

May 18, 2021

**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: Outcome of the Board Meeting**

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations'), please be informed that the Board of Directors of the Company at its meeting held today i.e., on May 18, 2021 has, *inter-alia* considered and approved:

- the Statement of Audited Standalone and Consolidated Financial Results for the quarter and financial year ended March 31, 2021, in accordance with the provisions of Regulation 33 of the Listing Regulations;
- discontinuation of operations at its Sahar Mumbai Retail Mall and repurposing of same as a Commercial Office space and consequently termination of the management agreement with Inorbit Malls (India) Private Limited w.e.f. today i.e. May 18, 2021 in respect of the same. The Company is actively engaging to let out the space as commercial office space;
- issue of Zero Coupon Non-Cumulative, Non-Convertible, Redeemable Preference Shares of Rs.100,000 each amounting to Rs.1,000 million in the aggregate by way of Preferential allotment on Private Placement basis and consequent amendment to the Memorandum and Articles of Association of the Company;
- raising of long-term funds not exceeding Rs.6000 million by way of Non-Convertible Debentures, Term Loans or through any other debt instrument in one or more tranches;

A copy of the aforementioned financial results along with the reports of the Statutory Auditors thereon, including a declaration confirming that the Audit Reports issued, are with an unmodified opinion is enclosed herewith.

The results will be uploaded on the Company's website, [www.chalethotels.com](http://www.chalethotels.com) and will also be available on the website of the Stock Exchanges. Further, the Financial Results will be published in the newspapers as provided under Regulation 47 of the Listing Regulations.

The meeting of the Board of Directors of the Company commenced at 4:00 p.m. and concluded at 7:10 p.m.

Kindly take the same on record.

Thanking You.

Yours faithfully,  
For **Chalet Hotels Limited**

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



Encl.: As above

**Chalet Hotels Limited** (Formerly Chalet Hotels Pvt. Ltd.)

Regd. Off. : Raheja Tower, Plot No.C-30, Block 'G', Next to Bank of Baroda, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051.

Phone : +91-22-2656 4000 Fax : +91-22-2656 5451 Website : [www.chalethotels.com](http://www.chalethotels.com)

CIN : L55101MH1986PLC038538

# B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,  
Nesco IT Park 4, Nesco Center,  
Western Express Highway,  
Goregaon (East), Mumbai - 400 063

Telephone: +91 22 6257 1000  
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## Independent Auditors' Report

### To the Board of Directors of Chalet Hotels Limited

#### Report on the audit of the Standalone Annual Financial Results

#### Opinion

We have audited the accompanying standalone annual financial results of Chalet Hotels Limited (hereinafter referred to as the "Company") for the year ended 31 March 2021, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net loss and other comprehensive expense and other financial information for the year ended 31 March 2021.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* 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 Standalone annual financial results.

#### Emphasis of Matter

- a) We draw attention to Note 6 of the standalone annual financial results, in respect of the entire building comprising of the hotel and apartments therein, purchased together with a demarcated portion of the leasehold rights to land at Vashi (Navi Mumbai), from K. Raheja Corp Private Limited, on which the Company's Four Points by Sheraton Hotel has been built. The allotment of land by City & Industrial Development Corporation of Maharashtra Limited ('CIDCO') to K. Raheja Corp Private Limited has been challenged by two public interest litigations and the matter is currently pending with the Honorable Supreme Court of India.

Registered Office:

## **Independent Auditors' Report *(continued)***

### **Chalet Hotels Limited**

#### **Emphasis of Matter *(Continued)***

Pending the outcome of proceedings and a final closure of the matter, no adjustments have been made in the standalone annual financial results as at and for the year ended 31 March 2021 to the carrying value of the leasehold rights (reflected as prepayments) aggregating to Rs. 50.93 million (31 March 2020: Rs. 52.13 million) and the hotel assets thereon (reflected as property, plant and equipment) as at 31 March 2021 is Rs. 400.77 million (31 March 2020: Rs. 427.21 million) respectively.

Our opinion is not modified in respect of this matter.

- b) We draw attention to Note 12 to the standalone annual financial results relating to remuneration paid / payable to Managing Director & CEO of the Company for the financial year ended 31 March 2021, which is in excess of limits prescribed under Section 197 of the Act by Rs 47.49 million, of which the proportionate remuneration from 09 February 2021 of Rs 6.63 million is subject to approval of the shareholders.

Our opinion is not modified in respect of this matter.

- c) We draw attention to Note 5 to these standalone annual financial results, which explains the management's assessment of going concern assumption and financial impact on account of COVID 19 pandemic situation and its assertion that based on best estimates made by it, the Company will continue as a going concern, i.e. continue its operations and will be able to discharge its liabilities and realise its assets, for the foreseeable future, despite the significant impact of COVID-19 and factors which continue to evolve and are therefore highly dependent on future circumstances.

Our opinion is not modified in respect of this matter.

#### **Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results**

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net loss and other comprehensive expense and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## **Independent Auditors' Report (*continued*)**

### **Chalet Hotels Limited**

#### **Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results (*Continued*)**

In preparing the standalone annual financial results, the Management and the 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 responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results**

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone annual financial results, 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 through a separate report on the complete set of financial statements 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 in the standalone annual financial results 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 and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results 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; and

## **Independent Auditors' Report (*continued*)**

### **Chalet Hotels Limited**

#### **Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results (*Continued*)**

- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Other Matters**

The standalone annual financial results include the results for the quarter ended 31 March 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

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

*Chartered Accountants*

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

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**Mansi Pardiwalla**

*Partner*

Membership No: 108511

UDIN: 21108511AAAAC5174

Mumbai  
18 May 2021

## STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2021

(Rs. in million)

