

B S R & Co. LLP

Chartered Accountants

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Independent Auditor's Report

**To the Members of
Chalet Hotels & Properties (Kerala) Private Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Chalet Hotels & Properties (Kerala) Private Limited (the "Company") which comprise the balance sheet as at 31 March 2023, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the 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 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 loss 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 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 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 financial statements.

Material Uncertainty Related to Going Concern

We draw attention to Note 30 to the financial statements, which indicates that the Company is conducting a feasibility study of its sole project as at the year end. The future business plan of the Company will be prepared based on the outcome the feasibility study. As stated in Note 30, these events or conditions, along with other matters as set forth in Note 30, indicate that a material uncertainty exists that may cast a significant doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Management's and Board of Directors' Responsibilities for the 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 financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, registered, changes in equity and cash flows of

Independent Auditor's Report (Continued)

Chalet Hotels & Properties (Kerala) Private Limited

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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 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 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 financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



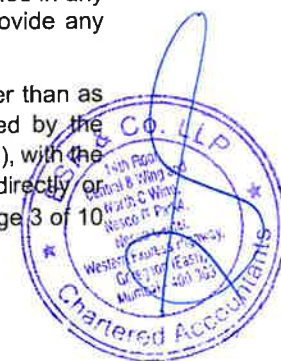
Independent Auditor's Report (Continued)

Chalet Hotels & Properties (Kerala) Private Limited

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.

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.
 - c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. The matter described in the Material Uncertainty Related to Going Concern paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
 - f. 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.
 - g. With respect to the adequacy of the internal financial controls with reference to 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 does not have any pending litigations which would impact its financial position.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - 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 27 to the 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 27 to the 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



Independent Auditor's Report (Continued)

Chalet Hotels & Properties (Kerala) Private Limited

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.
- 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 Auditor's Report under Section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us, the Company is not a has not paid any remuneration to its directors during the year. 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

Place: Mumbai, India

Date: 08 May 2023

Membership No.: 119057

ICAI UDIN:23119057BGWTAK6134

Annexure A to the Independent Auditor's Report on the Financial Statements of Chalet Hotels & Properties (Kerala) Private 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)

(i) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not own any property, plant and equipment and accordingly clause 3(i)(a)(A), 3(i)(a)(B) and 3(i)(b) to 3(i)(e) of the Order is not applicable to the Company.

(ii) (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 does not hold any inventory and accordingly clause 3(ii)(a) of the Order is not applicable to the Company.

(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 sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

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

(a) (Rs. in Hundreds)

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount during the year				
Subsidiaries*				
Joint ventures*	-	-	-	-
Associates*	-	-	-	-
Others	-	-	-	-
	500,000	-	-	-
Balance outstanding as at balance sheet date				
Subsidiaries*				
Joint ventures*	-	-	-	-
Associates*	-	-	-	-
Others*	-	-	-	-
	500,000	-	-	-

*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, security given during the year and the terms and conditions of the grant of loans and advances in the nature of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.

(c) The Company has not provided any security, granted any loans or advances in the nature of loans, secured or unsecured, to companies, limited liability partnership or any other parties during the year.



Annexure A to the Independent Auditor's Report on the Financial Statements of Chalet Hotels & Properties (Kerala) Private Limited for the year ended 31 March 2023 (Continued)

hence clause (iii)(c) of the Order are not applicable to the Company.

(d) The Company has not provided any security, granted any loans or advances in the nature of loans, secured or unsecured, to companies, limited liability partnership or any other parties during the year, hence clause (iii)(d) of the Order are not applicable to the Company.

(e) The Company has not provided any security, granted any loans or advances in the nature of loans, secured or unsecured, to companies, limited liability partnership or any other parties during the year, hence clause (iii)(e) of the Order are not applicable to the Company.

(f) The Company has not provided any security, granted any loans or advances in the nature of loans, secured or unsecured, to companies, limited liability partnership or any other parties during the year, hence clause (iii)(f) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

(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) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.

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

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees State Insurance, Income-tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

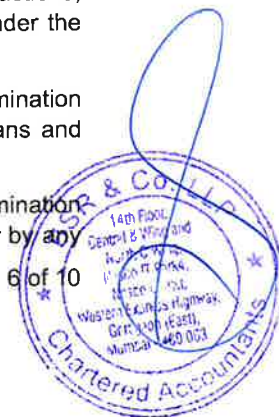
According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees State Insurance, Income-tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) 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 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 with the appropriate authorities on account of any dispute.

(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.

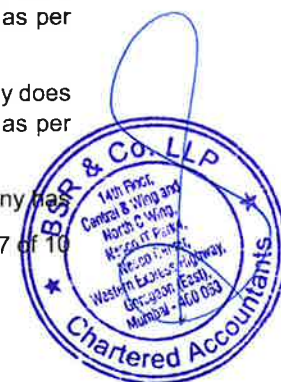
(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any



Annexure A to the Independent Auditor's Report on the Financial Statements of Chalet Hotels & Properties (Kerala) Private Limited for the year ended 31 March 2023 (Continued)

bank or financial institution or government or government authority.

- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (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 financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(e) is not applicable.
- (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, joint ventures or associate companies (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.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (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) The Company is a private limited company and accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on the information and explanations provided to us, the Company does not have an Internal Audit system and is not required to have an internal audit system as per Section 138 of the Act.
- (b) In our opinion and based on the information and explanations provided to us, the Company does not have an internal audit system and is not required to have an internal audit system as per Section 138 of the Act. Accordingly, clause 3(xiv)(b) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, the Company has



Annexure A to the Independent Auditor's Report on the Financial Statements of Chalet Hotels & Properties (Kerala) Private Limited for the year ended 31 March 2023 (Continued)

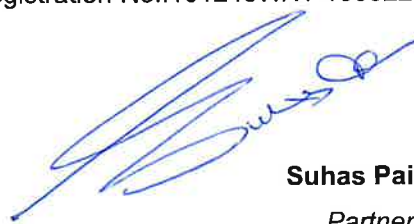
not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has incurred cash losses of Rs. 42,411 Hundred in the current financial year and Rs 59,612 Hundred 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) We draw attention to Note 9 to the financial statements which explains that the Company has incurred losses in current year and previous year and has accumulated losses as at 31 March 2023. Further, the Company's current liabilities exceed its current assets as at 31 March 2023 by Rs. 4,23,860 hundreds. As per the management, the Company continues to enjoy support from the shareholder. Based on aforesaid assessment, management believes that as per estimates made conservatively, the Company will continue as a going concern. On the basis of the above and 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 financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, the aforesaid events or conditions indicate that a material uncertainty exists as on the date of the audit report regarding whether the Company is 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. However, Chalet Hotels Limited, the Holding Company, has given a letter that it would continue to provide financial support to the Company in the foreseeable future to meet its obligations .
- (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

Place: Mumbai, India

Date: 08 May 2023

Membership No.: 119057

ICAI UDIN:23119057BGWTAK6134

Annexure B to the Independent Auditor's Report on the financial statements of Chalet Hotels & Properties (Kerala) Private Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(d) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Chalet Hotels & Properties (Kerala) Private Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the 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").

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 based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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



Annexure B to the Independent Auditor's Report on the financial statements of Chalet Hotels & Properties (Kerala) Private Limited for the year ended 31 March 2023 (Continued)

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

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022



Suhas Pai

Partner

Place: Mumbai, India

Date: 08 May 2023

Membership No.: 119057

ICAI UDIN:23119057BGWTAK6134

Balance Sheet
as at March 31, 2023


	Note	As at March 31, 2023	(Rs. In hundreds) As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	0.00	0.00
Capital work-in-progress	4	0.00	0.00
Other non-current assets	5	-	-
Total non-current assets		0.00	0.00
Current assets			
Financial assets			
(i) Cash and cash equivalents	6a	14,738.62	6,522.95
(ii) Bank balances other than cash and cash equivalents	6b	5,01,993.85	-
(iii) Others	7	1,045.70	-
Total current assets		5,17,778.17	6,522.95
TOTAL ASSETS		5,17,778.17	6,522.95
EQUITY AND LIABILITIES			
Equity			
Equity share capital	8	27,78,777.00	27,78,777.00
Other equity	9	(32,02,636.81)	(31,60,225.49)
Non controlling interests		-	-
Total equity		(4,23,859.81)	(3,81,448.49)
Liabilities			
Non-current liabilities			
Financial liabilities			
Deferred tax liabilities (net)	10	-	-
Total non-current liabilities		0.00	0.00
Current liabilities			
Financial liabilities			
(i) Borrowings	11	9,39,580.36	3,84,929.84
(ii) Trade payables	12	-	-
(a) Total outstanding dues of micro enterprises and small enterprises and		1,816.07	2,944.20
(b) Total outstanding dues to creditors other than micro enterprises and small enterprises	13	241.55	97.40
Other current liabilities		-	-
Total current liabilities		9,41,637.98	3,87,971.44
TOTAL EQUITY AND LIABILITIES		5,17,778.17	6,522.95
Significant Accounting Policies	2		
Notes to the Financial Statements	3 - 30		

The notes referred to above form an integral part of these financial statements


As per our audit report of even date attached

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

For and on behalf of the Board of Directors of
Chalet Hotels & Properties (Kerela) Private Limited
(CIN No. U55101KL2006PTC020125)


Suhas Pai
Partner
Membership No. 119057


Sanjay Sethi
Director
(DIN. 00641243)


Milind Wadekar
Director
(DIN. 08627229)


Saurabh Bandekar
Company Secretary
(Membership No: A60746)

Mumbai
8 May 2023

Statement of Profit and Loss
for the year ended March 31, 2023

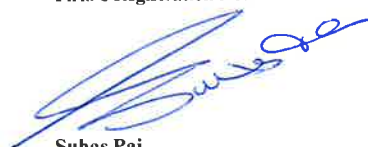
	Note	For the year ended March 31, 2023	(Rs. In hundreds) For the year ended March 31, 2022
Revenue			
Other income	14	2,443.85	500.00
Total income (A)		2,443.85	500.00
Expenses			
Other expenses	16	20,258.87	25,493.45
Total expenses (B)		20,258.87	25,493.45
Earnings before interest and tax (EBITDA) (A-B)		(17,815.02)	(24,993.45)
Finance costs	15	24,196.30	34,618.36
(Loss) before Income Tax ('C)		(42,011.32)	(59,611.81)
Tax expense (D)		400.00	-
Current tax	10	400.00	-
Deferred tax		-	-
(Loss) for the year ('E) (C-D)		(42,411.32)	(59,611.81)
Other comprehensive (expense)			
<u>Items that will not be reclassified to profit or loss</u>			
Remeasurements of the defined benefit plans		-	-
Income tax Credit on above		-	-
Other comprehensive (expense) for the year, net of tax (F)		-	-
Total comprehensive income / (expense) for the year (G) (E+F)		(42,411.32)	(59,611.81)
Earnings per equity share (Face value of Rs 10 each)			
Basic	17	(0.15)	(0.21)
Diluted	17	(0.15)	(0.21)
Significant Accounting Policies	2		
Notes to the Financial Statements	3 - 30		

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

As per our audit report of even date attached

For BSR & Co. LLP
Chartered Accountants
Firm's Registration No:101248W/W-100022

For and on behalf of the Board of Directors of
Chalet Hotels & Properties (Kerela) Private Limited
(CIN No. U55101KL2006PTC020125)



