

May 21, 2022

**National Stock Exchange of India Limited**  
Exchange Plaza  
Bandra Kurla Complex,  
Bandra (East),  
Mumbai 400 051.  
**Scrip Code: CHALET**

**BSE Limited**  
Corporate Relationship Department  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai 400 001.  
**Scrip Code: 542399**

Dear Sir / Madam,

**Subject: Postal Ballot Notice**

**Ref: Intimation pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')**

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"), please find enclosed herewith a copy of the Postal Ballot Notice along with the Explanatory Statement thereto, dated Tuesday, May 10, 2022, whereby the Company is seeking approval of the Members in respect of Special Business (by way of Special Resolution) as detailed herein below:

- **Approval of the CHL Employee Stock Option Plan 2022**
- **Approval for variation in the terms of Chalet Hotels Limited - Employee Stock Option Plan 2018**

In compliance with Circulars issued by Ministry of Corporate Affairs and the Securities and Exchange Board of India, voting on the resolutions is being proposed by electronic means i.e. through remote e-voting and Postal Ballot Notice has been sent only in electronic mode to all those Members whose names appear in the Register of Members and whose e-mail addresses are registered with KFin Technologies Limited ("KFin"), Registrar and Share Transfer Agent of the Company or with the Depository Participant(s) as on the cut-off date of May 18, 2022. The procedure and instructions for remote e-voting are set out in the Postal Ballot Notice. The said Notice is also hosted on the Company's website [www.chalethotels.com](http://www.chalethotels.com) and website of the remote e-voting service provider i.e. KFin at <https://evoting.kfintech.com>.

The detailed instructions for voting on the Postal Ballot through electronic means are given in the attached Notice.

Key information pertaining to the Postal Ballot is as detailed as follows:

Particulars	Details
Cut-off date for e-voting	Wednesday, May 18, 2022.
E-voting start Date and Time	Sunday, May 22, 2022 at 9.00 a.m. (IST).
E-voting end Date and Time	Monday, June 20, 2022 at 5.00 p.m. (IST).
Result of Postal Ballot	On or before Wednesday, June 22, 2022.

We request you to take the aforementioned information on record.

Thanking You.

Yours faithfully,  
For **Chalet Hotels Limited**



**Christabelle Baptista**  
**Company Secretary & Compliance Officer**

Encl: As above

**Chalet Hotels Limited**



**Chalet Hotels Limited**

Regd. Office: Raheja Tower, Plot No. C-30, Block G, Next to Bank of Baroda, Bandra Kurla Complex, Bandra East, Mumbai 400051.

CIN: L55101MH1986PLC038538

Tel: +91-22-26564000 Fax: +91-22-26565451

Email: [companysecretary@chalethotels.com](mailto:companysecretary@chalethotels.com)

Website: [www.chalethotels.com](http://www.chalethotels.com)

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## NOTICE OF POSTAL BALLOT OF CHALET HOTELS LIMITED

### Postal Ballot and Remote E-Voting Details

E-voting Start Date and Time	Sunday, May 22, 2022 at 09:00 a.m.
E-voting End Date and Time	Monday, June 20, 2022 at 05.00 p.m.
Date of Announcement of Result	On or before Wednesday, June 22, 2022
Website for publication of Result	<a href="http://www.chalethotels.com">www.chalethotels.com</a>

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**CHALET HOTELS LIMITED**

CIN: L55101MH1986PLC038538

Regd. Office: Raheja Tower, Plot No.C-30, Block 'G', Next to Bank of Baroda, Bandra Kurla Complex, Bandra(E), Mumbai MH 400051 IN

Tel No.: (91-22) 26565496, Fax No.: (91-22) 26565451

Website: [www.chalethotels.com](http://www.chalethotels.com) Email: [companysecretary@chalethotels.com](mailto:companysecretary@chalethotels.com)

**NOTICE OF POSTAL BALLOT**

Dear Members,

**NOTICE** is hereby given that pursuant to and in compliance with the provisions of Section 110 and all other applicable provisions, if any, of the Companies Act, 2013 (**‘Act’**), Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (**“Rules”**), read with General Circular No. 14/2020 dated April 8, 2020, No. 17/2020 dated April 13, 2020, and No. 20/2021 dated December 8, 2021 issued by the Ministry of Corporate affairs (**“MCA”**), respectively (collectively referred to as the **“MCA Circulars”**) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI Listing Regulations”**), and pursuant to other applicable laws and regulations, the special resolutions appended below are proposed for approval of the Members of Chalet Hotels Limited (**“Company”** or **“Chalet”**) through Postal Ballot by remote e-voting process (**“Remote E-voting”**). This Notice is being sent through email to all the Members who have registered their email addresses with the Company or Depository / Depository Participants.

In line with the aforementioned MCA Circulars, the companies have been advised to consider and take all decisions requiring Members’ approval, other than items of ordinary business or business where any person has a right to be heard, by way of postal ballot through remote e-voting mechanism in accordance with the provisions of the Act and Rules made thereunder, without holding a general meeting that requires physical presence of Members at a common venue. MCA has clarified that the requirements provided in Rule 20 of the Rules as well as the framework provided in the MCA Circulars will be applicable mutatis mutandis for companies that are required to provide e-voting facility under the Act while they are transacting any business(es) only by Postal Ballot, upto December 31, 2022.

An Explanatory Statement pursuant to the provisions of Section 102, 110 and other applicable provisions, if any, of the Act pertaining to the special resolutions setting out the material facts, along with instructions/procedure for Remote E-voting is annexed for your consideration.

In accordance with the provisions of the MCA Circulars, companies have been permitted to conduct voting on Postal Ballots only by way of Remote E-voting. Hence, physical copy of the Postal Ballot Notice along with postal ballot forms and pre-paid business envelope is not being sent to the Members. Accordingly, the Company is pleased to offer Remote E-voting facility to the Members to cast their votes electronically and instructions regarding the same are provided in the Notes to the Postal Ballot Notice (**“Postal Ballot Notice”** or **“Notice”**). The Members may note that the Remote E-voting commences on **Sunday, May 22, 2022 from 9.00 a.m. (IST)** and ends on **Monday, June 20, 2022 at 5.00 p.m. (IST)**. The Members are therefore requested to cast their vote **not later than 5:00 p.m. IST on Monday, June 20, 2022** to be

eligible for being considered, failing which it will be considered that no vote has been cast by the Member.

In accordance with the provisions of the MCA Circulars, the Company has made arrangements for the Members to register their e-mail addresses. Therefore, those Members who have not yet registered their e-mail addresses are requested to register the same by following the procedure set out in the Notes to the Postal Ballot Notice.

The Board of Directors (“**Board**”) at its meeting held on May 10, 2022, appointed Mr. Makarand M. Joshi (Membership No: 5533) and in his absence Mrs. Kumudini Bhalerao (Membership No: 6667), Partners of M/s. Makarand M. Joshi & Co., Practising Company Secretaries, Mumbai, as the Scrutinizer for conducting the Postal Ballot through Remote E-voting in a fair and transparent manner and the Scrutinisers have communicated their willingness to be appointed and be available for the purpose. The Scrutinisers will submit their report to the Chairman of the Company or in his absence to any other person authorised by the Chairman.