Particulars	Quarter ended			Year ended	
	31 March 2021	31 December 2020	31 March 2020	31 March 2021	31 March 2020
	(Refer Note 3)		(Refer Note 3)		
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
<b>Income from Continuing operations</b>					
Revenue from Continuing operations	922.70	812.49	2,235.51	2,843.17	9,762.45
Other Income	38.82	59.41	96.32	207.10	272.44
<b>Total Income</b>	<b>961.52</b>	<b>871.90</b>	<b>2,331.83</b>	<b>3,050.27</b>	<b>10,034.89</b>
<b>Expenses from Continuing operations</b>					
Real Estate Development Cost	23.69	23.79	36.87	95.06	205.56
Changes in inventories of finished good and construction work in progress	-	-	(9.32)	-	23.34
Food and Beverages Consumed	93.62	82.07	179.87	234.52	823.38
Operating Supplies Consumed	46.22	36.66	70.07	116.82	302.31
Employee Benefits Expense	224.26	204.09	370.60	855.09	1,501.80
Power and Fuel	88.51	88.01	136.09	311.46	642.13
Rates and taxes	27.61	33.04	54.92	190.49	255.08
Impairment of investment in subsidiary	-	-	250.09	-	250.09
Other Expenses	374.13	225.97	687.80	899.33	2,538.47
<b>Total Expenses</b>	<b>878.04</b>	<b>693.63</b>	<b>1,776.99</b>	<b>2,702.77</b>	<b>6,542.16</b>
	<b>83.48</b>	<b>178.27</b>	<b>554.84</b>	<b>347.50</b>	<b>3,492.73</b>
<b>Earnings before interest, depreciation, amortisation and tax (EBITDA) before exceptional items from Continuing operations</b>					
Depreciation and Amortisation Expenses	261.90	270.27	265.37	1,076.34	1,113.66
Finance Costs	338.90	357.72	383.00	1,450.08	1,446.13
<b>(Loss) / Profit before exceptional items and tax from Continuing operations</b>	<b>(517.32)</b>	<b>(449.72)</b>	<b>(93.53)</b>	<b>(2,178.92)</b>	<b>932.94</b>
Exceptional items (Refer note 8)	(10.16)	(10.59)	(4.53)	(41.71)	(41.71)
	<b>(527.48)</b>	<b>(460.31)</b>	<b>(98.06)</b>	<b>(2,220.63)</b>	<b>891.23</b>
<b>(Loss) / Profit before income tax from Continuing operations</b>					
Tax Expense	<b>(338.09)</b>	<b>(200.40)</b>	<b>(372.94)</b>	<b>(1,093.21)</b>	<b>12.27</b>
Current Tax	-	-	15.00	-	195.00
Deferred Tax (credit) / charge	(338.09)	(200.40)	(387.94)	(1,028.21)	(182.73)
Current Tax for earlier year	-	-	-	(65.00)	-
	<b>(189.39)</b>	<b>(259.91)</b>	<b>274.88</b>	<b>(1,127.42)</b>	<b>878.96</b>
<b>(Loss) / Profit for the period / year from Continuing operations</b>					
<b>Discontinued Operations (refer note 10)</b>					
(Loss) from discontinued operation before tax	<b>(13.01)</b>	<b>(9.46)</b>	<b>(36.54)</b>	<b>(40.62)</b>	<b>(62.82)</b>
Tax expense of discontinued operations	-	-	-	-	-
<b>(Loss) from discontinued operations (I)</b>	<b>(13.01)</b>	<b>(9.46)</b>	<b>(36.54)</b>	<b>(40.62)</b>	<b>(62.82)</b>
<b>(Loss) / Profit for the year (H + I)</b>	<b>(202.40)</b>	<b>(269.37)</b>	<b>238.34</b>	<b>(1,168.04)</b>	<b>816.14</b>
<b>Other Comprehensive Income / (Expense) from Continuing operations</b>					
<b>Items that will not be reclassified to profit or loss</b>					
Remeasurement of the defined benefit plans	(2.05)	0.46	(8.49)	(0.66)	(17.34)
Income-taxes on above	0.72	(0.17)	2.97	0.23	6.06
<b>Other Comprehensive Income / (Expense) for the period / year, net of tax</b>	<b>(1.33)</b>	<b>0.29</b>	<b>(5.52)</b>	<b>(0.43)</b>	<b>(11.28)</b>
<b>Total Comprehensive (Expense) / Income for the period / year</b>	<b>(203.73)</b>	<b>(269.08)</b>	<b>232.82</b>	<b>(1,168.47)</b>	<b>804.86</b>
Paid-up equity share capital (Face value of Rs.10 per share)	2,050.24	2,050.24	2,050.24	2,050.24	2,050.24
Other equity	-	-	-	12,279.10	13,441.98
<b>Earnings per equity share - Continuing operations (Face value of Rs 10 each)</b>					
Basic (* not annualised) (in Rs.)	*(0.92)	*(1.27)	*1.34	(5.50)	4.29
Diluted (* not annualised) (in Rs.)	*(0.92)	*(1.27)	*1.34	(5.50)	4.29
<b>Earnings per equity share - Discontinued operations (Face value of Rs 10 each)</b>					
Basic (* not annualised) (in Rs.)	*(0.07)	*(0.04)	*(0.18)	(0.20)	(0.31)
Diluted (* not annualised) (in Rs.)	*(0.07)	*(0.04)	*(0.18)	(0.20)	(0.31)
<b>Earnings per equity share - Continuing and Discontinued operations (Face value of Rs 10 each)</b>					
Basic (* not annualised) (in Rs.)	*(0.99)	*(1.31)	*1.16	(5.70)	3.98
Diluted (* not annualised) (in Rs.)	*(0.99)	*(1.31)	*1.16	(5.70)	3.98
<b>See accompanying notes to the standalone financial results</b>					

**Notes:**

1. The above results for the quarter and year ended 31 March 2021 were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 18 May 2021.
2. The approved results for the quarter and year ended 31 March 2021 are available on the National Stock Exchange website (URL: [www.nseindia.com](http://www.nseindia.com)), the Bombay Stock Exchange website (URL: [www.bseindia.com](http://www.bseindia.com)) and on the Company's website (URL: [www.ChaletHotels.com](http://www.ChaletHotels.com)).
3. The figures of the last quarter are the balancing figures between audited figures in respect of the full financial year and the unaudited published year to date figures up to the third quarter of the respective financial year.
4. These standalone financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
5. The Company has considered internal and external sources of information, economic forecast and industry report, up to date of approval of the standalone financial results in determining impact of COVID 19 pandemic on various elements of its business operations and financial statements. The eventual outcome of impact of global health pandemic may be different than estimated cash flow and recoverable value of its financial and non-financial asset as on date of these standalone financial results.

As at 31 March 2021, the Company faces significant economic uncertainties due to COVID-19 which have impacted the operations of the Company adversely starting from the month of March 2020 onwards particularly by way of reduction in occupancy of hotels and average realisation rate per room and fall in revenue of other assets. Management is undertaking various cost saving initiatives to maximise operating cash flows in the given situation. The Company has used the principles of prudence in applying judgements, estimates and assumptions and based on the current estimates, management has assessed the impact of existing and anticipated effects of COVID-19 on the future cash flow projections. As per the management, the Company has sufficient financing arrangements to meet its operating cash flow requirements and debt repayment obligation as they fall due in addition to the funds expected to be generated from the operating activities. Based on aforesaid assessment management believes that as per estimates made conservatively, the Company will continue as a going concern as on 31 March 2021.