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8 May 2023

Statement of Cash Flows

for the year ended March 31, 2023

	(Rs. In hundreds)	
	For the year ended March 31, 2023	For the year ended March 31, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES :		
(Loss) before tax	(42,011.32)	(59,611.81)
Adjustments for :		
Interest income from instruments measured at amortised cost	(1,993.85)	-
Finance costs	24,196.30	34,618.36
Total	22,202.45	34,618.36
Operating Profit before working capital changes	(19,808.87)	(24,993.45)
Adjustments		
Decrease / (Increase) in trade receivables and current assets	(1,045.70)	-
(Decrease)/Increase in liabilities and Provisions	(983.98)	999.60
Total	(2,029.68)	999.60
Income Taxes (net of refund)	(400.00)	-
NET CASH USED IN OPERATING ACTIVITIES (A)	(22,238.55)	(23,993.85)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Fixed deposits matured / (placed)	(5,00,000.00)	-
NET CASH (USED IN) /GENERATED FROM INVESTING ACTIVITIES (B)	(5,00,000.00)	-
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from short-term borrowings	5,35,000.00	35,000.00
Interest and finance charges paid	(4,545.78)	(15,193.28)
NET CASH GENERATED FROM FINANCING ACTIVITIES (C)	5,30,454.22	19,806.72
NET INCREASE IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)	8,215.67	(4,187.13)
CASH AND CASH EQUIVALENTS - OPENING BALANCE	6,522.95	10,710.08
CASH AND CASH EQUIVALENTS - CLOSING BALANCE	14,738.62	6,522.95

1 Reconciliation of cash and cash equivalents with the balance sheet

	As at March 31, 2023	As at March 31, 2022
Cash and cash equivalents (refer Note 6)	14,738.62	6,522.95
Cash and cash equivalents as per statement of cash flows	14,738.62	6,522.95

2 The movement of borrowings as per Ind AS 7 is as follows:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening borrowings	3,84,929.92	3,30,504.80
Proceeds from short-term borrowings	5,35,000.00	35,000.00
Repayment of short-term borrowings	-	-
Interest accrued	19,650.56	19,425.12
	9,39,580.48	3,84,929.92

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

As per our audit report of even date attached.

For BSR & Co. LLP
Chartered Accountants
Firm's Registration No:101248W/W-100022



Suhas Pai
Partner
Membership No. 119057

For and on behalf of the Board of Directors of
U55101KL2006PTC020125
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Company Secretary
(Membership No: A60746)

Mumbai
8 May 2023

Chalet Hotels & Properties (Kerela) Private Limited

Statement of Changes in Equity

as at March 31, 2023

(Rs. In hundreds)

(a) Equity share capital

	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the reporting year	27,78,777.00	27,78,777.00
Balance at the end of the reporting year	27,78,777.00	27,78,777.00

(b) Other equity	Attributable to the owners of the Company	
	Retained earnings (Note 9)	Total Equity
Balance as at March 31, 2022	(31,60,225.49)	(31,60,225.49)
Changes in accounting policy or prior period errors	-	-
Restated balance at the beginning of the current reporting period	(31,60,225.49)	(31,60,225.49)
Total comprehensive income for the year		
Adjustments:		
(Loss) for the year	(42,411.32)	(42,411.32)
Remeasurements of defined benefit plans (net of tax)	-	-
Total comprehensive income for the year	(42,411.32)	(42,411.32)
Balance as at March 31, 2023	(32,02,636.81)	(32,02,636.81)
Balance at April 1, 2021	(31,00,613.68)	(31,00,613.68)
(Loss) for the year	(59,611.81)	(59,611.81)
Total comprehensive income for the year	(59,611.81)	(59,611.81)
Balance as at March 31, 2022	(31,60,225.49)	(31,60,225.49)

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

As per our audit report of even date attached

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No:101248W/W-100022

For and on behalf of the Board of Directors of
Chalet Hotels & Properties (Kerela) Private Limited
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Mumbai
8 May 2023

Chalet Hotels & Properties (Kerala) Private Limited

Notes to the Financial Statements for the year ended 31 March 2023

1 Background

The Company was incorporated in Thiruvananthapuram on 22.12.2006 as a Special Purpose Vehicle for the implementing the International Convention Centre Complex (ICCC) Project in a public private partnership with Department of Tourism Government of Kerala.

2 Significant accounting policies

The accounting policies set out below have been applied consistently to the years presented in these financial statements.

Basis of preparation

2.1 Statement of compliance

The accompanying financial statements of Chalet Hotels (Kerala) Private Ltd (the Company) have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The financial statements of the Company for the year ended March 31, 2023, were authorized for issue in accordance with a resolution of the Board of Directors on 08 May, 2023.

Refer note 30 on going concern.

2.2 Functional and presentation currency

These 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 hundred, 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.

2.3 Basis of measurement

These financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities which are measured at fair value.

2.4 Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgment, estimates and assumptions are required in particular for:

Determination of the estimated useful lives

Useful lives of tangible assets and intangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives of assets are different from as prescribed in Schedule II are based on technical advice, after 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.



Chalet Hotels & Properties (Kerala) Private Limited

Notes to the Financial Statements for the year ended 31 March 2023

2 Significant accounting policies (Continued)

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-forward 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 balance sheet date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

Going Concern

As at 31 March 2023, the Company's paid up capital and reserves were INR (423,859.81) hundreds and correspondingly, the Company's accumulated losses aggregated INR 3,202,637 hundreds. However, management believes that the Company will be able to continue operations on a going concern basis and meet all its liabilities as they fall due for payment in the foreseeable future based on continued support, as required, from existing shareholders of the company.

Impairment of assets / advances

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.

2.5 Current / non-current classification

The schedule III to the Act requires assets and liabilities to be classified as either current or non-current.

Assets

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 at least twelve months after the balance sheet date.

All other assets are classified as non-current.



Chalet Hotels & Properties (Kerala) Private Limited

Notes to the Financial Statements for the year ended 31 March 2023

2 Significant accounting policies (Continued)

Liabilities

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 at least 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 operations 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 twelve months for the purpose of current – non-current classification of assets and liabilities.

2.6 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 statement of profit or loss.