The results declared along with the Scrutiniser’s Report will be made available on the website of the Company viz. [www.chalethotels.com](http://www.chalethotels.com) and on KFin’s website viz. <https://evoting.kfintech.com> and the same shall also be communicated to National Stock Exchange of India Limited and BSE Limited on or before Wednesday, June 22, 2022.

## SPECIAL BUSINESS

### 1. **Approval of the CHL Employee Stock Option Plan 2022:**

To consider and, if thought fit, to approve with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force; and in accordance with the relevant clauses of the Articles of Association of the Company; the provisions of Regulation 6 and other applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended and enacted from time to time read with all circulars and notifications issued thereunder (“SBEB and SE Regulations”); the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”); and any other applicable laws, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, for the time being in force, the consent of the Shareholders’ of the Company, be and is hereby accorded to the introduction, formulation and implementation of ‘CHL Employee Stock Option Plan 2022’ (“ESOP 2022”/ “Plan”) and the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee, including the Compensation, Nomination and Remuneration Committee which the Board has constituted, to exercise its powers, including the powers, conferred by this resolution and under Regulation 5 of the SBEB and SE Regulations) be and are hereby authorised to create and grant from time to time, in one or more tranches, Employee Stock Options not exceeding 12,17,831 (Twelve Lakh Seventeen Thousand Eight Hundred and Thirty-One Only) to and for the benefit of such person(s) viz. eligible employees as designated by the Company, as specifically set out in the

Plan, exercisable into not more than 12,17,831 (Twelve Lakh Seventeen Thousand Eight Hundred and Thirty-One Only) Equity Shares of Rs.10/- (Rupees Ten) each fully paid-up, where one Option would convert into one Equity Share upon exercise, on such terms and in such manner as the Board/Committee may decide in accordance with the provisions of the applicable laws and the provisions of the Plan.

**RESOLVED FURTHER THAT** the Board/Committee be and is hereby authorised to implement the Plan in such manner as may be deemed fit, including to issue and allot fully paid-up Equity Shares upon exercise of such Options and such Equity Shares shall rank *pari-passu* in all respects with the existing Equity Shares of the Company, based on the terms and conditions of **ESOP 2022**.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, if any additional equity shares are issued by the Company to the Option Grantees, for the purpose of making a fair and reasonable adjustment to the Employee Stock Options granted earlier, the ceiling in terms specified above shall be deemed to be increased to the extent of such additional Equity Shares issued.

**RESOLVED FURTHER THAT** in case the Equity Shares of the Company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the Option Grantees under the Plan shall automatically stand reduced or augmented, as the case may be, in the same proportion as the face value per Equity Share shall bear to the revised face value of the Equity Shares of the Company, after such sub-division or consolidation, without affecting any other rights or obligations of the said Option Grantees.

**RESOLVED FURTHER THAT** the Managing Director & CEO, Chief Financial Officer and Company Secretary be and are hereby authorized severally to take requisite steps for listing of the Equity Shares allotted under the Plan on the Stock Exchanges where the Equity Shares of the Company are listed, in due compliance with SBEB and SE Regulations, Listing Regulations and other applicable laws.

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under the SBEB and SE Regulations and any other applicable laws and regulations to the extent relevant and applicable to the Plan.

**RESOLVED FURTHER THAT** the Board / Committee be and is hereby authorised to modify, change, vary, alter, amend, suspend or terminate the Plan subject to and in compliance with the applicable laws and regulations and to do all such acts, deeds and things as it may deem fit at its absolute discretion, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Plan and do all other things incidental and ancillary thereof in conformity with the provisions of the Companies Act, 2013, SBEB and SE Regulations, Listing Regulations and any other applicable laws for the time being in force, as amended from time to time.

**RESOLVED FURTHER THAT** the Board / Committee, be and is hereby authorized to do all such acts, deeds, and things, as it may, at its absolute discretion deem necessary, including authorising the appointment of Merchant Bankers, Brokers, Solicitors, Registrars & Share



Transfer Agents, Compliance Officer, and other advisors, consultants or representatives, being incidental to the effective implementation and administration of the Plan as also to make applications to the appropriate authorities, parties and the institutions for their requisite approvals and all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions in this regard.”

**2. Approval for variation in the terms of ‘Chalet Hotels Limited - Employee Stock Option Plan 2018’**

To consider and, if thought fit, to approve with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force; and in accordance with the relevant clauses of the Articles of Association of the Company; the provisions of Regulation 7 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended and enacted from time to time read with all circulars and notifications issued thereunder (“SBEB and SE Regulations”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and any other applicable laws, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, for the time being in force, and in partial modification of the Special Resolution passed by the Members of the Company at their Annual General Meeting held on June 13, 2018, approving the **Employee Stock Option Plan, 2018 (“ESOP 2018” or “Plan”)** and grant of stock options to the eligible Employee of the Company under the Plan, and further to the approval of the Board of Directors (hereinafter called the **“Board”**) which term shall include the Compensation, Nomination and Remuneration Committee or any other Committee authorized to exercise its powers including the power conferred by this resolution), subject to such approvals, consents, permissions and sanctions, in-principle approvals of the Stock Exchanges, as may be required and further subject to such terms and conditions as may be prescribed while granting such approvals, consents, permissions and sanctions, consent of the Members of the Company be and is hereby accorded pursuant to the provisions of Regulation 7 and all other applicable provisions of the SBEB and SE Regulations, to ratify the Plan within the meaning of SBEB and SE Regulations and to alter / modify / amend / vary the **ESOP 2018** scheme in line with the SBEB and SE Regulations, details whereof are furnished in the Explanatory Statement to this Notice, including to amend the exercise period specified therein from a period of two years to a period of four years from the date of vesting of the Options.

**RESOLVED FURTHER THAT** the Board/Committee be and is hereby authorised to implement the revised terms in such manner as may be deemed fit, including to issue and allot fully paid-up Equity Shares upon exercise of such Options ranking *pari-passu* in all respects with the existing Equity Shares of the Company, based on the terms and conditions of **ESOP 2018**.

**RESOLVED FURTHER THAT** all other terms and conditions of the ESOP 2018, and all subsisting consents, authorizations and approvals granted from time to time, including

resolutions passed by the Members and/or the Board, with regards to implementation and administration of the ESOP 2018, shall remain unchanged and continue to be in force.

**RESOLVED FURTHER THAT** the Managing Director & CEO, Chief Financial Officer and Company Secretary be and are hereby authorized severally to take requisite steps for listing of the Equity Shares allotted under the Plan on the Stock Exchanges where the Equity Shares of the Company are listed, in due compliance with SBEB and SE Regulations, Listing Regulations and other applicable laws.

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under the SBEB and SE Regulations and any other applicable laws and regulations to the extent relevant and applicable to the Plan.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Plan and do all other things incidental and ancillary thereto in conformity with the provisions of the Companies Act, 2013, SBEB and SE Regulations, Listing Regulations and any other applicable laws for the time being in force, as amended from time to time.

