

June 8, 2020

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

BSE Limited
Corporate Relationship Department
1st Floor, New Trading Ring,
Dalal Street, Fort,
Mumbai 400 001.
Scrip Code: 542399

Dear Sir / Madam,

Subject: Outcome of the Board Meeting

Submission of Audited Financial Results for the quarter and year ended March 31, 2020

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), please be informed that the Board of Directors of the Company at its meeting held today i.e., June 8, 2020 has, *inter-alia*, considered and approved the Statement of Audited Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2020, in accordance with the provisions of Regulation 33 of the Listing Regulations.

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

The results will be uploaded on the Company's website, www.chalethotels.com and will also be available on the website of the Stock Exchanges. Further, in line with the exemption provided by SEBI vide its Circular SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, granting relaxation from publication of advertisements in the newspapers, the Financial Results are not being published in the newspapers as required under Regulation 47 of the Listing Regulations.

Further, the Board of Directors of the Company:

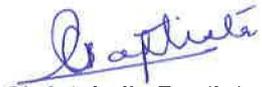
- has **not recommended any dividend on the listed securities, viz the Equity Shares of the Company**
- has **approved payment of dividend of Re.1/- per share on the unlisted security viz. Non-Convertible Redeemable Preference Shares**, amounting to Rs.1600/- in accordance with the terms of their issue.

The meeting of the Board of Directors of the Company commenced at 3.25 p.m. and concluded at 6:05 p.m.

We request you take the above information on record.

Thanking You,

Yours faithfully,
For **Chalet Hotels Limited**


Christabelle Baptista
Company Secretary & Compliance Officer

Encl.: As above

B S R & Co. LLP

Chartered Accountants

5th Floor, Lodha Excelus,
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011
India

Telephone +91 (22) 4345 5300
Fax +91 (22) 4345 5399

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 2020, 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 profit and other comprehensive income and other financial information for the year ended 31 March 2020.

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.

B S R & Co (a partnership firm with
Registration No. BA61223) converted into
B S R & Co. LLP (a Limited Liability Partnership
with LLP Registration No. AAB-8181)
with effect from October 14, 2013

Registered Office:
5th Floor, Lodha Excelus
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400011, India

Independent Auditors' Report (*Continued*)

Chalet Hotels Limited

Report on the audit of the Standalone Annual Financial Results (*Continued*)

Emphasis of Matter

- a. We draw attention to Note 8 to these 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. Pending the outcome of proceedings and a final closure of the matter, no adjustments have been made in these standalone annual financial results as at 31 March 2020 to the carrying value of the leasehold rights (reflected as prepayments) and the hotel assets thereon aggregating to Rs 479.33 million and Rs 489.98 million as at 31 March 2020 and 31 March 2019 respectively.
- b. 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 these matters.

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 profit and other comprehensive income 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.

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

Independent Auditors' Report (*Continued*)

Chalet Hotels Limited

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
- 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.

B S R & Co. LLP

Independent Auditors' Report (*Continued*)

Chalet Hotels Limited

Report on the audit of the Standalone Annual Financial Results (*Continued*)

Other Matters

The standalone annual financial results include the results for the quarter ended 31 March 2020 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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PARDIWALLA

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PARDIWALLA
Date: 2020.06.08
17:52:10 +05'30'

Mansi Pardiwalla

Partner

Membership No: 108511

UDIN: 20108511AAAADO2810

Mumbai
8 June 2020

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2020

(Rs. in million)