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 provided using the Straight line method (SLM) as per the useful life of the assets estimated by the management. Depreciation on addition/deletion of the assets made during the period is provided on pro-rata basis from / upto the date of each addition / deletion. Based on internal assessment and past experience the management believes the useful life of the assets are appropriate which are lower than those prescribed under Part C of Schedule II of the Companies Act, 2013. The useful lives of assets estimated by management is as follows:



Chalet Hotels & Properties (Kerala) Private Limited

Notes to the Financial Statements for the year ended 31 March 2023

2 Significant accounting policies (Continued)

Particulars	Useful Life (SLM)	Useful Life (Schedule II to the Act)
Plant and Machinery	10 years	15 years
Furniture and Fixtures	7 years	10 years

2.7 Capital work in progress

Capital work in progress represents the cost incurred in respect of areas under construction of the real estate development projects less impairment losses, if any.

2.8 Impairment of assets

In accordance with Ind AS 36 on 'Impairment of assets' as prescribed under the Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014, the Company assesses at each balance sheet date, whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount of the assets (or where applicable that of the cash generating unit to which the asset belongs) is estimated as the higher of its 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 the assets and from its disposal at the end of its useful life. An impairment loss is recognised whenever the carrying amount of an asset or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment loss is recognised in the statement of profit and loss or against revaluation surplus, where applicable. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is re-assessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciated historical cost.

2.9 Revenue recognition

The Company adopts the accrual system of accounting. Revenue is recognized as and when there is a reasonable certainty of its ultimate realization.

2.10 Taxation

Income-tax expense comprises current tax and deferred tax charge or credit.

Current tax

Provision for current tax is based on the results for the year ended March 31, 2023, in accordance with the provisions of the Income-tax Act, 1961.

Deferred tax

Deferred tax liability or asset is recognized for timing differences between the profits/losses offered for income taxes and profits/losses as per the Ind AS financial statements.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax asset is recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax asset is recognized only if there is a virtual certainty of realization of such asset. Deferred tax asset is reviewed



Chalet Hotels & Properties (Kerala) Private Limited

Notes to the Financial Statements for the year ended 31 March 2023

2 Significant accounting policies (Continued)

as at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain to be realised.

Minimum Alternate Tax (MAT)

In accordance with the guidance note issued by the Institute of Chartered Accountants of India ('ICAI') on accounting for credit available in respect of MAT under the Income-tax Act, 1961, the Company recognises MAT credit as an asset only when and to the extent there is convincing evidence that the Company will be liable to pay normal income tax during the specified period.

2.11 Earnings per share

The basic earnings per share ('EPS') is computed by dividing the net profit attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. Diluted EPS is computed by dividing the net profit attributable to the equity shareholders for the quarter by the weighted average number of equity and dilutive equity equivalent shares outstanding during the quarter, except where the results would be anti-dilutive.

2.12 Provision, contingent liabilities and contingent asset

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event; it is probable that the Company will be required to settle the present obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of their reporting period, taking into account the risk and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material)

Contingent liabilities are stated separately by way of a note. Contingent Liabilities are disclosed when the Company has a possible obligation or a present obligation and it is not probable that a cash outflow will be required to settle the obligation. Contingent Assets are neither recognised nor disclosed.

2.13 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits with banks, 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

2.14 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition and Measurement – Financial Assets and Financial Liabilities

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or



Chalet Hotels & Properties (Kerala) Private Limited

Notes to the Financial Statements for the year ended 31 March 2023

2 Significant accounting policies (Continued)

deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Classification and Subsequent Measurement : Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (“FVTOCI”) or fair value through profit or loss (“FVTPL”) on the basis of following :

- the entity’s business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortised Cost:

A financial asset is classified and measured at amortised cost if both of the following conditions are met :

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVTOCI:

A financial asset is classified and measured at FVTOCI if both of the following conditions are met :

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

FVTPL:

A financial asset is classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Impairment of Financial Assets:

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Classification and Subsequent measurement: Financial Liabilities

The Company’s financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.



Chalet Hotels & Properties (Kerala) Private Limited

Notes to the Financial Statements for the year ended 31 March 2023

2 Significant accounting policies (Continued)

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or losses on financial liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of Financial Assets and Financial Liabilities:

The Company de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

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

2.15 Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial asset and liabilities. The Company has an established control framework with respect to the measurement of fair values. The finance team has overall responsibility for over-seeing all significant fair value measurements.

They regularly review significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values then the finance team 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 valuation should be classified.

When measuring the fair value of an asset or a 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).



Chalet Hotels & Properties (Kerala) Private Limited

Notes to the Financial Statements for the year ended 31 March 2023

2 Significant accounting policies (Continued)

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 environment.

2.16 Financial guarantee contracts

The Company on a case to case basis elects to account for financial guarantee contracts as a financial instrument or as an insurance contract, as specified in Ind AS 109 on Financial Instruments and Ind AS 104 on Insurance Contracts. The Company has regarded all its financial guarantee contracts as insurance contracts. At the end of each reporting period the Company performs a liability adequacy test, (i.e. it assesses the likelihood of a pay-out based on current undiscounted estimates of future cash flows), and any deficiency is recognized in profit or loss.

2.17 Operating segment

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the company's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing the performance of the operating segments of the Company. All operating segments' operating results are reviewed regularly by the board to make decisions about resources to be allocated to the segments and assess their performance.

There are no reporting segments as at balance sheet date in the Company.

2.18 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.