**RESOLVED FURTHER THAT** the Board / Committee, be and is hereby authorized to do all such acts, deeds, and things, as it may, at its absolute discretion deem necessary, including authorising the appointment of Merchant Bankers, Brokers, Solicitors, Registrars & Share Transfer Agents, Compliance Officer, and other advisors, consultants or representatives, being incidental to the effective implementation and administration of the Plan as also to make applications to the appropriate authorities, parties and the institutions for their requisite approvals and all other documents required to be filed in the above connection and to settle all such questions, difficulties or doubts whatsoever which may arise and take all such steps and decisions in this regard.”

By Order of the Board,  
For **Chalet Hotels Limited**

Date: May 10, 2022  
Place: Mumbai

Sd/-  
**Christabelle Baptista**  
Company Secretary & Compliance Officer

**EXPLANATORY STATEMENT/STATEMENT SETTING OUT ALL MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021**

**Resolution No. 1 - Approval of the CHL Employee Stock Option Plan 2022:**

Your Company believes that equity-based compensation plans are effective tools to reward the Employees for their association with the Company, their performance, as well as to attract, retain and reward Employees to contribute to the growth and profitability of the Company. The Company views Employee Stock Options as an instrument that would enable the Employees to get a share in the value they create for the Company in the years to come. Towards achieving these objectives, your Company intends to implement a new equity-based compensation plan namely 'CHL Employee Stock Option Plan 2022' ("ESOP 2022"/ "Plan") comprising of Employee Stock Options ("Options") for eligible senior level employees of the Company.

Eligibility of the employees will be ascertained by the Compensation, Nomination and Remuneration Committee ('Committee') based on designation, criticality, high potential, performance linked parameters such as work performance and such other criteria as may be determined by the Committee at its sole discretion, from time to time.

Accordingly, the Committee at its meeting held on April 20, 2022 and the Board of Directors at its meeting held on May 10, 2022 approved the new plan viz., ESOP 2022, subject to the approval of the Members of the Company.

In terms of Section 62(1)(b) of the Companies Act, 2013 ('the Act') and Rules made thereunder read with Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEB and SE Regulations"), approval of the Members of the Company is being sought in respect of approval, implementation of the Plan and grant of Options thereunder to the eligible employees of the Company, as decided from time to time as per provisions of the Plan read with provisions of SBEB and SE Regulations.

The main features of the Plan are as under:

**A. Brief Description of the Plan:**

The objectives of the Plan are to reward the Employees for their association with the Company, their performance as well as to attract, retain and reward Employees to contribute to the growth and profitability of the Company. The Company views Employee Stock Options as an instrument that would enable the Employees to get a share in the value that they create for the Company in the years to come.

The Plan shall be considered to be established with effect from the date of approval of the shareholders of the Company and it shall continue to be in force until (i) its termination by the Company as per provisions of Applicable Laws, or (ii) the date on which all the Options available for issuance under the Plan have been issued and exercised, whichever is earlier.

Keeping in view the aforesaid objectives, the Plan contemplates grant of Options to the Eligible Employees of the Company. After vesting of Options, the Eligible Employees



earn a right without any obligation, to exercise the vested Options within the Exercise Period and obtain Equity Shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon. The Committee shall act as the Compensation Committee for the administration of Plan as required under the SBEB and SE Regulations. All questions of interpretation of the Plan shall be determined by the Committee and such determination shall be final and binding upon all persons having an interest in the Plan.

**B. Total number of Options to be granted:**

The total number of Options to be granted under the Plan shall not exceed 12,17,831 (Twelve Lakh Seventeen Thousand Eight Hundred and Thirty-One) Options. Each Option when exercised would be converted in to one Equity Share of Rs. 10/- (Rupees Ten) each fully paid-up.

Further, pursuant to the SBEB and SE Regulations, a fair and reasonable adjustment shall be made to the Options granted upon any Corporate Action(s) such as Rights Issue, Bonus Issue, merger, sale of undertaking, etc.

In this regard, the Committee shall adjust the number and price of the Options granted in such a manner that the total face value of the Options granted under the Plan remains the same after any such Corporate Action.

Accordingly, if any additional Options are required to be issued by the Company to the Option Grantees for making such fair and reasonable adjustment, the ceiling of 12,17,831 (Twelve Lakh Seventeen Thousand Eight Hundred and Thirty-One) Options, shall be deemed to be increased to the extent of such additional Options issued.

**C. Identification of classes of employees entitled to participate in the Plan:**

“Employee” means

- (i) an employee as designated by the Company, who is exclusively working in India or outside India or
- (ii) a Director of the Company, whether whole time or not including a non-executive director who is not a Promoter or member of the Promoter Group, but excluding an independent director or
- (iii) an employee as defined in sub clause (i) or (ii), of a Subsidiary Company or of a Holding Company, in India or outside India, but excludes-
  - an Employee who is a Promoter or belongs to the Promoter Group;
  - a Director who either by himself or through his relatives or through anybody corporate, directly or indirectly holds more than 10% of the issued and subscribed Shares of the Company; and

**D. Requirements of Vesting and period of Vesting:**

Options granted under the Plan shall vest not earlier than minimum period of one year and not later than maximum period of three years from the date of Grant.

Provided that in case where Options are granted by the Company under the Plan in lieu of options held by a person under a similar Plan in another company (“Transferor Company”) which has merged or amalgamated with the Company, the period during

which the options granted by the Transferor Company were held by him may be adjusted against the minimum Vesting Period required under this sub-clause in due compliance with the provisions of SBEB and SE Regulations.

Provided further that in the event of Death or Permanent Incapacity of an Employee, the minimum Vesting Period shall not be applicable and in such instances, all the Unvested Options shall vest with effect from date of the Death or Permanent Incapacity.

Vesting of Option would be subject to continued employment with the Company. In addition to this, the Committee may also specify certain performance criteria subject to satisfaction of which the Options would vest.

As a prerequisite for a valid vesting, an Option Grantee is required to be in employment or service of the Company on the date of Vesting and must neither be serving his notice for termination of employment/ service, nor be subject to any disciplinary proceedings pending against him on such date of Vesting. In case of any disciplinary proceedings against any Option Grantee, the relevant Vesting shall be kept in abeyance until disposal of the proceedings and such Vesting shall be determined accordingly.

The Vesting schedule and specific Vesting Conditions subject to which Vesting would take place shall be specified in the letter issued to the Option Grantee at the time of Grant.

**Vesting of Options in case of Employees on long leave**

The period of leave shall not be considered in determining the Vesting Period in the event the Employee is on a sabbatical. In all other events including approved earned leave and sick leave, the period of leave shall be included to calculate the Vesting Period unless otherwise determined by the Committee.

**Acceleration of Vesting in certain cases**

Subject to elapse of minimum Vesting Period of 1 (One) year from the date of Grant:

- The Committee shall have the power to accelerate Vesting of any or all Unvested Options with effect from such date as the Committee may determine at its discretion.