Particulars	Quarter ended			Year ended	
	31 March 2020	31 December 2019	31 March 2019	31 March 2020	31 March 2019
	(Refer Note 3)		(Refer Note 3)		
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Revenue					
Revenue from Operations	2,227.44	2,781.35	2,698.65	9,765.24	9,871.73
Other Income	96.32	65.91	72.08	272.44	436.03
Total Income	2,323.76	2,847.26	2,770.73	10,037.68	10,307.76
Expenses					
Real Estate Development Cost	36.87	50.44	8.99	205.56	194.08
Changes in inventories of finished good and construction work in progress	(9.32)	7.65	29.75	23.34	239.70
Food and Beverages Consumed	179.87	233.62	202.47	823.38	866.67
Operating Supplies Consumed	70.07	89.41	68.67	302.31	262.83
Employee Benefits Expense	371.73	361.22	376.82	1,507.94	1,448.08
Power and Fuel	139.58	161.10	159.34	657.19	668.40
Impairment of investment in subsidiary (Refer note 7)	250.09	-	-	250.09	-
Other Expenses (Refer note 10)	766.57	754.36	875.07	2,837.96	2,990.64
Total Expenses	1,805.46	1,657.80	1,721.11	6,607.77	6,670.40
Earnings before interest, depreciation, amortisation and tax (EBITDA) before exceptional items	518.30	1,189.46	1,049.62	3,429.91	3,637.36
Depreciation and Amortisation Expenses	265.37	282.99	295.43	1,113.66	1,154.17
Finance Costs	383.00	338.63	560.01	1,446.13	2,651.51
Profit / (Loss) before exceptional items and tax	(130.07)	567.84	194.18	870.12	(168.32)
Exceptional items (Refer note 11)	(4.53)	(11.91)	(15.48)	(41.71)	(40.96)
Profit / (Loss) before income tax	(134.60)	555.93	178.70	828.41	(209.28)
Tax Expense (Refer note 12)	(372.94)	222.07	39.43	12.27	(107.21)
Current Tax	15.00	100.00	10.00	195.00	10.00
Deferred Tax (credit) / charge	(387.94)	122.07	29.43	(182.73)	(117.21)
Profit / (Loss) for the period / year	238.34	333.86	139.27	816.14	(102.07)
Other Comprehensive Expense					
Items that will not be reclassified to profit or loss					
Remeasurement of the defined benefit plans	(8.49)	(2.95)	(4.09)	(17.34)	(11.80)
Income-taxes on above	2.97	1.03	1.43	6.06	4.12
Other Comprehensive Expense for the period / year, net of tax	(5.52)	(1.92)	(2.66)	(11.28)	(7.68)
Total Comprehensive Income / (Expense) for the period / year	232.82	331.94	136.61	804.86	(109.75)
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	-	-	-	13,441.98	12,418.64
Earnings Per Share (Face value of Rs. 10 each)					
Basic (* not annualised) (in Rs.)	*1.16	*1.63	*0.73	3.98	(0.58)
Diluted (* not annualised) (in Rs.)	*1.16	*1.63	*0.73	3.98	(0.58)
See accompanying notes to the standalone financial results					

Chalet Hotels Limited
Standalone Balance Sheet
as at 31 March 2020

CHALET

	As at 31 March 2020 (Audited)	(Rs. in million) As at 31 March 2019 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	19,797.38	20,492.15
Capital work-in-progress	875.13	284.76
Investment property	7,138.18	6,809.57
Goodwill	226.11	226.11
Other intangible assets	32.24	6.33
Financial assets		
(i) Investments in subsidiaries	1,264.92	250.09
(ii) Other Investments	45.14	47.08
(iii) Loans	100.80	121.75
(iv) Others	70.88	51.08
Deferred tax assets (net)	604.68	732.40
Other non-current assets	852.81	256.26
Non-current tax assets (net)	772.73	517.70
Total non-current assets	31,781.00	29,795.28
Current assets		
Inventories	3,920.58	3,954.64
Financial assets		
(i) Trade receivables	393.54	476.81
(ii) Cash and cash equivalents	65.46	398.83
(iii) Bank balances other than (ii) above	1,085.94	426.71
(iv) Loans	691.38	18.05
(v) Others	151.80	239.07
Other current assets	752.29	478.77
Total current assets	7,060.99	5,992.88
TOTAL ASSETS	38,841.99	35,788.16
EQUITY AND LIABILITIES		
Equity		
Equity share capital	2,050.24	2,050.24
Other equity	13,441.98	12,418.64
Total equity	15,492.22	14,468.88
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	15,772.64	13,392.45
(ii) Others	198.27	208.44
Provisions	74.23	57.58
Deferred tax liabilities (net)	222.11	290.49
Other non-current liabilities	132.51	144.35
Total non-current liabilities	16,399.76	14,093.31
Current liabilities		
Financial liabilities		
(i) Borrowings	377.20	693.98
(ii) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises and	29.53	27.54
(b) Total outstanding dues to creditors other than micro enterprises and small enterprises	988.48	1,187.79
(iii) Other financial liabilities	2,215.01	1,657.70
Other current liabilities	2,256.28	2,692.27
Provisions	888.51	966.69
Current tax liabilities	195.00	-
Total current liabilities	6,950.01	7,225.97
TOTAL EQUITY AND LIABILITIES	38,841.99	35,788.16