Chalet Hotels & Properties (Kerela) Private Limited

Notes to the Financial Statements (Continued)
as at March 31, 2023

Note 3

Property, plant and equipment

Reconciliation of carrying amount

as at March 31, 2023

Particulars	Gross block				Accumulated depreciation/ amortisation				Net block	
	Opening balance as at April 1, 2022	Additions	Deductions	Closing balance as at March 31, 2023	Opening balance as at April 1, 2022	For the year	Deductions	Closing balance as at March 31, 2023	As at March 31, 2023	As at March 31, 2023
Tangible assets										
Plant and machinery	33.00	-	-	33.00	33.00	-	-	33.00	-	-
Furniture and fixtures	7.00	-	-	7.00	7.00	-	-	7.00	-	-
Total	40.00	-	-	40.00	40.00	-	-	40.00	-	-

(Rs. In hundreds)

as at March 31, 2022

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	As at March 31, 2022
Tangible assets										
Plant and machinery	33.00	-	-	33.00	33.00	-	-	33.00	-	-
Furniture and fixtures	7.00	-	-	7.00	7.00	-	-	7.00	-	-
Total	40.00	-	-	40.00	40.00	-	-	40.00	-	-

Rs.



Chalet Hotels & Properties (Kerela) Private Limited

Notes to the Financial Statements (Continued)

as at March 31, 2023

Note 4

Capital work-in-progress

1) Details of capital work-in-progress

(Rs. In hundreds)

Particulars	March 31, 2023	March 31, 2022
Opening balance	5,77,086.00	5,77,086.00
Add: Additions during the year	-	-
Less: Capitalised during the year	-	-
Closing Balance	5,77,086.00	5,77,086.00
Less: Impairment of Capital work in progress	-5,77,086.00	-5,77,086.00
Net balance	-	-

There was delay in implementation of International Convention Centre 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 31 March 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 Company has further extended the performance guarantee given to the DOT, GOK, for a period up to March 12, 2023. The company has ceased capitalisation of borrowing cost with effect from the financial year 2014-15.



Chalet Hotels & Properties (Kerela) Private Limited

Notes to the Financial Statements (Continued)

as at March 31, 2023

Particulars	(Rs. In hundreds)	
	As at March 31, 2023	As at March 31, 2022
Note 5		
Other non-current assets		
<i>(Secured, unsecured, considered good)</i>		
<i>To other than related parties</i>		
<i>(Unsecured, considered good)</i>		
Capital advances	17,977.60	17,977.60
Less: Provision for doubtful advances	(17,977.60)	(17,977.60)
	-	-
	-	-
Note 6 a		
Cash and cash equivalents		
	As at March 31, 2023	As at March 31, 2022
Balance with banks		
- Current accounts	14,488.62	6,392.05
Cash on hand	250.00	130.90
	14,738.62	6,522.95
	-	-
	-	-
Note 6 b		
Bank balances other than cash & cash equivalent		
	As at March 31, 2023	As at March 31, 2022
In term deposit accounts (balances held as margin money)	5,01,993.85	-
	5,01,993.85	-
	-	-
	-	-
Includes accrued interest of Rs. 1993.85/- (March 31, 2022: 00.00)		
Note 7		
Others		
	As at March 31, 2023	As at March 31, 2022
<i>(Unsecured, considered good)</i>		
<i>To other than related parties</i>		
Others	1,045.70	-
	1,045.70	-
	-	-
	-	-



Chalet Hotels & Properties (Kerala) Private Limited

Notes to the Financial Statements (Continued)
as at March 31, 2023

Note 8

Share capital

(Rs. In hundreds)

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

Particulars	March 31, 2023	March 31, 2022
(i) Authorised 2,80,00,000.00 (March 31, 2022:2,80,00,000.00) equity shares of the par value of Rs.10.00 each	28,00,000.00	28,00,000.00
(ii) Issued, subscribed and paid-up 2,77,87,770.00 (March 31, 2022:2,77,87,770.00) equity shares of the par value of Rs.10.00 each	27,78,777.00	27,78,777.00
Total	27,78,777.00	27,78,777.00

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

Particulars	March 31, 2023		March 31, 2022	
	Number	Amount	Number	Amount
Equity shares				
Number of equity shares outstanding at the beginning of the year	2,77,87,770	27,78,777.00	2,77,87,770	27,78,777.00
Number of equity shares outstanding at the end of the year	2,77,87,770	27,78,777.00	2,77,87,770	27,78,777.00

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

Particulars	March 31, 2023			March 31, 2022		
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	% of Holding	
Chalet Hotels Limited	2,50,09,000	90 %	2,50,09,000	90 %	90 %	
K Raheja Corp Private Limited	27,78,770	10 %	27,78,770	10 %	10 %	
	2,77,87,770	-	2,77,87,770	-	-	

(d) Rights, preferences and restrictions attached to equity shares.

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. The equity shareholders are eligible for dividend when recommended by the Board of Directors and approved by the Shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(e) Details of shares held by promoters

As at March 31, 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 INR 10 each fully paid	Chalet Hotels Limited K Raheja Corp Private Limited	2,50,09,000 27,78,770	- -	2,50,09,000 27,78,770	90% 10%	0% 0%
Total Number of Equity Shares		2,77,87,770	-	2,77,87,770		

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 INR 10 each fully paid	Chalet Hotels Limited K Raheja Corp Private Limited	2,50,09,000 27,78,770	- -	2,50,09,000 27,78,770	90% 10%	0% 0%
Total Number of Equity Shares		2,77,87,770	-	2,77,87,770		



Chalet Hotels & Properties (Kerela) Private Limited

Notes to the Financial Statements (Continued)

as at March 31, 2023

Note 9

Other equity

Retained earnings

Balance at the beginning of the year
 Add: Loss for the year
 At the end of the year

	(Rs. In hundreds)	
	As at	As at
	March 31, 2023	March 31, 2022
	(31,60,225.49)	(31,00,613.68)
	(42,411.32)	(59,611.81)
	<u>(32,02,636.81)</u>	<u>(31,60,225.49)</u>
	<u>(32,02,636.81)</u>	<u>(31,60,225.49)</u>

Nature and purpose of reserves

Retained earnings

Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.