In case, after approval of acceleration of Vesting of Unvested Options by the Committee, there occurs no such specific event, on consideration of which Committee would have approved such acceleration, such non-occurrence shall lead to automatic cancellation of such acceleration as if such proposal was never considered nor approved by the Committee as a result of which such Unvested Options shall be subject to normal Vesting schedule as defined in the Grant Letter.

**E. Maximum period within which the Options shall be vested:**

All the Options granted on any date shall vest not later than a maximum of 3 (Three) years from the date of grant of Options as stated above.

**F. Exercise price or pricing formula:**

The Options granted shall be exercised at the price which shall be the average of the closing share price of the last 30 trading days of the Company as on the date of recommendation/approval of the Plan by the Committee. The specific Exercise Price shall be intimated to the Option Grantee in the Grant Letter issued at the time of Grant.

Explanation: In case the Shares are listed on more than one Recognized Stock Exchange, then the Recognized Stock Exchange where the highest trading volume on the said date is recorded shall be considered for the purpose of determining the Exercise Price.

**G. Exercise period and the process of exercise:**

The Exercise Period in respect of a Vested Option shall be a maximum period of 5 (Five) years from the date of Vesting of Options.

In the event of resignation / termination / retirement / death / permanent incapacity / abandonment of employment, the vested Options shall be exercisable in line with the Scheme, pursuant to the provisions of SBEB and SE Regulations and as determined by the Committee in this regard, as mentioned below.

Events of separation	Vested Options	Unvested Options
<b>Resignation (Other than due to Misconduct)</b>	All the Vested Options as on the date of submission of resignation shall be exercisable by the Option Grantee within <b>6 (Six) months</b> from the last working day in the Company.	All the Unvested Options as on date of submission of resignation / termination shall stand <b>cancelled</b> with effect from date such resignation.
<b>Termination due to Misconduct</b>	All the Vested Options at the time of such termination shall stand <b>cancelled</b> with effect from the date of such termination.	All the Unvested Options at the time of such termination shall stand <b>cancelled</b> with effect from the date of such termination.
<b>Retirement</b>	All the Vested Options as on the date of Retirement shall be exercisable by the Option Grantee within <b>6 (Six) months</b> from the last working day in the Company.	All the Unvested Options shall continue to vest as per <b>Vesting schedule as originally prescribed</b> even after date of Retirement unless otherwise decided by the Committee.
<b>Death</b>	All Vested Options may be exercised by the Option Grantee's nominee or legal heir immediately after, but in no event later than <b>12 (twelve) months</b> from the date of Death of the Option Grantee.	All the Unvested Options as on date of Death shall <b>vest immediately</b> in the Option Grantee's nominee or legal heir and can be exercised in the manner defined for Vested Options.
<b>Permanent Incapacity</b>	All Vested Options may be exercised by the Option Grantee, immediately after, but in no event later than <b>12 (twelve) months</b> from the date of such Permanent Incapacity.	All the Unvested Options as on date of incurring of such incapacity shall <b>vest immediately</b> in the Option Grantee or his nominee and can be exercised in the manner defined for Vested Options.

Events of separation	Vested Options	Unvested Options
<b>Abandonment of employment</b>	All the Vested Options shall stand <b>cancelled</b> with effect from such date as determined by the Committee.	All Unvested Options shall stand <b>cancelled</b> with effect from such date as determined by the Committee.
<b>Termination due to reasons apart from those mentioned above</b>	The Committee shall decide whether the Vested Options as on that date can be exercised by the Option Grantee or not, and such decision shall be final.	All Unvested Options on the date of such termination shall stand <b>cancelled</b> unless otherwise required by Applicable Laws.

The process for exercise shall be as may be determined by the Committee in accordance with the SBEB and SE Regulations, as amended from time to time.

**H. Appraisal process for determining the eligibility of employees under the Plan:**

Appraisal process for determining the eligibility of the Employees will be based on designation, criticality, high potential, tenure of service, performance linked parameters such as work performance and such other criteria as may be determined by the Committee at its sole discretion, from time to time.

**I. Maximum number of Options to be issued per employee and in aggregate:**

The maximum number of Options that may be granted to any specific Employee, in one or more grants / tranches and in aggregate under the Plan shall not exceed 12,17,831 (Twelve Lakh Seventeen Thousand Eight Hundred and Thirty-One) Options.

**J. Maximum quantum of benefits to be provided per employee under the Plan:**

No benefit other than grant of Options or consequential issue of Equity Shares is envisaged under the ESOP 2022.

**K. Route of the Plan implementation:**

The Plan shall be implemented and administered directly by the Company and as determined by the Committee in line with the provisions of the SBEB and SE Regulations.

**L. Source of acquisition of shares under the Plan:**

The Company shall issue fresh (primary) shares upon exercise of the Options under the Plan.

**M. Amount of loan to be provided for implementation of the Plan by the Company to the trust, its tenure, utilization, repayment terms, etc.:**

Not Applicable, as the ESOP 2022 is being implemented through Direct Route.

**N. Maximum percentage of secondary acquisition:**

Not Applicable, as the ESOP 2022 is being implemented through Direct Route.

**O. Accounting and Disclosure Policies:**

The Company shall follow the requirements including the disclosure requirements and Ind AS 102 on Share-based payments and/ or any relevant Accounting Standards as may be prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 or any other appropriate authority, from time to time, including any Guidance Note on Accounting for employee share-based payments issued in that regard from time to time and the disclosure requirements prescribed therein, in compliance with relevant provisions of Regulation 15 of SBEB and SE Regulations.

The Company shall make disclosures to the prospective Option Grantees containing statement of risks, information about the Company and salient features of the Plan in a format as prescribed under SBEB and SE Regulations.

The Company shall disclose details of Grant, Vest, Exercise and lapse of the ESOPs in the Directors' Report or in an annexure thereof as prescribed under SBEB and SE Regulations or any other Applicable Laws as in force.

**P. Method of Option valuation:**

The Company shall adopt 'fair value method' for valuation of Options as prescribed under guidance note or under any accounting standard, as applicable, notified by appropriate authorities from time to time.

**Q. Terms & conditions for buyback, if any, of specified securities covered / Options granted under the Plan:**

Subject to the provisions of the then prevailing applicable laws, the Committee shall determine the procedure for buy-back of Options granted under the Plan if to be undertaken at any time by the Company, and the applicable terms and conditions thereof.

**R. Lock-in period:**

The Shares issued upon Exercise shall be freely transferable and shall not be subject to any lock-in period restriction after such issue except as required under the Applicable Laws including that under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, or Code of Conduct framed by the Company under the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015.

**S. Declaration:**

As the company is adopting the fair value method, presently there is no requirement for disclosure in the director's report. However, if in future, the Company opts for expensing of share based employee benefits using the intrinsic value, then the difference between the employee compensation cost so computed and the employee compensation cost that



shall have been recognized if it had used the fair value, shall be disclosed in the Directors' Report and the impact of this difference on profits and on Earnings Per Share of the Company shall also be disclosed in the Directors' Report.

Approval of the Members is being sought by way of Special Resolution pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 and as per Regulation 6 and all other applicable provisions of the SBEB and SE Regulations.