6. In December 2005, the Company had purchased the entire building comprising of the hotel and apartments therein, together with a demarcated portion of the leasehold rights to land at Vashi (Navi Mumbai). The Company has been operating the Four Points By Sheraton, Navi Mumbai, Vashi at the said premises. Two Public Interest Litigations challenging the allotment of land by CIDCO to K. Raheja Corp Private Limited had been filed in FY 2003-04. During the financial year 2014-15, the Honourable High Court at Bombay ordered K. Raheja Corp Private Limited to demolish the structure and hand back the land to CIDCO. K Raheja Corp Private Limited has filed a special leave petition against the order in the Supreme Court. The Supreme Court on 22 January 2015 directed the maintenance of a status quo. Pending the outcome of proceedings and a final closure of the matter no adjustments have been made in the above financial results. The balance of prepaid lease rental in relation to such leasehold land as of 31 March 2021 is Rs. 50.93 million (31 March 2020: Rs. 52.13 million) and carrying value of property, plant and equipment as at 31 March 2021 is Rs. 400.77 million (31 March 2020: Rs. 427.21 million).

7. With respect to the Residential project at Bengaluru ("Project"), w.e.f. 4 June 2018, the Promoter - Directors, have agreed to provide the Company either by themselves or through their nominees, funds to meet the shortfall in cash flows for the Project expenses, by subscribing to 0% Non-Cumulative Non-Convertible Redeemable Preference Shares ("NCRPS") of the Company of Rs. 2,000 million. A designated bank account is maintained for the Project and redemption of NCRPS's shall be after completion, out of surplus in the account, not later than 20 years from the date of issue and subject to applicable law/s. In this regard, the Company has a paid up preference share capital of Rs. 1,250 million as at 31 March 2021 (31 March 2020: Rs. 1,250 million).

8. The Company had commenced a residential project at Bengaluru after obtaining requisite approvals. During the year 2013-14, Hindustan Aeronautics Limited (HAL) had raised an objection with regard to the permissible height of the buildings. Pursuant to an interim order passed by the Karnataka High Court, in the writ petition filed by the Company, the Company had suspended construction activity at the Project and sale of flats. Provision for interest in relation to potential cancellations of Rs 41.71 million for the year ended 31 March 2021 (31 March 2020: Rs 41.71 million) is reflected as an exceptional items. By judgement dated 29 May, 2020 the Honourable High Court of Karnataka has allowed the writ petition in part, quashing the cancellation of the NOC and remanding back the matter to HAL for re-survey in a time bound manner and thereafter proceed in accordance with law. The Company has filed an appeal in November 2020 against the said Order. Management is of the view that no changes are required on this account in the standalone financial results as at and for the quarter and year ended 31 March 2021.

9. The Company at its meeting held on 11 August 2020 has approved scheme of amalgamation of Belaire Hotels Private Limited (BHPL) and Seapark Hotels Private Limited (SHPL), its wholly owned subsidiaries, with the Company under Section 230 to 232 of the Companies Act, 2013, with effect from 1 April 2020, ("the Appointed Date") subject to the approval of the statutory and regulatory authorities. Post the approval received from the shareholders, petition for sanction of the scheme of amalgamation has been filed with National Company Law Tribunal (NCLT) on 26 April 2021. The scheme of amalgamation is pending for approval by NCLT. Accordingly, the Scheme has not been given effect to in the financial statements for the year ended 31 March 2021.

10. In the current financial year, the Company has discontinued its retail operations at Sahar, Mumbai and will customize the property for commercial purposes. The Income and EBITDA of retail operations at Sahar, Mumbai has been disclosed separately as income and EBITDA from discontinued business operations. The discontinued business costs includes all direct and indirect costs of retail operations at Sahar, Mumbai.

11. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has notified effective date 3 May 2021. The Company will assess the impact and will give appropriate impact in its financial results for the financial year 2021-22.

12. The managerial remuneration paid/payable by the Company for FY 2020-21 is in excess of limits laid down under Section 197 of the Companies Act, 2013 ('the Act') read with Schedule V to the Act by Rs.47.49 million. During the current year, the term of the Managing Director & CEO ended on 08 February, 2021 and he has been re-appointed by the Board, subject to approval of the shareholders at the next Annual General Meeting. Consequently, proportionate remuneration from 09 February 2021 of Rs.6.63 million is subject to approval of the shareholders.

13. The statutory auditor of the Company have expressed an unmodified opinion on the above results for quarter and year ended 31 March 2021.

14. The Company has identified three reporting segments viz: Hospitality, Retail & Commercial and Real Estate. In accordance with Ind AS 108 'Operating Segments' segment information has been given in the consolidated financial results of the Company.

15. Investor Complaints pending at the beginning of the quarter – Nil, Received during the quarter Nil, Disposed during the quarter – Nil, Remaining unresolved at the end of the quarter – Nil.

16. Previous period's figures have been regrouped/reclassified, wherever required, to make them comparable with the figures for the current period.

**Registered Office:**

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Mumbai - 400 051  
Email: investorrelations@chalethotels.com  
Website: www.chalethotels.com  
**18 May 2021**

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**For Chalet Hotels Limited**  
**(CIN-L55101MH1986PLC038538)**

**SANJAY SETHI**

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**Sanjay Sethi**  
*Managing Director & CEO*  
(DIN. 00641243)



# Chalet Hotels Limited

## Standalone Balance Sheet

as at 31 March 2021



	(Rs. in million)	
	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	17,719.52	19,797.38
Capital work-in-progress	358.48	875.13
Investment property	9,950.73	7,138.18
Goodwill	226.11	226.11
Other intangible assets	24.24	32.24
Financial assets		
(i) Investments in subsidiaries	1,264.92	1,264.92
(ii) Other Investments	44.94	45.14
(iii) Loans	98.25	100.80
(iv) Others	219.91	70.88
Other non-current assets	595.73	604.68
Deferred tax assets (net)	1,796.65	852.81
Non-current tax assets (net)	392.08	772.73
<b>Total non-current assets</b>	<b>32,691.56</b>	<b>31,781.00</b>
<b>Current assets</b>		
Inventories	3,909.48	3,920.58
Financial assets	-	
(i) Trade receivables	212.41	393.54
(ii) Cash and cash equivalents	264.03	65.46
(iii) Bank balances other than (ii) above	80.78	1,085.94
(iv) Loans	1,091.02	691.38
(v) Others	26.97	151.80
Other current assets	850.98	752.29
<b>Total current assets</b>	<b>6,435.67</b>	<b>7,060.99</b>
<b>TOTAL ASSETS</b>	<b>39,127.23</b>	<b>38,841.99</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	2,050.24	2,050.24
Other equity	12,279.10	13,441.98
<b>Total equity</b>	<b>14,329.34</b>	<b>15,492.22</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
(i) Borrowings	17,027.77	15,772.64
(ii) Others	190.97	198.27
Provisions	74.19	74.23
Deferred tax liabilities (net)	137.51	222.11
Other non-current liabilities	109.58	132.51
<b>Total non-current liabilities</b>	<b>17,540.02</b>	<b>16,399.76</b>
<b>Current liabilities</b>		
Financial liabilities		
(i) Borrowings	808.20	377.20
(ii) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises and	28.89	29.53
(b) Total outstanding dues to creditors other than micro enterprises and small enterprises	759.12	988.48
(iii) Other financial liabilities	2,321.87	2,215.01
Other current liabilities	2,236.61	2,256.28
Provisions	908.18	888.51
Current tax liabilities	195.00	195.00
<b>Total current liabilities</b>	<b>7,257.87</b>	<b>6,950.01</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>39,127.23</b>	<b>38,841.99</b>