Chalet Hotels & Properties (Kerala) Private Limited

Notes to the Financial Statements (Continued)
as at March 31, 2023

Note 10

Tax expense

(Rs. In hundreds)

(a) Amounts recognised in Statement of Profit and Loss for continuing operations

	For the year ended March 31, 2023	For the year ended March 31, 2022
Current income tax expense		
Current tax	400.00	-
Tax charge/ (credit) for the year	400.00	-

(b) Amounts recognised in other comprehensive income

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Before tax	Tax (expense) benefit	Before Tax	Tax (expense) benefit
Items that will not be reclassified to profit or loss				
Remeasurements of the defined benefit plans	-	-	-	-
		Net of tax		Net of tax

(c) Reconciliation of effective tax rate for continuing operations

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Loss before tax	(42,011.32)	(59,611.81)
Group's domestic tax rate	25.17 %	25.17 %
Tax using the Group's domestic tax rate	(10,574.25)	(15,004.29)
Tax effect of:		
Expenses not allowed under tax	11,189.37	15,130.14
Income not subject to tax	(615.12)	(125.85)
	0.00	(0.00)



Chalet Hotels & Properties (Kerela) Private Limited

Notes to the Financial Statements (Continued)

as at March 31, 2023

Note 10

Tax expenses (Continued)

(d) Movement in deferred tax balances

Particulars	(Rs. In hundredrs)			
	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	-	-	-	-
Deferred tax assets/(liabilities)	-	-	-	-

Particulars	(Rs. In hundredrs)			
	Net balance as at March 31, 2021	Recognised in profit or loss credit/(charge)	Recognised in OCI	Recognised in equity
Others (Amount)				
Net balance as at March 31, 2022				
Deferred tax asset/(liabilities)				
Property, plant and equipment	-	-	-	-
Deferred tax assets/(liabilities)	-	-	-	-

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.

Unrecognised deferred tax assets

Deferred tax assets (DTA) have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the company can use the benefits therefrom:

Particulars	March 31, 2023				March 31, 2022	
	Gross amount	DTA not recognised	Expiry date	Gross amount	DTA not recognised	Expiry date
Business Loss	5,250.99	1,321.67	31 March 2030	5,811.03	1,462.64	31 March 2030
Business Loss	1,881.80	473.65	31 March 2029	1,881.80	473.65	31 March 2029
Unabsorbed depreciation	-	-	NA	-	-	-
Total	7,132.79	1,795.32		7,692.83	1,936.28	



Chalet Hotels & Properties (Kerala) Private Limited

Notes to the Financial Statements (Continued)
as at March 31, 2023

(Rs. In hundreds)

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Note 11		
Borrowings		
Unsecured	9,39,580.36	3,84,929.84
From related parties	9,39,580.36	3,84,929.84

Note :

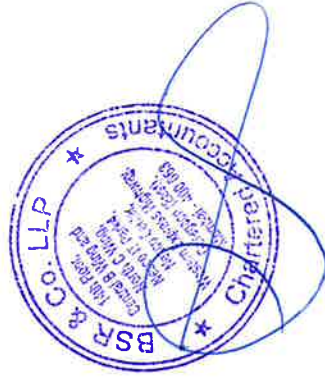
- 1) Loan is repayable on demand. Interest charged for the period/year ended 31 March 2023 @ 8.50% (31 March 2022 @ 8.50%).
- 2) The above includes interest accrued on loans.

A) Terms of repayment

Rate of interest

From Related Parties

Particulars	Sanction Amount		Carrying rate of Interest		Carrying rate of Interest		Repayment/ Modification of terms	Security Details
	Rs.	NA	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022		
K Raheja Corp Private Limited		NA	8.50%	8.50%	Repayable on demand.	8.50%	Unsecured	
Chalet Hotels Limited		NA	Interest Free	Interest Free	Repayable on demand.	NA	Unsecured	



Chalet Hotels & Properties (Kerela) Private Limited

Notes to the Financial Statements (Continued)

as at March 31, 2023

Note 12

Trade payables

Total outstanding dues of micro enterprises and small enterprises and
Total outstanding dues to creditors other than micro enterprises and small enterprises

As at March 31, 2023	(Rs. In hundreds)	
	As at March 31, 2022	
	-	-
1,816.07	2,944.20	
1,816.07	2,944.20	

Trade payable Ageing Schedule

As at March 31, 2023

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	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,816.07	-	-	-	1,816.07
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	1,816.07	-	-	-	1,816.07

As at March 31, 2022

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	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,944.20	-	-	-	2,944.20
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	2,944.20	-	-	-	2,944.20

Note 13

Other current liabilities

Statutory dues payable*

241.55	97.40
241.55	97.40

*Statutory dues payable includes TDS payable etc.



Chalet Hotels & Properties (Kerela) Private Limited

Notes to the Financial Statements (Continued)

for the year ended March 31, 2023

(Rs. In hundreds)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Note 14		
Other income		
Interest income from instruments measured at amortised cost	1,993.85	-
Miscellaneous income	450.00	500.00
	<u>2,443.85</u>	<u>500.00</u>
Note 15		
Finance costs		
Interest expenses	21,833.94	21,636.00
Other borrowing cost	2,362.36	12,982.36
	<u>24,196.30</u>	<u>34,618.36</u>
Note 16		
Other expenses		
Travelling and conveyance expenses	272.53	368.20
Power and fuel	83.79	112.46
Repairs and maintenance		
- Buildings	465.00	2,500.00
- Others	-	19.00
Legal and professional charges	4,575.90	4,363.22
Payment to auditors (Refer Note 21)	599.60	486.16
Miscellaneous expenses	14,262.05	17,644.41
	<u>20,258.87</u>	<u>25,493.45</u>



Chalet Hotels & Properties (Kerela) Private Limited

Notes to the Financial Statements (Continued)

for the year ended March 31, 2023

Note 17

Earnings Per Share (EPS)

(Rs. In hundreds)