A draft copy of the Plan is available for inspection at the Company's registered office during official hours on all working days till the date of conclusion of the Postal Ballot i.e. Monday, June 20, 2022. Members may also request for a copy of the Plan by sending an email to [companysecretary@chalet-hotels.com](mailto:companysecretary@chalet-hotels.com).

None of the Promoters, members of the Promoter Group, Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned in the resolutions, except to the extent they may be lawfully granted Options under the Plan.

The Board recommends passing of the resolution as set out in Item No. 1 of the accompanying Notice as a Special Resolution.

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

In order to reward, retain and create a sense of ownership and participation, the shareholders of the Company had at the Annual General Meeting held on June 13, 2018 approved Chalet Hotels Limited - Employee Stock Option Plan 2018 (hereinafter referred to as the 'ESOP 2018' / 'Plan') as a long-term incentive plan to grant Employee Stock Options ("Options") to the eligible Employee of the Company.

The Equity Shares of the Company were listed on the National Stock Exchange of India Limited and the BSE Limited on February 7, 2019. The Company had made a grant of Options prior to its IPO. However, the Company has not made any fresh grant of Options to its employees under this Scheme after the IPO of the Company.

In terms of Regulation 12(2) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2011 ('SBEB and SE Regulations'), no change shall be made in the terms of Options issued under pre-IPO schemes unless prior approval of the Members, by way of a Special Resolutions, is obtained for such a change.

The onset of the pandemic led to extreme uncertainties for the hospitality industry, significantly impacting the revenue and profitability of the Company. This resulted in a steep fall in the market valuations of the industry and the Company's share price performance followed suit. As a result of the same, the exercise of the Options rendered unfeasible for Mr. Sanjay Sethi, Managing Director & CEO of the Company the sole beneficiary of ESOP 2018. The exercise of these options would have ultimately defeated their very purpose as a compensation for his exceptional contribution.

As a result, it is in the best interests of the option grantee as well as the Company to the increase the exercise period. In view of the same, *inter-alia*, it is being proposed to vary the Plan by an increase in the exercise period in respect of the Options from two years to four years.

Out of the 2,00,000 options granted to Mr. Sanjay Sethi, the first tranche of 33% remained unexercised and has since lapsed. The extension in the Exercise Period is being sought for the remaining two tranches.

Further, the dynamic industry environment as well as changes in the regulatory framework including advent of the new SBEB and SE Regulations, 2021, made it essential to amend certain provisions of the ESOP 2018 to align the same with the current employee management and retention plans of the Company as well as to streamline it with the SBEB and SE Regulations, 2021. In view of the same, ESOP 2018 is also being revised to conform to the provisions of SBEB and SE Regulations.

Details of the said amendments and revised clauses are provided below:

Clause No.	Existing Clause	Proposed amendment
8.2	<p><b>Exercise while in employment/ service</b></p> <p>Subject to Listing, the Exercise Period in respect of a Vested Option shall be a maximum period of 2 (Two) years from the date of Vesting of Options. Thus, Vested Options can be exercised only upon or after Listing and within a maximum Exercise Period of 2 (Two) years.</p>	<p><b>Exercise while in employment/ service</b></p> <p>Subject to Listing, the Exercise period in respect of a vesting period shall be a maximum period of 4 (Four) years from the date of Vesting of Options. Thus, Vested Options can be exercised only upon or after Listing and within a maximum Exercise Period of 4 (Four) years.</p>

In addition to the above amendment in clause 8.2, various cosmetic and routine changes have been made throughout the scheme to bring the same in line with the SBEB and SE Regulations.

The main features of the Plan are as under:

**A. Brief Description of the Plan:**

The primary objective of the Plan is to reward the key Employee for his association, dedication and contribution to the goals of the Company. The Company intends to use this Plan to attract, retain and motivate key talent working with the Company, as the case may be, by way of rewarding their high performance and motivate them to contribute to the overall corporate growth and profitability. The Company views employee stock options as long-term incentive tools that would enable the Employee not only to become co-owner, but also to create wealth out of such ownership in future.

The Plan was established with effect from June 13, 2018 on which the shareholders of the Company have approved the Plan by way of a special resolution and it shall continue to be in force until (i) its termination by the Company as per provisions of Applicable Laws, or (ii) the date on which all of the Options available for issuance under the Plan have been issued and exercised, whichever is earlier.

**B. Total number of Options granted:**

The maximum number of Options granted to the Employee shall not exceed 2,00,000 (Two Lakh) Options per such eligible Employee. However, the Committee reserves the right to decide the number of Options to be granted and the maximum number of Options that can be granted to the Employee within this ceiling.

**C. Identification of classes of employees entitled to participate in the Plan:**

“Employee” means Mr. Sanjay Sethi, Managing Director and CEO of the Company.

**D. Requirements of Vesting and period of Vesting:**

Options granted under Plan shall vest not earlier than **1 (One) year** and not later than maximum Vesting Period of **3 (Three) years** from the date of Grant. The Committee may at its discretion change the Vesting schedule provided that such change is not detrimental to the interest of the Employee.

The following Vesting schedule shall apply to the Grants made under this Plan:

<b>Dates of Vesting</b>	<b>Percentage of Options to vest</b>
On 1 <sup>st</sup> anniversary from the date of Grant	33% of Options granted
On 2 <sup>nd</sup> anniversary from the date of Grant	33% of Options granted
On 3 <sup>rd</sup> anniversary from the date of Grant	34% of Options granted

Vesting of Options would be subject to continued employment with the Company and thus the Options would vest essentially on passage of time. In addition to this, the Committee may also specify certain performance criteria subject to satisfaction of which the Options would vest.

**E. Maximum period within which the Options shall be vested:**

Options granted on any date shall vest not later than a maximum of 3 (Three) years from the date of grant of Options as stated above.

**F. Exercise price or pricing formula:**

The Exercise Price per Option shall be **Rs.320/- (Rupees Three Hundred and Twenty)**.

The Exercise Period in respect of a Vested Option shall be a maximum period of **4 (Four) years** from the date of Vesting of Options

**G. Exercise period and the process of exercise:**

The Exercise Period in respect of a Vested Option shall be a maximum period of 4 (Four) years from the date of Vesting of Options

Subject to maximum Exercise Period stated above, the Vested Options can be exercised as under:

