

August 23, 2023

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: Statement as required under Regulation 10(b) of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 in respect of CHL Employee Stock Option Plan 2023 ('ESOP 2023'/ 'Plan')

Pursuant to the provisions of Regulation 10(b) of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the statement as required under Part D of Schedule I of the said Regulations with respect to ESOP 2023 is attached herewith.

Request you to take the same on record.

Thanking You.

Yours faithfully,

For Chalet Hotels Limited

Christabelle Baptista

Company Secretary & Compliance Officer

Enclosed: As above

Statement pursuant to Regulation 10(b) of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

Description of Scheme: CHL Employee Stock Option Plan 2023 ('ESOP 2023' / 'Plan')

1.	Authorized Share Capital of the Company	<p>As on date:</p> <table border="1" data-bbox="703 454 1390 674"> <tr> <td data-bbox="703 454 1094 528">Total Authorised Share Capital of the Company</td> <td data-bbox="1094 454 1390 528">Rs.5,98,10,00,000/-</td> </tr> <tr> <td colspan="2" data-bbox="703 528 1390 602">Equity Share Capital of Rs.3,82,10,00,000 /- divided into 38,21,00,000 Equity Shares of Rs.10 each</td> </tr> <tr> <td colspan="2" data-bbox="703 602 1390 674">Preference Share Capital of Rs.2,16,00,00,000/- divided into 21,600 Preference Shares of Rs.1,00,000 each.</td> </tr> </table>	Total Authorised Share Capital of the Company	Rs.5,98,10,00,000/-	Equity Share Capital of Rs.3,82,10,00,000 /- divided into 38,21,00,000 Equity Shares of Rs.10 each		Preference Share Capital of Rs.2,16,00,00,000/- divided into 21,600 Preference Shares of Rs.1,00,000 each.	
Total Authorised Share Capital of the Company	Rs.5,98,10,00,000/-							
Equity Share Capital of Rs.3,82,10,00,000 /- divided into 38,21,00,000 Equity Shares of Rs.10 each								
Preference Share Capital of Rs.2,16,00,00,000/- divided into 21,600 Preference Shares of Rs.1,00,000 each.								
2.	Issued Share Capital of the Company as on date of institution of the Scheme / amendment of the Scheme	<p>As on the date of institution of the Plan i.e. as on August 10, 2023:</p> <p>Equity Share Capital – Rs.205,02,48,640/- divided into 20,50,23,864 Equity Shares of Rs. 10/- each.</p> <p>Preference Share Capital – Rs.2,16,00,00,000/- divided into 21,600 Preference Shares of Rs. 1,00,000 each.</p>						
3.	Date of institution of the Scheme/ amendment of the Scheme	Date of institution of the Plan: August 10, 2023 (As per Clause 1.3 of the Plan).						
4.	Validity period of the Scheme	<p>The Plan was established with effect from August 10, 2023 when the Members of the Company had 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 the Options available for issuance under the Plan have been issued and exercised, whichever is earlier.</p> <p>(As per Clause 1.3 of the Scheme).</p>						
5.	Date of Notice of AGM / EGM / Postal Ballot for approving the Scheme / for amending the Scheme / for approving grants under Regulation 6(3) of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021	Date of Notice of AGM approving the Plan is July 03, 2023.						
6.	Date of AGM / EGM / Postal Ballot approving the Scheme / amending the Scheme / approving grants under Regulation 6(3) of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021	Date of AGM approving the Plan is August 10, 2023.						