# Chalet Hotels Limited



## Standalone Statement of Cash Flows

for the year ended 31 March 2021

(Rs. in million)

	For the year ended 31 March 2021 (Audited)	For the year ended 31 March 2020 (Audited)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
(Loss) / Profit before tax from Continuing operations	(2,220.63)	891.23
(Loss) before tax from discontinued operations	(40.62)	(62.82)
Adjustments for :		
Interest income from instruments measured at amortised cost	(56.60)	(47.85)
Dividend received*	-	0.00
Depreciation and amortisation expenses	1,076.34	1,113.66
Finance costs	1,450.08	1,446.13
Unrealised exchange (gain) / loss	(20.33)	46.64
Provision for estimated cost	41.71	41.71
Profit on sale of property, plants and equipment (net)	(4.69)	(11.20)
Property, plants and equipment written off	1.86	6.31
Provision for impairment of investment	-	250.09
(Gain) / Loss on sale/redemption of investments	(0.10)	45.95
Provision for doubtful debts, advances and bad debt written off	11.91	14.43
Employee stock option expense	5.59	12.06
Export benefits and entitlements	(21.66)	(132.72)
Provision for mark to market on derivative contract	62.19	(28.60)
Provision for stock obsolescence	2.68	6.78
Proposed dividend*	-	0.00
Tax on dividend*	-	0.00
<b>Total</b>	<b>2,548.98</b>	<b>2,763.40</b>
<b>Operating Profit before working capital changes</b>	<b>287.73</b>	<b>3,591.81</b>
<b>Adjustments</b>		
Decrease in trade receivables and current assets	191.69	35.00
Decrease in inventories	11.10	34.06
(Increase) in trade payables and current liabilities	(302.74)	(842.01)
<b>Total</b>	<b>(99.95)</b>	<b>(772.95)</b>
Income Taxes (net of refund)	445.65	(255.03)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES (A)</b>	<b>633.43</b>	<b>2,563.83</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of property, plant and equipment (including capital work in progress, capital creditors and capital advances)	(482.31)	(962.66)
Proceeds from sale of property, plants and equipments and investment property	14.40	65.08
Purchase of investments (including investment property and investment property under construction)	(950.19)	(2,331.43)
Sale/redemption of Investments	0.30	478.92
Dividend received*	-	0.00
Loans given	(375.05)	(661.30)
Loans received	15.45	-
Interest income received	56.60	47.85
Fixed deposits matured / (placed) (net)	811.82	(629.64)
Margin money matured / (placed) (net)	44.31	(49.39)
<b>NET CASH GENERATED (USED IN) INVESTING ACTIVITIES (B)</b>	<b>(864.67)</b>	<b>(4,042.57)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Issue of preference shares	-	740.00
Proceeds from long-term borrowings	3,970.00	6,035.00
Repayment of long-term borrowings	(2,607.73)	(3,973.97)
Repayment of short-term borrowings (net)	-	(55.24)
Proposed dividend*	-	0.00
Tax on dividend*	-	0.00
Interest and finance charges paid	(1,363.46)	(1,338.88)
<b>NET CASH (USED IN) / GENERATED FROM FINANCING ACTIVITIES (C)</b>	<b>(1.19)</b>	<b>1,406.91</b>
<b>NET (DECREASE) IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)</b>	<b>(232.43)</b>	<b>(71.83)</b>
<b>CASH AND CASH EQUIVALENTS - OPENING BALANCE</b>	<b>(311.74)</b>	<b>(239.91)</b>
<b>CASH AND CASH EQUIVALENTS - CLOSING BALANCE</b>	<b>(544.17)</b>	<b>(311.74)</b>

\*Amount less than million

### Standalone Statement of Cash Flows

for the year ended 31 March 2021

**Notes:**

- 1 Cash and Cash Equivalents and Bank Balances includes balances in Escrow Account which shall be used only for specified purposes as defined under Real Estate (Regulation and Development) Act, 2016.
- 2 Reconciliation of cash and cash equivalents with the balance sheet

	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
Cash and cash equivalents (refer note 14)	264.03	65.46
Less: Over draft accounts from banks (refer note 25)*	(808.20)	(377.20)
<b>Cash and cash equivalents as per Standalone statement of cash flows</b>	<b>(544.17)</b>	<b>(311.74)</b>

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

	For the year ended 31 March 2021 (Audited)	For the year ended 31 March 2020 (Audited)
Opening borrowings	17,463.23	14,797.78
Proceeds from long-term borrowings**	3,970.00	6,775.00
Repayment of long-term borrowings	(2,607.73)	(4,029.21)
Non-cash adjustments	66.29	(80.34)
	<b>18,891.79</b>	<b>17,463.23</b>

\* Cash and cash equivalents includes bank overdrafts that are payable on demand and form and integral part of the Company cash management.

\*\* Includes issue of preference shares

# B S R & Co. LLP

Chartered Accountants

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## Independent Auditors' Report

### To the Board of Directors of Chalet Hotels Limited

#### Report on the audit of the Consolidated Annual Financial Results

##### Opinion

We have audited the accompanying consolidated annual financial results of Chalet Hotels Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") for the year ended 31 March 2021, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated annual financial results:

- a. include the annual financial results of the following entities:

Name of the Entity	Relationship
Belaire Hotels Private Limited	Wholly owned Subsidiary
Seapearl Hotels Private Limited	Wholly owned Subsidiary
Chalet Hotels & Properties (Kerala) Private Limited.	Subsidiary

- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net loss and other comprehensive income and other financial information of the Group for the year ended 31 March 2021.

##### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results* section of our report. We are independent of the Group 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 obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

Registered Office:

## **Independent Auditors' Report (Continued)**

### **Chalet Hotels Limited**

#### **Emphasis of Matter**

- a) We draw attention to Note 6 of the consolidated annual financial results, in respect of the entire building comprising of the hotel and apartments therein, purchased together with a demarcated portion of the leasehold rights to land at Vashi (Navi Mumbai), from K. Raheja Corp Private Limited, on which the Company's Four Points by Sheraton Hotel has been built. The allotment of land by City & Industrial Development Corporation of Maharashtra Limited ('CIDCO') to K. Raheja Corp Private Limited has been challenged by two public interest litigations and the matter is currently pending with the Honorable Supreme Court of India. Pending the outcome of proceedings and a final closure of the matter, no adjustments have been made in the consolidated annual financial results as at and for the year ended 31 March 2021 to the carrying value of the leasehold rights (reflected as prepayments) aggregating to Rs. 50.93 million (31 March 2020: Rs. 52.13 million) and the hotel assets thereon (reflected as property, plant and equipment) as at 31 March 2021 is Rs. 400.77 million (31 March 2020: Rs. 427.21 million) respectively.

Our opinion is not modified in respect of this matter.

- b) We draw attention to Note 12 to the consolidated annual financial results relating to remuneration paid / payable to the Managing Director & CEO of the Holding Company for the financial year ended 31 March 2021, being in excess of limits prescribed under Section 197 of the Act by Rs 47.49 million, of which the proportionate remuneration from 09 February 2021 of Rs 6.63 million is subject to approval of the shareholders.

Our opinion is not modified in respect of this matter.

- c) We draw attention to Note 5 to these consolidated annual financial results which explains the management's assessment of going concern assumption and financial impact on account of COVID 19 pandemic situation and its assertion that based on best estimates made by it, the Group will continue as a going concern, i.e. continue its operations and will be able to discharge its liabilities and realise its assets, for the foreseeable future, despite the significant impact of COVID-19 and factors which continue to evolve and are therefore highly dependent on future circumstances.

Our opinion is not modified in respect of this matter.

## **Independent Auditors' Report (*Continued*)**

### **Chalet Hotels Limited**

#### **Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results**

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the Management and the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

#### **Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results**

- Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial results, 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;

## **Independent Auditors' Report (*Continued*)**

### **Chalet Hotels Limited**

#### **Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results (*Continued*)**

- 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 through a separate report on the complete set of financial statements 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 in the consolidated financial results 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 and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

B S R & Co. LLP

## **Independent Auditors' Report (*Continued*)**

### **Chalet Hotels Limited**

#### **Other Matters**

The consolidated annual financial results include the results for the quarter ended 31 March 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

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

*Chartered Accountants*

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

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**Mansi Pardiwalla**

*Partner*

Membership No: 108511

UDIN: 21108511AAAACU1400

Mumbai  
18 May 2021



## STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2021

(Rs. in million)

Particulars	Quarter ended			Year ended	
	31 March 2021	31 December 2020	31 March 2020	31 March 2021	31 March 2020
	(Refer Note 3)		(Refer Note 3)		
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
<b>Income from Continuing operations</b>					
Revenue from Operations	978.27	850.77	2,281.55	2,943.87	9,808.49
Other Income	42.55	65.26	102.79	223.38	278.97
<b>Total Income</b>	<b>1,020.82</b>	<b>916.03</b>	<b>2,384.34</b>	<b>3,167.25</b>	<b>10,087.46</b>
<b>Expenses from Continuing operations</b>					
Real Estate Development Cost	23.69	23.79	36.87	95.06	205.56
Changes in inventories of finished good and construction work in progress	-	-	(9.33)	-	23.34
Food and Beverages Consumed	97.54	85.19	184.88	242.87	828.39
Operating Supplies Consumed	49.49	39.00	74.47	123.35	306.71
Employee Benefits Expense	238.73	215.07	385.47	906.57	1,516.67
Power and Fuel	100.36	96.56	142.37	341.49	648.42
Rates and taxes	46.98	35.99	58.55	207.32	258.73
Other Expenses	399.84	241.57	739.31	956.69	2,591.70
<b>Total Expenses</b>	<b>956.63</b>	<b>737.17</b>	<b>1,612.59</b>	<b>2,873.35</b>	<b>6,379.52</b>
<b>Earnings before interest, depreciation, amortisation and tax (EBITDA)</b>	<b>64.19</b>	<b>178.86</b>	<b>771.75</b>	<b>293.90</b>	<b>3,707.94</b>
<b>before exceptional items from Continuing operations</b>					
Depreciation and Amortisation Expenses	286.74	294.61	284.88	1,174.62	1,133.17
Finance Costs	351.93	374.00	397.01	1,519.78	1,461.76
<b>(Loss) / Profit before exceptional items and tax from Continuing operations</b>	<b>(574.48)</b>	<b>(489.75)</b>	<b>89.86</b>	<b>(2,400.50)</b>	<b>1,113.01</b>
Exceptional items (Refer note 8)	(10.16)	(10.59)	(4.53)	(41.71)	(41.71)
<b>(Loss) / Profit before income tax from Continuing operations</b>	<b>(584.64)</b>	<b>(500.34)</b>	<b>85.33</b>	<b>(2,442.21)</b>	<b>1,071.30</b>
<b>Tax Expense</b>	<b>(337.81)</b>	<b>(199.52)</b>	<b>(372.99)</b>	<b>(1,091.55)</b>	<b>12.22</b>
Current Tax	0.28	0.88	15.33	1.66	195.33
Deferred Tax (credit) / charge	(338.09)	(200.40)	(388.32)	(1,028.21)	(183.11)
Current Tax for earlier year	-	-	-	(65.00)	-
<b>(Loss) / Profit for the period / year from Continuing operations</b>	<b>(246.83)</b>	<b>(300.82)</b>	<b>458.32</b>	<b>(1,350.66)</b>	<b>1,059.08</b>
<b>Discontinued Operations (refer note 10)</b>					
(Loss) from discontinued operation before tax	(13.01)	(9.46)	(36.54)	(40.62)	(62.82)
Tax expense of discontinued operations	-	-	-	-	-
<b>(Loss) from discontinued operations (I)</b>	<b>(13.01)</b>	<b>(9.46)</b>	<b>(36.54)</b>	<b>(40.62)</b>	<b>(62.82)</b>
<b>(Loss) / Profit for the year (H + I)</b>	<b>(259.84)</b>	<b>(310.28)</b>	<b>421.78</b>	<b>(1,391.28)</b>	<b>996.26</b>
<b>Other Comprehensive Income / (Expense)</b>					
<b>Items that will not be reclassified to profit or loss</b>					
Remeasurement of the defined benefit plans	(1.28)	0.45	(8.48)	0.05	(17.33)
Income-taxes on above	0.72	(0.17)	2.97	0.23	6.06
<b>Other Comprehensive Income / (Expense) for the period / year, net of tax</b>	<b>(0.56)</b>	<b>0.28</b>	<b>(5.51)</b>	<b>0.28</b>	<b>(11.27)</b>
<b>Total Comprehensive (Expense) / Income for the period / year</b>	<b>(260.40)</b>	<b>(310.00)</b>	<b>416.26</b>	<b>(1,391.00)</b>	<b>984.99</b>
<b>(Loss) / Profit for the period attributable to :</b>					
Owners of the Company	(259.61)	(310.18)	427.77	(1,390.76)	1,026.75
Non-Controlling Interests	(0.23)	(0.10)	(5.99)	(0.52)	(30.49)
<b>Other Comprehensive Income / (Expense) attributable to :</b>					
Owners of the Company	(0.56)	0.28	(5.51)	0.28	(11.27)
Non-Controlling Interests	-	-	-	-	-
<b>Total Comprehensive (Expense) / Income attributable to :</b>					
Owners of the company	(260.17)	(309.90)	422.25	(1,390.48)	1,015.48
Non-Controlling Interests	(0.23)	(0.10)	(5.99)	(0.52)	(30.49)
Paid-up equity share capital (Face value of Rs.10 per share)	2,050.24	2,050.24	2,050.24	2,050.24	2,050.24
Other equity	-	-	-	12,110.38	13,495.27
<b>Earnings per equity share - Continuing operations (Face value of Rs 10 each)</b>					
Basic (* not annualised) (in Rs.)	*(1.20)	*(1.47)	*2.26	(6.59)	5.31
Diluted (* not annualised) (in Rs.)	*(1.20)	*(1.47)	*2.26	(6.59)	5.31
<b>Earnings per equity share - Discontinued operations (Face value of Rs 10 each)</b>					
Basic (* not annualised) (in Rs.)	*(0.07)	*(0.04)	*(0.17)	(0.19)	(0.30)
Diluted (* not annualised) (in Rs.)	*(0.07)	*(0.04)	*(0.17)	(0.19)	(0.30)
<b>Earnings per equity share - Continuing and Discontinued operations (Face value of Rs 10 each)</b>					
Basic (* not annualised) (in Rs.)	*(1.27)	*(1.51)	*2.09	(6.78)	5.01
Diluted (* not annualised) (in Rs.)	*(1.27)	*(1.51)	*2.09	(6.78)	5.01
<b>See accompanying notes to the consolidated financial results</b>					