<b>Separations</b>	<b>Vested Options</b>	<b>Unvested Options</b>
<b>Resignation / Termination</b> (other than due to Misconduct)	<p>Prior to Listing, all the Vested Options as on date of resignation / termination shall be exercisable by the Option Grantee within such period as shall be notified under Clauses 9 &amp; 10 of the Plan.</p> <p>After Listing, such Vested Options can be exercised by the Option Grantee within <b>6 (Six) months</b> from the last working day in the Company.</p>	All the Unvested Options as on date of resignation/date of termination shall stand <b>cancelled</b> with effect from date such resignation/ termination.
<b>Termination due to Misconduct</b>	All the Vested Options which were not exercised at the time of such termination shall stand <b>cancelled</b> with effect from the date of such termination.	All the Unvested Options on the date of such termination shall stand <b>cancelled</b> with effect from the termination date.
<b>Retirement</b>	<p>Prior to Listing, all the Vested Options as on date of Retirement shall be exercisable by the Option Grantee within such period as shall be notified under Clauses 9 &amp; 10 of the Plan.</p> <p>After Listing, such Vested Options can be exercised by the Option Grantee within <b>6 (Six) months</b> from the last working day in the Company.</p>	All the Unvested Options shall continue to vest as per the <b>Vesting Schedule originally prescribed</b> , even after date of Retirement unless otherwise decided by the Committee.
<b>Death</b>	<p>Prior to Listing, all the Vested Options may be exercised by the Option Grantee's nominee or legal heirs within such period as shall be notified under Clauses 9 &amp; 10 of the Plan.</p> <p>After Listing, such Vested Options can be exercised by the Option Grantee's nominee or legal heirs immediately after, but in no event later than <b>12 (Twelve) months</b> from the date of death of the Option Grantee.</p>	All the Unvested Options as on the date of death shall <b>vest immediately</b> and may be exercised by the Option Grantee's nominee or legal heir in the manner prescribed for the Vested Options.
<b>Permanent Disability</b>	<p>Prior to Listing, all the Vested Options may be exercised by the Option Grantee within such period as shall be notified under Clauses 9 &amp; 10 of the Plan.</p> <p>After Listing, such Vested Options can be exercised immediately after, but in no event later than <b>12 (Twelve) months</b> from the date of incurring such incapacity.</p>	All the Unvested Options as on the date of incurring such disability shall <b>vest immediately</b> and may be exercised by the Option Grantee in the manner prescribed for the Vested Options.
<b>Termination due to reasons apart from those mentioned above</b>	The Committee shall decide whether the Vested Options as on that date can be exercised by the Option Grantee or not, and such decision shall be final.	All Unvested Options on the date of such termination shall stand cancelled unless otherwise required by Applicable Laws.

**H. Appraisal process for determining the eligibility of employees under the Plan:**

As was determined by the Nomination & Remuneration Committee (NRC) and Board at the time of instituting the Scheme and approved by the Shareholders.

**I. Maximum number of Options to be issued per employee and in aggregate:**

The maximum number of Options granted to the Employee shall not exceed 2,00,000 (Two Lakh) Options per such eligible Employee. However, the Committee reserves the right to decide the number of Options to be granted and the maximum number of Options that can be granted to the Employee within this ceiling.

**J. Maximum quantum of benefits to be provided per employee under the Plan:**

No benefit other than grant of Options or consequential issue of Equity Shares is envisaged under the ESOP 2018.

**K. Route of the Plan implementation:**

The Plan shall be implemented and administered directly by the Company and as determined by the Committee in line with the provisions of the SBEB and SE Regulations.

**L. Source of acquisition of shares under the Plan:**

The Company shall issue fresh (primary) shares upon exercise of the Options under the Plan.

**M. Amount of loan to be provided for implementation of the Plan by the Company to the trust, its tenure, utilization, repayment terms, etc.:**

Not Applicable, as the ESOP 2018 is being implemented through Direct Route.

**N. Maximum percentage of secondary acquisition:**

Not Applicable, as the ESOP 2018 is being implemented through Direct Route.

**O. Accounting and Disclosure Policies:**

The Company shall follow the rules/regulations applicable to accounting of Options with reference to Fair Market Value of Shares as on date of Grant.

The rules/regulations to be followed shall include but not limited to the IND AS/ Guidance Note on Accounting for Employee Share-based Payments and/ or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India or any other appropriate authority, from time to time, including the disclosure requirements prescribed therein.



**P. Method of Option valuation:**

The Company shall follow the Rules / Regulations applicable to accounting of Options with reference to Fair Market Value of Shares as on date of Grant.

**Q. Terms & conditions for buyback, if any, of specified securities covered / Options granted under the Plan:**

Subject to the provisions of the then prevailing applicable laws, the Committee shall determine the procedure for buy-back of Options granted under the Plan if to be undertaken at any time by the Company, and the applicable terms and conditions thereof.

**R. Lock-in period:**

The Shares transferred upon Exercise of Options shall be freely transferable and shall not be subject to any lock-in period from the date of allotment of such Shares under ESOP 2018 except as required under the Applicable Laws including that under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended from time to time), or code of conduct framed, if any, by the Company after Listing under the Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015 (as amended from time to time).

**S. Declaration:**

As the Company is adopting the fair value method, presently there is no requirement for disclosure in the Director's Report. However, if in future, the Company opts for expensing of share-based employee benefits using the intrinsic value, then the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value, shall be disclosed in the Directors' Report and the impact of this difference on profits and on earnings per share of the Company shall also be disclosed in the Directors' Report.

A draft copy of the Plan is available for inspection at the Company's registered office during official hours on all working days till the date of conclusion of the Postal Ballot i.e. Monday, June 20, 2022. Members may also request for a copy of the Plan by sending an email to [companysecretary@chalet-hotels.com](mailto:companysecretary@chalet-hotels.com).

Pursuant to Section 62(1)(b) of the Companies Act, 2013, the Company may issue further Equity Shares to employees under the scheme of stock options subject to Special Resolution passed by the Members of the Company. As per the applicable provisions of the SBEB and SE Regulations, the Company may by Special Resolution ratify the pre-IPO Plan and vary the terms of the existing Plan offered pursuant to an earlier resolution, provided that such variation is not prejudicial to the interests of the employees.

Accordingly, approval of the Members is being sought by way of Special Resolution. The Board confirms that except for the aforesaid proposed variations, all other terms and conditions of ESOP 2018, and all subsisting consents, authorizations and approvals granted from time to time, including resolutions passed by the Members and/or the Board, with regard to implementation and administration of the ESOP 2018, shall remain unchanged and continue to be in force and that the proposed variations are not in any manner prejudicial

or detrimental to the interests of the employees of the Company, that of its subsidiaries and the Members of the Company.

None of the Promoters, members of the Promoter Group, Directors, Key Managerial Personnel of the Company apart from the Managing Director and CEO including their relatives are interested or concerned in the resolutions, except to the extent they may be lawfully granted Options under the Plan.

The Board recommends passing of the resolution as set out in Item No. 2 of the accompanying Notice as a Special Resolution.