Chalet Hotels Limited

7.	Kinds of benefit granted under the Scheme	Options exercisable into Equity Shares.
8.	Identity of classes of persons eligible under the Scheme: (i) employees (ii) employees outside India (iii) employees of subsidiary (iv) employees of holding company (v) directors, whether whole time directors or not	<p>In terms of Clause 2.1(ix). of the Plan, the following classes of persons are eligible:</p> <ul style="list-style-type: none"> i. Permanent employees: Yes ii. Permanent employees outside India: Yes iii. Permanent employees of subsidiary: No iv. Permanent employees of holding Company: No v. Whole time directors: Yes <p>But all above categories shall exclude:</p> <ul style="list-style-type: none"> (a) an Employee who is a Promoter or belongs to the Promoter Group; (b) a Director who either by himself or through his relatives or through any body-corporate, directly or indirectly holds more than 10% of the issued and subscribed Shares of the Company; and (c) a Director being an Independent Director. <p>Though the definition of Employee under the Plan includes employees of the Holding/ Subsidiary companies, the Company has taken approval from the shareholders with respect to granting of options under the Plan only to the employees of the Company and not for the employees of the Holding / Subsidiary companies.</p> <p>Further, no grant of Options is being envisaged to the employees of Subsidiary or Holding Company under the Scheme at the moment, and in future if it is to be made, a separate resolution will be passed in this regard.</p> <p>(As per Clause 2.1(ix). and 5.2 of the Scheme).</p>
9.	Total number of shares reserved under the Scheme, as applicable	10,00,000 Equity Shares (As per Clause 3.1 of the Scheme).
10.	Number of shares entitled under the grant	10,00,000 Equity Shares (As per Clause 3.1 of the Scheme).
11.	Total number of grants to be made	10,00,000 Equity Shares (As per Clause 3.1 of the Scheme).
12.	Maximum number of shares, options, SARs or benefits to be granted per employee per grant and in aggregate	10,00,000 Options convertible into 10,00,000 fully paid-up Equity Shares with each such option conferring a right upon the Employee to be issued one Share of the Company, in accordance with the terms and conditions of such issue.
13.	Exercise price or pricing formula	Exercise Price shall be average of the closing share price of two weeks of the Company prior to the date of grant on the recommendation by the Compensation, Nomination and Remuneration Committee.

Chalet Hotels Limited

		<p>The specific Exercise Price shall be intimated to the Option Grantee in the Grant Letter issued at the time of Grant.</p> <p>(As per Clause 8.1 of the Scheme).</p>
14.	Whether any amount payable at the time of grant? If so, quantum of such amount	No
15.	Lock-in period under the Scheme:	<p>The Equity 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.</p> <p>(As per Clause 9 of the Scheme).</p>
16.	Vesting Period under the Scheme	<p>Option granted under the Plan shall vest not earlier than minimum period of 1 (One) year and not later than maximum period of 3 (Three) years from the date of Grant.</p> <p>(As per Clause 7.1 of the Scheme).</p>
17.	Maximum period within which the grant shall be vested	<p>3 years from the date of grant of the Option.</p> <p>(As per Clause 7.1 of the Scheme).</p>
18.	Exercise Period under the Plan	<p>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.</p> <p>(As per Clause 8.2 (a) of the Scheme).</p>
19.	Whether employee can exercise all the Options or SARs vested at one time?	<p>Yes.</p> <p>The Committee shall in accordance with this Plan and applicable laws determine the right of an employee to exercise all the options vested in him at one time or at various points of time within the Exercise Period.</p> <p>(As per Clause 4.2 (e) of the Scheme).</p>
20.	Whether employee can exercise vested Options or SARs at various points of time within the exercise period?	<p>Yes.</p> <p>The Committee shall in accordance with this Plan and applicable laws determine the right of an employee to exercise all the options vested in him at one time or at various points of time within the Exercise Period.</p> <p>(As per Clause 4.2 (e) of the Scheme).</p>
21.	Whether Scheme provides for the procedure for making a fair and reasonable adjustment to the number of Options or SARs	<p>Yes.</p> <p>The Committee shall in accordance with this Plan and Applicable Laws determine the procedure for making a fair</p>