**Notes:**

1. The above results for the quarter and for the year ended 31 March 2021 of Chalet Hotels Limited ('the Holding company') and its Subsidiary (together 'the Group') for the year ended 31 March 2021 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 18 May 2021.
2. The approved results for the quarter and year ended 31 March 2021 are available on the National Stock Exchange website (URL: www.nseindia.com), the Bombay Stock Exchange website (URL: www.bseindia.com) and on the Holding Company's website (URL: www.ChaletHotels.com).
3. The figures of the quarter ended 31 March, are the balancing figures between audited figures in respect of the full financial year and the unaudited published year to date figures up to the third quarter of the respective financial year.
4. These consolidated financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
5. The Group has considered internal and external sources of information, economic forecast and industry report, up to date of approval of the consolidated financial results in determining impact of COVID 19 pandemic on various elements of its business operations and financial statements. The eventual outcome of impact of global health pandemic may be different than estimated cash flow and recoverable value of its financial and non-financial asset as on date of these consolidated financial results.  
As at 31 March 2021, the Group faces significant economic uncertainties due to COVID-19 which have impacted the operations of the Group adversely starting from the month of March 2020 onwards particularly by way of reduction in occupancy of hotels and average realisation rate per room and fall in revenue of other assets. Management is undertaking various cost saving initiatives to maximise operating cash flows in the given situation. The Group has used the principles of prudence in applying judgements, estimates and assumptions and based on the current estimates, management has assessed the impact of existing and anticipated effects of COVID-19 on the future cash flow projections. As per the management, the Group has sufficient financing arrangements to meet its operating cash flow requirements and debt repayment obligation as they fall due in addition to the funds expected to be generated from the operating activities. Based on aforesaid assessment management believes that as per estimates made conservatively, the Group will continue as a going concern as on 31 March 2021.
6. In December 2005, the Holding Company had purchased the entire building comprising of the hotel and apartments therein, together with a demarcated portion of the leasehold rights to land at Vashi (Navi Mumbai). The Holding Company has been operating the Four Points By Sheraton, Navi Mumbai, Vashi at the said premises. Two Public Interest Litigations challenging the allotment of land by CIDCO to K. Raheja Corp Private Limited had been filed in FY 2003-04. During the financial year 2014-15, the Honourable High Court at Bombay ordered K. Raheja Corp Private Limited to demolish the structure and hand back the land to CIDCO. K Raheja Corp Private Limited has filed a special leave petition against the order in the Supreme Court. The Supreme Court on 22 January 2015 directed the maintenance of a status quo. Pending the outcome of proceedings and a final closure of the matter no adjustments have been made in the above financial results. The balance of prepaid lease rental in relation to such leasehold land as of 31 March 2021 is Rs. 50.93 million (31 March 2020: Rs. 52.13 million) and carrying value of property, plant and equipment as at 31 March 2021 is Rs. 400.77 million (31 March 2020: Rs. 427.21 million).
7. With respect to the Residential project at Bengaluru ("Project"), w.e.f. 4 June 2018, the Promoter - Directors, have agreed to provide the Holding Company either by themselves or through their nominees, funds to meet the shortfall in cash flows for the Project expenses, by subscribing to 0% Non-Cumulative Non-Convertible Redeemable Preference Shares ("NCRPS") of the Company of Rs. 2,000 million. A designated bank account is maintained for the Project and redemption of NCRPS's shall be after completion, out of surplus in the account, not later than 20 years from the date of issue and subject to applicable law/s. In this regard, the Company has a paid up preference share capital of Rs. 1,250 million as at 31 March 2021 (31 March 2020: Rs. 1,250 million).
8. The Holding Company had commenced a residential project at Bengaluru after obtaining requisite approvals. During the year 2013-14, Hindustan Aeronautics Limited (HAL) had raised an objection with regard to the permissible height of the buildings. Pursuant to an interim order passed by the Karnataka High Court, in the petition filed by the Holding Company, the Holding Company had suspended construction activity at the Project and sale of flats. Provision for interest in relation to potential cancellations of Rs 41.71 million for the year ended 31 March 2021 (31 March 2020: Rs 41.71 million) is reflected as an exceptional items. By judgement dated 29 May, 2020 the Honourable High Court of Karnataka has allowed the writ petition in part, quashing the cancellation of the NOC and remanding back the matter to HAL for re-survey in a time bound manner and thereafter proceed in accordance with law. The Holding Company has filed an appeal in November 2020 against the said Order. Management is of the view that no changes are required on this account in the consolidated financial Results as at and for the year ended 31 March 2021.
9. The Holding Company at its meeting held on 11 August 2020 has approved scheme of amalgamation of Belaire Hotels Private Limited (BHPL) and Seaparl Hotels Private Limited (SHPL), its wholly owned subsidiaries, with the Company under Section 230 to 232 of the Companies Act, 2013, with effect from 1 April 2020, ("the Appointed Date") subject to the approval of the statutory and regulatory authorities. Post the approval received from the shareholders, petition for sanction of the scheme of amalgamation has been filed with National Company Law Tribunal (NCLT) on 26 April 2021. The scheme of amalgamation is pending for approval by NCLT. Accordingly, the Scheme has not been given effect to in the financial statements for the year ended 31 March 2021.
10. In the current financial year, the Holding Company has discontinued its retail operations at Sahar, Mumbai and will customize the property for commercial purposes.  
The Income and EBITDA of retail operations at Sahar, Mumbai has been disclosed separately as income and EBITDA from discontinued business operations. The discontinued business costs includes all direct and indirect costs of retail operations at Sahar, Mumbai.
11. The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has notified effective date 3 May 2021. The Group will assess the impact and will give appropriate impact in its financial results for the financial year 2021-22.
12. The managerial remuneration paid/payable by the Group for FY 2020-21 is in excess of limits laid down under Section 197 of the Companies Act, 2013 ('the Act') read with Schedule V to the Act by Rs.47.49 million. During the current year, the term of the Managing Director & CEO ended on 08 February, 2021 and he has been re-appointed by the Board, subject to approval of the shareholders at the next Annual General Meeting. Consequently, proportionate remuneration from 09 February 2021 of Rs.6.63 million is subject to approval of the shareholders.