By order of the Board,  
For **Chalet Hotels Limited**

Date: May 10, 2022  
Place: Mumbai

**Sd/-**  
**Christabelle Baptista**  
**Company Secretary & Compliance Officer**

## NOTES FOR MEMBERS:

1. Explanatory Statement pursuant to Section 102 and Section 110 of the Companies Act, 2013 ('the Act'), and Secretarial Standard-2 on General Meetings issued by The Institute of Company Secretaries of India, read with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 stating all material facts and reasons for the proposals set out under the Postal Ballot Notice is annexed to the said Notice.
2. The Postal Ballot Notice is being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories and whose names appear in the Register of Members and/or in the List of Beneficial Owners of the Company received from the Depositories as on Wednesday, May 18, 2022 ("Cut-off Date"). If your email address is not registered with the Company/Depositories, please follow the process provided hereinbelow to receive the Postal Ballot Notice.
3. Members may note that the Postal Ballot Notice will also be available on the website of the Company at [www.chalethotels.com](http://www.chalethotels.com), websites of the Stock Exchanges i.e. National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and BSE Limited at [www.bseindia.com](http://www.bseindia.com), and on the website of KFin Technologies Limited ('KFin') at <https://evoting.kfintech.com>.
4. In compliance with Section 108 and Section 110 of the Act and the Rules made thereunder, the MCA Circulars and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Company has provided the facility to the Members to exercise their votes electronically and vote on the resolutions through the remote e-voting service facility arranged by KFin. Members can vote only through the Remote E-voting and are requested to read the instructions given herein. Members whose names appear on the Register of Members/List of Beneficial Owners as on Wednesday, May 18, 2022 i.e. Cut-off date, will be considered for the purpose of remote e-voting.
5. The voting rights for Equity Shares is one vote per Equity Share, registered in the name of the Members. Voting rights shall be reckoned on the paid-up value of Equity Shares registered in the name of the Members as on Wednesday, May 18, 2022 i.e. Cut-off date. A person who is not a shareholder on the relevant date should treat this Notice for information purpose only.
6. The voting rights of Members shall be in proportion to their share of the paid-up Equity Share Capital of the Company as on the cut-off date i.e. Wednesday, May 18, 2022.
7. The Members may note that the Remote E-voting commences on **Sunday, May 22, 2022 at 9.00 a.m. (IST)** and ends on **Monday, June 20, 2022 at 5.00 p.m. (IST)**. Members are requested to cast their vote through the Remote E-voting process **not later than 5.00 p.m.**

- (IST) on Monday, June 20, 2022 to be eligible for being considered. The Remote E-voting module shall be disabled by KFin thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
8. Relevant documents referred to in the Postal Ballot Notice shall be made available for inspection electronically by the Members in accordance with the applicable statutory requirements based on the requests received at [companysecretary@chalethotels.com](mailto:companysecretary@chalethotels.com) mentioning their name, Client ID and DP ID, until the last date for receipt of votes through Remote E-voting.
  9. Members who have not registered their e-mail address with the Depositories are requested to register their e-mail address by contacting their respective Depository Participants
  10. In order to increase the efficiency of the voting process and in terms with SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020, demat account holders are being provided a single login credential, through their demat accounts / websites of Depositories / Depository Participants. Demat account holders would now be able to cast their vote without having to register again with the e-voting service providers, thereby facilitating seamless authentication and convenience of participating in the e-voting process.
  11. The procedure for Remote E-voting is annexed herewith as an Annexure to the Notes.
  12. In case of any query and / or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and e-voting User Manual available at the Downloads section at <https://evoting.kfintech.com> (KFin Website) or contact Mr. Umesh Pandey (Unit: Chalet Hotels Limited) of KFin at Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500 032, email at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or call KFin's toll free no. 1800-309-4001 for any further clarifications.
  13. Non-individual Members (i.e. Corporate / Institutional Members other than Individuals, HUF, NRI, etc.) intending to vote through their Authorized Representatives are requested to send a scanned copy (jpeg/pdf format) of the Board Resolution / Authority Letter etc. authorizing their representative(s) to vote on their behalf, pursuant to Section 113 of the Act, certified to be true, to the Scrutiniser at e-mail ID: [makarandjoshi@mmjc.in](mailto:makarandjoshi@mmjc.in) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com) and [companysecretary@chalethotels.com](mailto:companysecretary@chalethotels.com). The scanned copy of the above-mentioned documents should be named in the format "CHALET HOTELS LIMITED\_EVEN 6592".
  14. The Company has appointed Mr. Makarand M. Joshi (Membership No: 5533) and in his absence Mrs. Kumudini Bhalerao (Membership No: 6667), Partners of M/s. Makarand M. Joshi & Co., Practising Company Secretaries, Mumbai, to act as the Scrutiniser to

scrutinise the remote e-voting process in a fair and transparent manner and they have communicated their willingness to be appointed and be available for the purpose.

15. The Scrutiniser shall, immediately after the conclusion of the remote e-voting period unblock the votes cast, in the presence of at least two witnesses not in the employment of the Company, and make a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, and submit the same to the Chairman or any person authorised by him, who shall countersign the same.
16. The Scrutinizer will submit his report to the Chairman or in his absence to any other person authorised by the Chairman after the completion of scrutiny, and the results of voting by postal ballot through the Remote E-voting process will be announced by the Chairman or the person duly authorised, on or before Wednesday, June 22, 2022.
17. The resolutions, if passed by requisite majority, shall be deemed to have been passed on the last date specified for Remote E-voting, i.e. **Monday, June 20, 2022**, as if they have been passed at a General Meeting of the Members.
18. The results on resolutions shall be declared not later than 2 working days of the conclusion of the remote e-voting on the Postal Ballot and the resolutions will be deemed to have been passed on the date of conclusion of the remote e-voting period. The resolutions will be considered to be passed as if they have been passed at a General Meeting of the Members, subject to receipt of the requisite number of votes in favour of the resolutions.
19. The results declared along with the Scrutiniser's Report will be displayed on the website of the Company ([www.chalethotels.com](http://www.chalethotels.com)), besides being communicated to the Stock Exchanges i.e. National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com) and BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of Registrar and Share Transfer Agent i.e. KFin at <https://evoting.kfintech.com> within 2 working days of the conclusion of the e-voting period.



### Instructions for Voting through electronic means (Remote e-voting):

1. In compliance with the provisions of Section 108 of the Act, the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Company is pleased to provide its Members the facility to exercise their right to vote on resolutions proposed by means of Postal Ballot to be considered by electronic means i.e. through remote e-voting.
2. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on Wednesday, May 18, 2022 ('the cut-off date'), shall be entitled to vote in respect of the shares held, by availing the facility of remote e-voting. Any person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
3. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on 'e-Voting facility provided by Listed Companies', e-Voting process has been enabled for all the **individual Demat Account holders**, by way of single login credential, through their demat accounts / websites of Depositories / Depository Participants ('DPs') in order to increase the efficiency of the voting process.
4. Individual Demat Account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
5. The period of remote e-voting commences on Sunday, May 22, 2022 at 9:00 a.m. (IST) and ends on Monday, June 20, 2022 at 5:00 p.m. (IST). The remote e-voting module shall thereafter be disabled by KFin Technologies Limited ('KFin') for e-voting. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
6. The details of the process and manner for remote e-Voting and attending the AGM are explained herein below:

**Option 1:** Access Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

**Option 2:** Access KFin e-Voting system in case of non-individual shareholders holding shares demat mode.

Details for Option 1 are mentioned below

Login method for remote e-Voting for INDIVIDUAL SHAREHOLDERS holding securities in demat mode.