Particulars	March 31, 2023	March 31, 2022
Loss attributable to equity shareholders	(42,411.32)	(59,611.81)
Calculation of weighted average number of equity shares		
Number of shares at the beginning of the year	2,77,87,770.00	2,77,87,770.00
Add: Shares issued during the year	-	-
Number of equity shares outstanding at the end of the year	<u>2,77,87,770.00</u>	<u>2,77,87,770.00</u>
Weighted average number of equity shares outstanding during the year	2,77,87,770.00	-
Earnings per equity share (Face value of Rs 10 each)		
Basic	(0.15)	(0.21)
Diluted	(0.15)	(0.21)
Nominal Value of Shares (Rs.)	10.00	10.00



Chalet Hotels & Properties (Kerela) Private Limited

Notes to the Financial Statements (Continued)

as at March 31, 2023

(Rs. In hundreds)

Note 18

Contingent liabilities and commitments (to the extent not provided for)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Contingent liabilities		
<i>Claims against the Group not acknowledged as debts</i>		
Performance Guarantees given to Department of Tourism of Kerala	5,00,000.00	5,00,000.00

Note 19

Capital Commitments

	For the year ended March 31, 2023	For the year ended March 31, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,67,000.00	1,67,000.00

Note 20

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.

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	-	-
Interest	95.90	-
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	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

Note 21

Payment to auditors

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Audit fees	552.00	472.00
Out of pocket expenses	47.60	14.16
Amount debited to Statement of Profit and Loss	599.60	486.16



Chalet Hotels & Properties (Kerela) Private Limited

Notes to the Financial Statements (Continued)

as at March 31, 2023

(Rs. In hundreds)

Note 22

Financial instruments - Fair values and risk management

(A) Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

March 31, 2023	Carrying amount			Fair value			Total
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	
Current financial assets							
Cash and cash equivalents	-	14,738.62	14,738.62	-	-	-	-
Other bank balances	-	5,01,993.85	5,01,993.85	-	-	-	-
Other current financial assets	-	1,045.70	1,045.70	-	-	-	-
	-	5,17,778.17	5,17,778.17	-	-	-	-
Current financial liabilities							
Borrowings	-	9,39,580.36	9,39,580.36	-	-	-	-
Trade payables	-	1,816.07	1,816.07	-	-	-	-
	-	9,41,396.43	9,41,396.43	-	-	-	-

March 31, 2022	Carrying amount			Fair value			Total
	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	
Current financial assets							
Cash and cash equivalents	-	6,522.95	6,522.95	-	-	-	-
	-	6,522.95	6,522.95	-	-	-	-
Current financial liabilities							
Borrowings	-	3,84,929.84	3,84,929.84	-	-	-	-
Trade payables	-	2,944.20	2,944.20	-	-	-	-
	-	3,87,874.04	3,87,874.04	-	-	-	-

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 Board of Directors 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.

Note 22

Financial instruments – Fair values and risk management (Continued)

(A) 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

(a) 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.



Chalet Hotels & Properties (Kerela) Private Limited

Notes to the Consolidated Financial Statements (Continued)
as at March 31, 2023

(Rs. In hundreds)

Note 22

Financial instruments – Fair values and risk management (Continued)

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

March 31, 2023	Contractual cash flows					
	Carrying amount	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Current, non derivative financial liabilities						
Borrowings	9,39,580	9,39,580	9,39,580	-	-	-
Trade payables	1,816	1,816	1,816	-	-	-
Other current financial liabilities (excluding current maturity of long term debt and derivative contracts)	-	242	242	-	-	-
Total	9,41,396	9,41,638	9,41,638	-	-	-

March 31, 2022	Contractual cash flows					
	Carrying amount	Total	Less than 1 year	1-2 years	2-5 years	More than 5 years
Current, non derivative financial liabilities						
Borrowings	3,84,930	3,84,930	3,84,930	-	-	-
Trade payables	2,944	2,944	2,944	-	-	-
Other current financial liabilities (excluding current maturity of long term debt and derivative contracts)	-	97	97	-	-	-
Total	3,87,874	3,87,971	3,87,971	-	-	-



Chalet Hotels & Properties (Kerela) Private Limited

Notes to the Financial Statements (Continued)
as at March 31, 2023

Note 22

Financial instruments – Fair values and risk management (Continued)

(C) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instruments fluctuate because of change in market prices. The Company has insignificant exposure to market risk as it is debt from parent company and does not have an exposure to foreign currency transactions

(D) Currency risk

There is no currency risk to the Company since there are no foreign currency transactions



Chalet Hotels & Properties (Kerela) Private Limited

Notes to the Consolidated Financial Statements (Continued)
as at March 31, 2023

(Rs. In hundreds)

Note 23

Capital management

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:

Particulars	March 31, 2023	March 31, 2022
Total borrowings	9,39,580.36	3,84,929.84
Less: Cash and cash equivalents	14,738.62	6,522.95
Less: Bank deposits	5,01,993.85	-
Adjusted net debt	4,22,847.89	3,78,406.89
Total equity	(4,23,860)	(3,81,448)
Adjusted net debt to adjusted equity ratio	(1.00)	(0.99)

Note 24

Segment reporting

As the Company's business activity falls within single primary business segment and one geographical segment, the segment information is not provided.



