (as applicable) of financial statements has been eleminated.
2. Post considering the tax impact in the computation of income on account of merger in revised financial statement amounting of ₹ 26.51 million for the year ended March 31, 2023.

52 DISCLOSURE UNDER IND AS 115, REVENUE FROM CONTRACTS WITH CUSTOMERS

Details of contract balances

₹ in million

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Details of Contract Balances:		
Balance as at beginning of the year	(1,660.47)	(1,868.68)
Trade receivables as on March 31, 2022	-	-
Less: Repayment to the customer on cancellation	-	208.21
Significant change due to other reasons	(3.95)	-
Balance as on March 31, 2023	(1,664.42)	(1,660.47)
Total	**(1,664.42)**	(1,660.47)

As on March 31, 2023 revenue recognized in the current year from performance obligations satisfied/ partially satisfied in the previous year is ₹ Nil.

52 DISCLOSURE UNDER IND AS 115, REVENUE FROM CONTRACTS WITH CUSTOMERS (CONTD.)

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, 2023.

Particulars	2024	2025-2026	Beyond 2027	Total
Contract Revenue	-	2,117.94	-	2,117.94
Contract Expense	-	2,106.83	-	2,106.83
Total	**-**	**11.11**	**-**	**11.11**

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

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**

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.

53 Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013- 'General instructions for the preparation of Revised Consolidated financial statements' of Division II of Schedule III

for the year ended March 31, 2023

₹ in million

	Net assets (total assets minus total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Revised Consoli-dated net assets	Amount	As % of Revised Consoli-dated profit or loss	Amount	As % of Revised Consoli-dated other compre-hensive income	Amount	As % of Revised Consoli-dated total compre-hensive income	Amount
Parent								
Chalet Hotels Limited	108%	16,696.54	102%	1,902.19	100%	(4.64)	104%	1,897.54
Subsidiary (parent's share)								
Chalet Hotel & Properties (Kerala) Private Limited	0%	(42.38)	0%	(4.24)	0%	-	0%	(4.24)
Chalet Airport Hotel Private Limited	0%	(5.23)	(1%)	(11.74)	0%	-	0%	
The Dukes Retreat Private Limited	2%	309.74	0%	-	-	-	-	-
Sonmil Industries Private Limited	0%	21.37	0%	-	-	-	-	-
Non-controlling interests in subsidiary	**0%**	**(4.06)**	**-**	**-**	**-**	**-**	**-**	**-**
Eliminations	**(10%)**	**(1,535.19)**	**(1%)**	**(27.85)**	**0%**	**-**	**(4%)**	**(67.48)**
At March 31, 2023	**100%**	**15,415.33**	**100%**	**1,858.36**	**100%**	**(4.64)**	**100%**	**1,825.82**

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

53 Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013- 'General instructions for the preparation of Revised Consolidated financial statements' of Division II of Schedule III (Contd.)

for the year ended March 31, 2022

₹ in million

	Net assets (total assets minus total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Revised Consoli-dated net assets	Amount	As % of Revised Consoli-dated profit or loss	Amount	As % of Revised Consoli-dated other compre-hensive income	Amount	As % of Revised Consoli-dated total compre-hensive income	Amount
Parent								
Chalet Hotels Limited	109%	14,624.02	99%	(744.39)	100%	1.50	99%	(742.89)
Subsidiary (parent's share)								
Chalet Hotel & Properties (Kerala) Private Limited	0%	(38.14)	1%	(5.96)	0%	-	1%	(5.96)
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 REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