Chalet Hotels Limited

	<p>and to the exercise price in case of rights issues, bonus issues and other corporate actions? Clause in Scheme describing such adjustment.</p>	<p>and reasonable adjustment to the number of Options and to the Exercise Price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard, the following shall be taken into consideration by the Committee:</p> <ul style="list-style-type: none"> i. the number and the price of Option shall be adjusted in a manner such that total value of the Option remains the same after the corporate action; and ii. the Vesting Period and the life of the Option shall be left unaltered as far as possible to protect the rights of the Option Grantees. <p>Nothing herein is intended to or shall give the Option Grantee any right or status of any kind as a shareholder of the Company (for example, consolidation of shares, subdivision of shares, bonus shares, rights shares, dividend, voting, etc.) in respect of any Shares covered by the Grant unless the Option Grantee exercises the Option and becomes a registered holder of the Shares of the Company. If the Company issues bonus shares or rights shares, the Option Grantee shall not be eligible for the bonus or rights shares in the capacity of an Option Grantee. However, an adjustment to the number of Options or the Exercise Price or both would be made in accordance with sub-clause 4.2 (f) of the Plan.</p> <p>(As per Clause 3.5, 3.6, 3.7, 4.2 (f), 12.2 and 12.3 of the Scheme)</p>
22.	<p>Description of the appraisal process for determining the eligibility of employees under the Scheme.</p>	<p>Appraisal process for determining the eligibility of the Employees will be based on designation, criticality, high potential, performance linked parameters such as work performance and such other criteria as may be determined by the Compensation, Nomination and Remuneration Committee at its sole discretion, from time to time.</p> <p>(As per Clause 5.3 of the Scheme)</p>
23.	<p>The specified time period within which vested options or SARs are to be exercised in the event of termination or resignation of an employee</p>	<p>Vested Options: All the Vested Options as on the date of submission of resignation (other than due to misconduct) shall be exercisable by the Option Grantee within 6 (Six) months from the last working day in the Company.</p> <p>Unvested options: All the Unvested Options as on date of submission of resignation/termination shall stand cancelled with effect from date such resignation.</p> <p>(As per Clause 8.2(b)(1) of the Scheme)</p>

Chalet Hotels Limited

24.	The specified time period within which options or SARs to be exercised in the event of death of the employee	<p>Vested Options: All Vested Options may be exercised by the Option Grantee's nominee or legal heir immediately after, but in no event later than 12 (twelve) months from the date of Death of the Option Grantee.</p> <p>Unvested options: All the Unvested Options as on date of Death shall vest immediately in the Option Grantee's nominee or legal heir and can be exercised in the manner defined for Vested Options.</p> <p>(As per Clause 8.2(b)(4) of the Scheme).</p>
25.	Whether Scheme provides for conditions under which options, SARs or benefits vested in employees may lapse in case of termination of employment for misconduct? Clause in Scheme describing such adjustment	<p>Yes.</p> <p>Vested Options: All the Vested Options at the time of such termination shall stand cancelled with effect from the date of such termination.</p> <p>Unvested options: All the Unvested Options at the time of such termination shall stand cancelled with effect from the date of such termination.</p> <p>(As per Clause 8.2(b)(2) of the Scheme).</p>
26.	Whether Scheme provides for conditions for the grant, vesting and exercise of options, SARs or benefits in case of employees who are on long leave? Clause in scheme describing such adjustment	<p>The Committee shall determine the procedure and terms of Grant, Vesting and Exercise of Options in case of employees who are on long leave.</p> <p>Further, 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.</p> <p>(As per Clause 4.2 (g) read with Clause 7.5 of the Scheme).</p>
27.	Whether amount paid/payable by the employee at the time of the grant of the options, SARs or benefits will be forfeited if the employee does not exercise the same within the exercise period? Clause in scheme describing such adjustment	No amount is payable at the time of grant.
28.	Details of approval of shareholders pursuant to regulation 6(3) of the SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021	

Chalet Hotels Limited

	<p>with respect to:</p> <ul style="list-style-type: none"> • Grant to employees of subsidiary or holding or associate company • Grant to identified employees, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant 	<p>Though the definition of Employee under the Scheme includes employees of the Holding/Subsidiary companies, no grant of Options is being envisaged to the employees of Subsidiary or Holding Company under the Scheme at the moment, and in future if it is to be made, a separate resolution will be passed in this regard.</p> <p>If the number of Options that may be offered to any specific Employee shall be equal to or more than 1% (one percent) of the issued Equity Share capital (excluding outstanding warrants & conversion) of the Company at the time of Grant of Options, then the Company shall take prior approval of Members of the Company by way of a Special Resolution.</p> <p>However, the Options offered to employees through the Scheme are not equal to or more than 1% (one percent) of the issued Equity Share Capital (excluding outstanding warrants & conversion) of the Company, as on date.</p> <p>(As per Clause 3.2 of the Scheme).</p>
29.	Details of the variation made to the Scheme along with the rationale therefore and the details of the employees who are beneficiary of such variation	N.A.

For Chalet Hotels Limited

Christabelle Baptista
Company Secretary & Compliance Officer