13. The statutory auditor of the Holding Company have expressed an unmodified opinion on the above results for quarter and year ended 31 March 2021.

14. Investor Complaints pending at the beginning of the quarter – Nil, Received during the quarter Nil, Disposed during the quarter – Nil, Remaining unresolved at the end of the quarter – Nil.

15. Previous period's figures have been regrouped/reclassified, wherever required, to make them comparable with the figures for the current period.

**Registered Office:**

Raheja Tower, Plot No.C-30  
4th Floor, Block 'G', Near Bank of Baroda,  
Bandra Kurla Complex, Bandra (East),  
Mumbai - 400 051  
Email: investorrelations@chalehotels.com  
Website: www.chalehotels.com  
**18 May 2021**

MANSI  
CUSROW  
PARDIWALLA

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MANSI CUSROW  
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**For Chalet Hotels Limited**  
**(CIN-L55101MH1986PLC038538)**

SANJAY  
Y SETHI

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Date: 2021.05.18  
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**Sanjay Sethi**  
*Managing Director & CEO*  
(DIN. 00641243)

Chalet Hotels Limited  
**Consolidated Balance Sheet**  
as at 31 March 2021



(Rs. in million)

	As at 31 March 2021 (Audited)	As at 31 March 2020 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	20,594.08	22,791.79
Capital work-in-progress	358.48	875.13
Investment property	9,950.72	7,138.18
Goodwill	226.11	226.11
Other intangible assets	25.88	33.69
Financial assets		
(i) Investments	44.94	45.14
(ii) Loans	109.22	113.38
(iii) Others	231.45	70.88
Other non-current assets	597.28	605.63
Deferred tax assets (net)	1,796.65	852.81
Non-current tax assets (net)	402.58	797.01
<b>Total non-current assets</b>	<b>34,337.40</b>	<b>33,549.75</b>
<b>Current assets</b>		
Inventories	3,912.12	3,924.09
Financial assets		
(i) Trade receivables	216.40	416.78
(ii) Cash and cash equivalents	269.02	76.42
(iii) Bank balances other than (ii) above	188.66	1,202.40
(iv) Loans	71.76	30.80
(v) Others	26.97	151.80
Other current assets	865.61	775.54
<b>Total current assets</b>	<b>5,550.54</b>	<b>6,577.83</b>
<b>TOTAL ASSETS</b>	<b>39,887.94</b>	<b>40,127.58</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	2,050.24	2,050.24
Other equity	12,110.38	13,495.27
Non controlling interests	(3.22)	(2.70)
<b>Total equity</b>	<b>14,157.40</b>	<b>15,542.81</b>
<b>Liabilities</b>		
<b>Non current liabilities</b>		
Financial liabilities		
(i) Borrowings	17,603.82	16,643.84
(ii) Others	190.97	198.27
Provisions	76.42	76.33
Deferred tax liabilities (net)	137.51	222.11
Other non-current liabilities	109.58	132.51
<b>Total non current liabilities</b>	<b>18,118.30</b>	<b>17,273.06</b>
<b>Current liabilities</b>		
Financial liabilities		
(i) Borrowings	843.99	404.77
(ii) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises and	32.54	30.09
(b) Total outstanding dues to creditors other than micro enterprises and small enterprises	796.05	1,031.94
(iii) Other financial liabilities	2,595.75	2,501.28
Other current liabilities	2,239.97	2,259.32
Provisions	908.94	889.29
Current tax liabilities	195.00	195.02
<b>Total current liabilities</b>	<b>7,612.24</b>	<b>7,311.71</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>39,887.94</b>	<b>40,127.58</b>

**Consolidated Statement of Cash Flow**

for the year ended 31 March 2021

(Rs. in million)