Chalet Hotels & Properties (Kerela) Private Limited

Notes to the Financial Statements (Continued)
for the year ended March 31, 2023

Note 25

Related Party Disclosures

Disclosures as required by the Indian Accounting Standard (Ind AS) 24 – “Related Party Disclosures” are made below:

(A) Name of the related parties and description of relationship:

Holding Company	Chalet Hotels Limited
Shareholder of the Company	K Raheja Corp Private Limited
Key Managerial Personnel	Sanjay Sethi, Director
Key Managerial Personnel	Rajeev Newar, Director (Resigned w.e.f. August 19, 2020)
Key Managerial Personnel	Milind Wadekar, Director (w.e.f. August 19, 2020)
Key Managerial Personnel	Anand Chandan, Director
Key Managerial Personnel	Vishal Masand, Director
Key Managerial Personnel	Saurabh Bandekar, Company Secretary (w.e.f. May 18, 2020)
Key Managerial Personnel	Shanker Parmar, CFO (from August 1st 2022 to 20th January 2023)



Chalet Hotels & Properties (Kerala) Private Limited

Notes to the Financial Statements (Continued)
for the year ended March 31, 2023

Note 25

Related party disclosures, as required by Indian Accounting Standard 24 are given below:

Related party disclosures for Year ended March 31, 2023

(Rs. in Hundreds)

Particulars	Holding company	Key Management Personnel / Relative/Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
Interest expenses	-	-	21,834
Other expenses	1,062	-	-
Loans Borrowed	5,35,000	-	-
Balances outstanding as at the year-end			
Loans Payable	5,60,000	-	2,56,870
Interest Payable	-	-	1,22,710

Significant transactions with material related parties for year ended March 31, 2023

Particulars	Holding company	Key Management Personnel / Relative/Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
Loans Borrowed			
K Raheja Corp Private Limited	-	-	-
Chalet Hotels Ltd	5,35,000	-	-
Loan payable			
Chalet Hotels Ltd	5,35,000	-	-
K Raheja Corp Private Limited	-	-	2,56,870
Interest Expenses			
K Raheja Corp Private Limited	-	-	21,834
Other Expenses			
Chalet Hotels Ltd	1,062	-	-
Interest Payable			
K Raheja Corp Private Limited	-	-	1,22,710

Related party disclosures for Year ended March 31, 2022

Particulars	Holding company	Key Management Personnel / Relative/Other directors	Enterprises Controlled / Jointly controlled by KMPs or other Directors / Shareholders / Other Related Parties
Interest expenses	-	-	21,636
Other expenses	500	-	-
Loans Borrowed	25,000	-	10,000
Balances outstanding as at the year-end			
Loans Payable	25,000	-	2,56,870
Interest Payable	-	-	1,03,060

Significant transactions with material related parties for year ended March 31, 2022

Particulars	Holding company	Key Management Personnel / Relative	Enterprises Controlled / Jointly controlled by KMPs / Shareholders / Other Related Parties
Interest expenses			
K Raheja Corp Private Limited	-	-	21,636
Other expenses			
Chalet Hotels Ltd	500	-	-
Loans Borrowed			
K Raheja Corp Private Limited	-	-	10,000
Chalet Hotels Ltd	25,000	-	-
Loan payable			
Chalet Hotels Ltd	25,000	-	-
K Raheja Corp Private Limited	-	-	2,56,870
Interest payable			
K Raheja Corp Private Limited	-	-	1,03,060



Chalet Hotels & Properties (Kerela) Private Limited

Notes to the Financial Statements (Continued)
as at March 31, 2023

Note 26

Ratio Analysis and its elements

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% change	Reason for variance
Current ratio	Current Assets	Current Liabilities	0.55	0.02	3171%	Current assets increased due to new FD placed in bank, led to positive current ratio
Debt- Equity Ratio	Total Debt	Shareholder's Equity	(2.22)	(1.01)	120%	
Debt Service Coverage ratio	EBITDA	Interest + Current maturity of LT debt	(0.74)	(0.72)	2%	During the year company has taken interest free loan from parent company
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	0.10	0.16	-36%	
Trade Payable Turnover Ratio	Total Expenses - Employee Cost- Real estate development cost- Notional expenses	Average Trade Payables	8.51	17.32	-51%	Inflow from short term borrowings, utilised for payment of trade payable, resultant fall in total outstanding at the year end
Net Profit ratio	Net Profit	Total Income	(17.35)	(119.22)	-85%	Due to interest accrued on new FD placed, the net profit is increased
Return on Capital Employed	EBITDA	Average Capital Employed	0.04	0.13	-66%	With no revenue generation Return on capital employed was impacted
Return on Investment	Net Profit	Gross block of PPE & IP	(1,060.28)	(1,490.30)	-29%	

Note 27

Details of Struck Off Companies

As at 31 March 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
NIL	Investments in securities Receivables Payables Other outstanding balances (to be specified)	- - -	

As at 31 March 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
NIL	Investments in securities Receivables Payables Other outstanding balances (to be specified)	- - -	



Chalet Hotels & Properties (Kerala) Private Limited

Notes to the Financial Statements (Continued)

as at 31 March 2023

Note 28

The Company's promoters have committed to provide the necessary level of support, to enable the Company to continue as a going concern in view of cash losses incurred by the Company in past years

Note 29

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

Note 30

Material uncertainty related to going concern

The Company was incorporated in 2006 as a special purpose vehicle to implement the International Convention Centre Complex (ICCC) Project in a public private partnership with the Department of Tourism, Government of Kerala ("the Government"). There has been a delay in implementation of the ICCC Project as the land provided by the Government is not in accordance with the land agreed upon in the agreement signed by the Company with the Government.

The land allocated to the Company by the Government does not provide the Company access to a waterbody- which is essential for the financial feasibility of the project. As on the date of the balance sheet, the Company is conducting a feasibility study on whether it should take up this project. The future business plan of the Company will be prepared based on the outcome the feasibility study. In the absence of a viable business plan, there exists a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

As on the balance sheet date, the Company has accumulated loss of INR 3,202,637 hundreds. The Company's management has carried out an assessment of the Company's financial performance and has obtained a letter providing comfort of financial support from the parent company, Chalet Hotels Limited, if required to meet its liabilities. Accordingly, these financial statements are prepared on a going concern basis "

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No:101248W/W-100022

Sulfas Pai
Partner

Membership No. 119057

For and on behalf of the Board of Directors
Chalet Hotels & Properties (Kerala) Private Limited
(CIN: U55101KL2006PTC020125)

Sanjay Sethi
Director
DIN: 00641243

Milind Wadekar
Director
DIN: 08627229

Saurabh Bandekar
Company Secretary
Membership No. A60746

Place: Mumbai
8 May 2023