Type of shareholders	Login Method
<p>Individual shareholders holding securities in demat mode with NSDL</p>	<ol style="list-style-type: none"> <li>1. <b>Member already registered for IDeAS (Internet Based Demat Account Statement) facility of NSDL:</b> <ul style="list-style-type: none"> <li>- Visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>- Under 'IDeAS' section, click on the "Beneficial Owner" icon under "Login".</li> <li>- Enter User ID and Password and post successful authentication, click on "Access to e-Voting".</li> <li>- Click on the name of the Company or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.</li> </ul> </li> <li>2. <b>Members not registered for IDeAS e-Services:</b> <ul style="list-style-type: none"> <li>- To register, click on link <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></li> <li>- Select "Register Online for IDeAS" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>- Proceed with completing the required fields.</li> <li>- Follow steps given in Point 1.</li> </ul> </li> <li>3. <b>Alternatively, by directly accessing the e-Voting website of NSDL:</b> <ul style="list-style-type: none"> <li>- Visit URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a></li> <li>- Click on the icon "Login" which is available under 'Shareholder/Member' section.</li> <li>- A new screen will open. You will have to enter your User ID (i.e. your sixteen digit Demat Account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.</li> <li>- Post successful authentication, you would be requested to select the name of the Company and the e-Voting Service Provider's name, i.e. KFinTech.</li> <li>- On successful selection, you will be redirected to KFin's e-Voting page for casting your vote during the remote e-Voting period.</li> </ul> </li> </ol>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. <b>Existing user who have opted for Easi / Easiest:</b> <ul style="list-style-type: none"> <li>- Visit URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on "New System Myeasi".</li> <li>- Login with your registered User ID and Password.</li> <li>- The Member will see the e-Voting menu. The menu will have links of ESP i.e. KFin's e-Voting portal.</li> <li>- Click on e-Voting service provider's name to cast your vote.</li> </ul> </li> <li>2. <b>Members not registered for Easi / Easiest:</b> <ul style="list-style-type: none"> <li>- Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>- Proceed with completing the required fields.</li> <li>- Follow the steps given in Point 1 above.</li> </ul> </li> <li>3. <b>Alternatively, by directly accessing the e-Voting website of CDSL:</b> <ul style="list-style-type: none"> <li>- Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>- Provide your Demat Account Number and PAN.</li> <li>- System will authenticate the details of the Member by sending OTP on registered mobile and email address, as recorded in the Demat Account.</li> <li>- After successful authentication, the Member will be provided links for the respective ESP, i.e <b>KFin</b> where the e- Voting is in progress.</li> </ul> </li> </ol>

<b>Individual Shareholder login through their Demat Accounts / website of Depository Participant</b>	<ol style="list-style-type: none"> <li>1. You can also login using the login credentials of your Demat Account through your DP registered with NSDL / CDSL for e-Voting facility.</li> <li>2. Once logged-in, you will be able to see e-Voting option. Click on e-Voting option and you would be redirected to NSDL / CDSL Depository website after successful authentication, wherein you can see e-Voting feature.</li> <li>3. Click on options available against Company's name or e-Voting service provider <b>KFintech</b> and you will be redirected to e-Voting website of <b>KFin</b> for casting your vote during the remote e-Voting period without any further authentication.</li> </ol>
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Members who are unable to retrieve User ID / Password are advised to use Forgot User ID and Forgot Password options available at respective websites.

The details of the helpdesk for Individual Shareholders for any technical issues related to login through Depository i.e. NSDL and CDSL are mentioned below:

Login type	Helpdesk Details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free number 1800 1020 990 and 1800 22 44 30.
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43.

[Details for Option 2 are mentioned below](#)

**Login method for e-Voting for shareholders OTHER THAN INDIVIDUAL (NON-INDIVIDUAL) SHAREHOLDERS holding securities in demat mode.**

**A. Members whose Email IDs are registered with the Company / DPs, will receive an email from KFin which will include details of E-Voting Event Number (EVEN), User ID and Password. They will have to follow the following process:**

- i. Launch internet browser by typing the URL: <https://evoting.kfintech.com/>.
- ii. Enter the login credentials (i.e. User ID and Password). Your DP ID and Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your vote.
- iii. After entering these details appropriately, Click on 'LOGIN'.
- iv. You will now reach 'Password Change Menu' wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one uppercase (A-Z), one lowercase (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details such as mobile number, e-mail ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

- v. You will need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the 'EVEN' i.e., 'Chalet Hotels Limited - 6592'.
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under 'FOR / AGAINST' or alternatively, you may partially enter any number in 'FOR' and partially in 'AGAINST' but the total number in 'FOR / AGAINST' taken together should not exceed your total shareholding as on the cut-off date, i.e. Wednesday, May 18, 2022. You may also choose the option 'ABSTAIN'. If the Member does not indicate either 'FOR' or 'AGAINST', it will be treated as 'ABSTAIN' and the shares held will not be counted under either heads.
- viii. Members holding multiple Demat Accounts shall carry out the e-voting process separately for each Demat Account.
- ix. Voting has to be done for each Resolution stated in the Postal Ballot Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and clicking on 'SUBMIT'.
- xi. Thereafter, a confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify or change the votes cast. However, Members can login any number of times inspite of having voted on all the Resolutions.
- xii. Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send a scanned copy (pdf format) of the Board Resolution / Authority Letter etc., certified to be true, to the Scrutiniser at e-mail ID: [makarandjoshi@mmjc.in](mailto:makarandjoshi@mmjc.in) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com) and [companysecretary@chalethotels.com](mailto:companysecretary@chalethotels.com). The scanned copy of the above-mentioned documents should be named in the format "CHALET HOTELS LIMITED\_EVEN 6592".

**B. Members whose Email IDs are not registered with the Company / DPs and consequently have not received the Postal Ballot Notice and e-voting instructions will have to follow the following process:**

- i. Members who have not registered their email address and consequently have not received the Postal Ballot Notice and e-voting instructions may temporarily get their email address and mobile number registered with KFin, by accessing the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>. Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the Postal Ballot Notice and e-voting instructions along with the User ID and Password. In case of any queries, Members may write to [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com).
- ii. Alternatively, Members may send an e-mail request at [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com) along with scanned copy of the signed request letter providing the email address,

mobile number, self-attested copy of PAN and copy of Client Master for sending the Postal Ballot Notice and the e-voting instructions.

- iii. After receiving the e-voting instructions, please follow all the steps mentioned above to cast your vote by electronic means.

**Other Instructions:**

Further, any person may obtain the 'User ID' and 'Password' in the manner mentioned below:

- i. where the mobile number of the Member is registered against DP ID and Client ID, the Member may send an SMS: MYEPWD (E-Voting Event Number) + DP ID and Client ID to 9212993399. For example
  - NSDL: MYEPWD IN12345612345678
  - CDSL: MYEPWD 1402345612345678
- ii. where e-mail address or mobile number of the Member is registered against DP ID and Client ID, then on the home page of <https://evoting.kfintech.com/>, the Member may click "Forgot Password" and enter DP ID & Client ID and PAN to generate a password.

In case the Member is already registered with KFin for remote e-Voting then they can use their existing User ID and Password for logging in and casting their vote.

KFin shall endeavour to send User ID and Password to those new Members whose e-mail address is available.

Members can also reach out to KFin's toll free number 1800-309-4001 OR send an e-mail request to [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com).

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