	For the ended 31 March 2021 (Audited)	For the year ended 31 March 2020 (Audited)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
(Loss) / Profit before tax from Continuing operations	(2,442.21)	1,071.30
(Loss) before tax from discontinued operations	(40.62)	(62.82)
Adjustments for :		
Interest income from instruments measured at amortised cost	(65.95)	(49.47)
Depreciation and amortisation expenses	1,174.62	1,133.17
Finance costs	1,519.78	1,461.62
Impairment of Capital Work in Progress and capital advances	-	59.51
Unrealised exchange loss	(20.33)	46.64
Dividend received*	-	0.00
Provision for estimated cost	41.71	41.71
Profit on sale of property, plant and equipment (net)	(4.53)	(11.20)
Property, plants and equipment written off	1.86	6.31
Profit on sale of investment	(0.10)	(3.94)
Provision for doubtful debts, Advances and Bad debt written off	11.91	14.43
Employee stock option expense	5.59	12.06
Export benefits and entitlements	(21.66)	(132.72)
Provision for mark to market on derivative contract	62.19	(28.60)
Provision for stock obsolescence	2.68	6.78
Proposed dividend*	-	0.00
Tax on dividend*	-	0.00
Sundry balance written back	(2.25)	-
<b>Total</b>	<b>2,705.52</b>	<b>2,556.31</b>
<b>Operating Profit before working capital changes</b>	<b>222.69</b>	<b>3,564.79</b>
<b>Adjustments</b>		
Decrease in trade receivables and current assets	212.71	23.61
Decrease in inventories	11.97	35.33
(Increase) in trade payables and current liabilities	(312.64)	(842.58)
<b>Total</b>	<b>(87.96)</b>	<b>(783.64)</b>
Income Taxes (net of refund)	466.98	(256.73)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES (A)</b>	<b>601.71</b>	<b>2,524.41</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Property, plant and equipment (including capital work in progress, capital creditors and capital advances)	(482.86)	(960.91)
Proceeds from sale of property, plants and equipments and investment property	14.40	65.08
Purchase of investments (including investment property and investment property under construction)	(950.19)	(2,316.43)
Sale of Investments	0.30	5.88
Interest income received	64.40	48.90
Fixed deposits matured / (placed) (net)	810.42	(731.24)
Margin money matured / (placed) (net)	44.31	(48.52)
<b>NET CASH GENERATED (USED IN) INVESTING ACTIVITIES (B)</b>	<b>(499.22)</b>	<b>(3,937.24)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Issue of preference shares	-	740.00
Proceeds from long-term borrowings	3,970.00	6,035.00
Repayment of long-term borrowings	(2,892.83)	(4,042.14)
Proceeds from short-term borrowings	104.00	2.00
Repayment of short-term borrowings	(100.45)	(55.24)
Proposed dividend*	-	0.00
Tax on dividend*	-	0.00
Interest and finance charges paid	(1,421.61)	(1,351.76)
<b>NET CASH (USED IN) / GENERATED FROM FINANCING ACTIVITIES (C)</b>	<b>(340.89)</b>	<b>1,327.86</b>
<b>NET (INCREASE) IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)</b>	<b>(238.40)</b>	<b>(84.97)</b>
<b>CASH AND CASH EQUIVALENTS - OPENING BALANCE</b>	<b>(300.78)</b>	<b>(238.70)</b>
<b>Acquired in Business Combination (refer note 40)</b>	<b>-</b>	<b>22.89</b>
<b>CASH AND CASH EQUIVALENTS - CLOSING BALANCE</b>	<b>(539.18)</b>	<b>(300.78)</b>

\*Amount less than million

**Consolidated Statement of Cash Flow (Continued)***for the year ended 31 March 2021***Notes:**

- 1 Cash And Cash Equivalents And Bank Balances Includes Balances In Escrow Account Which Shall Be Used Only For Specified Purposes As Defined Under Real Estate (Regulation And Development) Act, 2016.
- 2 Reconciliation of cash and cash equivalents with the balance sheet

	<b>As at 31 March 2021 (Audited)</b>	<b>As at 31 March 2020 (Audited)</b>
Cash and cash equivalents (refer note 13a)	269.02	76.42
Less: Over draft accounts from banks (refer note 24)*	<b>(808.20)</b>	<b>(377.20)</b>
<b>Cash and cash equivalents as per consolidated statement of cash flow</b>	<b><u>(539.18)</u></b>	<b><u>(300.78)</u></b>

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

	<b>For the year ended 31 March 2021 (Audited)</b>	<b>For the year ended 31 March 2020 (Audited)</b>
Opening borrowings	18,638.28	14,821.58
Acquired in Business Combination (refer note 40)	-	1,149.13
Proceeds from long-term borrowings**	4,074.00	6,777.00
Repayment of long-term borrowings	<b>(2,993.28)</b>	<b>(4,097.38)</b>
Non-cash adjustments	56.04	(12.05)
	<b><u>19,775.04</u></b>	<b><u>18,638.28</u></b>

\* Cash and cash equivalents includes bank overdrafts that are payable on demand and form and integral part of the company cash management.

\*\* Includes Issue of preference shares

**CONSOLIDATED SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND YEAR ENDED 31 MARCH 2021.**

(Rs. in million)

Particulars	Quarter ended			Year ended	
	31 March 2021	31 December 2020	31 March 2020	31 March 2021	31 March 2020
	(Refer Note 3)		(Refer Note 3)		
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1. Segment revenue					
(a) Hospitality (Hotels)	723.77	624.75	2,010.67	2,021.28	8,755.02
(b) Real Estate	-	-	-	-	52.94
(c) Retail & commercial	258.06	226.02	270.88	925.92	1,000.53
(d) Retail (Discontinued operation)	0.58	(0.01)	(8.07)	0.71	2.79
(e) Unallocated	38.71	65.26	102.79	219.77	278.97
<b>Net sales/income from operations</b>	<b>1,021.12</b>	<b>916.02</b>	<b>2,376.27</b>	<b>3,167.68</b>	<b>10,090.25</b>
2. Segment results Profit/( Loss) before tax and interest					
(a) Hospitality (Hotels)	(214.82)	(220.20)	459.31	(1,170.37)	2,463.24
(b) Real Estate	(40.29)	(40.51)	(38.44)	(160.99)	(251.18)
(c) Retail & commercial	175.95	124.11	124.58	553.57	464.54
(d) Retail (Discontinued operation)	(13.01)	(9.46)	(36.54)	(40.62)	(62.82)
(e) Unallocated	-	-	-	-	-
Total	<b>(92.18)</b>	<b>(146.05)</b>	<b>508.91</b>	<b>(818.41)</b>	<b>2,613.78</b>
Less: (i) Finance Cost	351.93	374.00	397.01	1,519.78	1,461.76
(ii) Other un-allocable expenditure net off un-allocable income	153.54	(10.25)	63.11	144.64	143.54
<b>(Loss) / Profit before tax</b>	<b>(597.65)</b>	<b>(509.80)</b>	<b>48.79</b>	<b>(2,482.83)</b>	<b>1,008.48</b>
3. Segment assets					
(a) Hospitality	21,997.29	24,674.47	24,851.60	21,997.29	24,851.60
(b) Real Estate	3,889.43	3,889.14	3,882.43	3,889.43	3,882.43
(c) Retail & commercial	10,971.62	8,128.70	8,071.54	10,971.62	8,071.54
(d) Unallocated	3,029.60	2,957.50	3,322.01	3,029.60	3,322.01
<b>Total</b>	<b>39,887.94</b>	<b>39,649.81</b>	<b>40,127.58</b>	<b>39,887.94</b>	<b>40,127.58</b>
4. Segment liabilities					
(a) Hospitality	1,108.13	1,132.79	1,606.96	1,108.13	1,606.96
(b) Real Estate	2,780.41	2,752.79	2,730.20	2,780.41	2,730.20
(c) Retail & commercial	488.84	548.82	527.78	488.84	527.78
(d) Unallocated	21,353.16	20,795.83	19,719.83	21,353.16	19,719.83
<b>Total</b>	<b>25,730.54</b>	<b>25,230.23</b>	<b>24,584.77</b>	<b>25,730.54</b>	<b>24,584.77</b>