54 RATIO ANALYSIS AND ITS ELEMENTS

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% change	Reason for variance (more than 25%)
Current ratio	Current Assets	Current Liabilities	0.65	0.76	(14)%	
Debt- Equity Ratio	Total Debt	Shareholder's Equity	1.81	1.89	(4)%	
Debt Service Coverage ratio	EBITDA	Interest + Current maturity of LT debt	0.63	0.34	84%	Return on Debt Service Coverage Ratio improved on account of progressive recovery of Hospitality business.
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	0.12	(0.06)	(296)%	
Inventory Turnover ratio	Cost of goods sold	Average Inventory	10.05	6.30	59%	Inventory turnover ratio was higher due to recovery of hotels business post pandemic.
Trade Receivable Turnover Ratio	Revenue from operations	Average Trade Receivable	22.01	13.69	61%	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	4.33	3.36	29%	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)	(3.02)	(2.55)	18%	
Net Profit ratio	Net Profit	Total Income	0.16	(0.15)	(201)%	
Return on Capital Employed	EBITDA	Average Capital Employed	0.14	0.04	282%	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 & IP	0.04	(0.02)	(302)%	

55 DETAILS OF STRUCK OFF COMPANIES

As at March 31, 2023

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	-	
	Receivables	-	
Kryton Chemicals	Payables	0.04	No
Sambhu Facility Services Private Limited	Payables	0.24	No
Aryan Intelligence Security Services Private Limited	Payables	0.24	No
	Other outstanding balances (to be specified)	-	

As at 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	-	
Felicity Advantage Marketing Private Limited	Receivables	0.01	No
Octel Cloud Solutions Private Limited	Receivables	0.03	No
Aviashi Foods Private Limited	Receivables	0.05	No
Harsh International Impo-Expo Private Limited	Receivables	0.05	No
Sambhu Facility Services Private Limited	Payables	0.37	No
Aryan Intelligence Security Services Private Limited	Payables	0.16	No
	Other outstanding balances (to be specified)	-	

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₹ in million

CONTRACT BALANCES	March 31, 2023	March 31, 2022
Receivables, which are included in 'trade receivables'	589.51	436.02
Contract assets (Unbilled revenue)	80.86	115.45
Contract Liabilities		
Advances from customers towards sale of residential flats	1,664.42	1,660.47
Advances from customers towards hospitality services	251.48	151.77

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

57 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 Company.

Details of investments made during the year ended March 31, 2023 as per section 186(4) of the Companies Act, 2013:

Name of entity	March 31, 2022	Investments made	Investments redeemed / sold	March 31, 2023
Stargaze Properties Private Limited	0.01	-	-	**0.01**
Krishna Valley Power Private Limited	19.91	-	-	**19.91**
Sahyadri Renewable Energy Private Limited	31.46	-	-	**31.46**
Renew Wind Power Energy (AP) Limited	0.61	0.69	-	**1.29**
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, 2022 as per section 186(4) of the Companies Act, 2013:

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

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i) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

ii) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

NOTES TO THE REVISED CONSOLIDATED FINANCIAL STATEMENTS AS AT MARCH 31, 2023 (CONTD.)

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As per the MCA Notification dated August 06, 2022, the Central Government has notified the Companies (Accounts) Fourth Amendment Rules, 2022. As per the amended rules, the Group is required to maintain a backup of the books of account and other relevant books and papers in electronic mode that should be accessible in India at all the time. Also, the Group is required to create backup of accounts on servers physically located in India on a daily basis.

The books of account along with other relevant records and papers of the Group is maintained in electronic mode, across all units. These are readily accessible in India at all times and currently a backup is maintained on a cloud based server. Such servers are located in India, with the exception of certain units, which are located overseas. The Group is in the process of complying with the requirement of maintaining server(s) in India for these units for backup of books of account and other relevant books and papers, on a daily basis, pursuant to the amendment.

As per our revised audit report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Suhas Pai
Partner
Membership No. 119057

Hyderabad
July 03, 2023

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

Sanjay Sethi
Managing Director & CEO
(DIN. 00641243)

Joseph Conrad Dsouza
Director
(DIN. 00010576)

Milind Wadekar
Chief Financial officer
(Membership No: 116372)

Christabelle Baptista
Company Secretary
(Membership No: A17817)

Mumbai
July 03, 2023

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CHALET
HOTELS

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