Chalet Hotels Limited

Standalone Statement of Cash Flows

as at 31 March 2020

CHALET

(Rs. in million)

	For the year ended 31 March 2020 (Audited)	For the year ended 31 March 2019 (Audited)
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit/ (Loss) before tax	828.41	(209.28)
Adjustments for :		
Interest income from instruments measured at amortised cost	(47.85)	(213.79)
Dividend received*	0.00	-
Depreciation and amortisation expenses	1,113.66	1,154.17
Finance costs	1,446.13	2,651.51
Unrealised exchange loss	46.64	22.57
Provision for estimated cost	41.71	40.96
Profit on sale of property, plants and equipment (net)	(11.20)	(2.39)
Property, plants and equipment written off	6.31	3.17
Provision for impairment of investment	250.09	-
Loss on sale/redemption of investments	45.95	-
Provision for doubtful debts, advances and bad debt written off	14.43	93.64
Employee stock option expense	12.06	14.64
Export benefits and entitlements	(132.72)	(155.48)
Provision for mark to market on derivative contract	(28.60)	-
Provision for stock obsolescence	6.78	-
Proposed dividend*	0.00	-
Tax on dividend*	0.00	-
Others	-	3.54
Total	2,763.40	3,612.54
Operating Profit before working capital changes	3,591.81	3,403.26
Adjustments		
Decrease / (Increase) in trade receivables and current assets	35.00	(63.12)
Decrease / (Increase) in inventories	34.06	(838.84)
(Increase) / Decrease in trade payables and current liabilities	(842.01)	1,168.06
Total	(772.95)	266.10
Direct taxes paid(net)	(255.03)	(65.91)
NET CASH GENERATED FROM OPERATING ACTIVITIES (A)	2,563.83	3,603.45
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of property, plant and equipment (including capital work in progress, capital creditors and capital advances)	(962.66)	(308.93)
Proceeds from sale of property, plants and equipments and investment property	65.08	11.93
Purchase of investments (including investment property and investment property under construction)	(2,331.43)	(538.75)
Sale/redemption of Investments	478.92	-
Dividend received*	0.00	-
Loans given	(661.30)	(889.89)
Loans repaid	-	3,232.05
Interest income received	47.85	213.79
Fixed deposits (placed) / matured	(629.64)	(405.21)
Margin money (placed) (net)	(49.39)	(1.08)
NET CASH (USED IN) /GENERATED FROM INVESTING ACTIVITIES (B)	(4,042.57)	1,313.91
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Issue of preference shares	740.00	510.00
Issue of equity shares from IPO	-	9,500.00
IPO expenses	-	(308.76)
Proceeds from long-term borrowings	6,035.00	2,400.00
Repayment of long-term borrowings	(3,973.97)	(13,742.34)
Repayment of short-term borrowings (net)	(55.24)	(892.95)
Interest and finance charges paid	(1,338.88)	(2,484.30)
NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES (C)	1,406.91	(5,018.35)
NET (DECREASE) IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)	(71.83)	(100.99)
CASH AND CASH EQUIVALENTS - OPENING BALANCE	(239.91)	(138.92)
CASH AND CASH EQUIVALENTS - CLOSING BALANCE	(311.74)	(239.91)

*Amount less than million

Chalet Hotels Limited

Standalone Statement of Cash Flows

as at 31 March 2020

CHALET

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

Cash and cash equivalents (refer note 14)
 Less: Over draft accounts from banks (refer note 25)*
Cash and cash equivalents as per Standalone statement of cash flows

	As at 31 March 2020 (Audited)	As at 31 March 2019 (Audited)
	65.46	398.83
	(377.20)	(638.74)
	(311.74)	(239.91)

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

Opening borrowings
 Proceeds from long-term borrowings**
 Repayment of long-term borrowings
 Non-cash adjustments

	For the year ended 31 March 2020 (Audited)	For the year ended 31 March 2019 (Audited)
	14,797.78	26,563.51
	6,775.00	2,910.00
	(4,029.21)	(14,635.29)
	(80.34)	(40.44)
	17,463.23	14,797.78

* 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

Notes:

1. The above results for the quarter and for the year ended 31 March 2020 of Chalet Hotels Limited ('the Company') were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 8 June 2020.
2. The approved results for the quarter and year ended 31 March 2020 are available on the National Stock Exchange website (URL: www.nseindia.com), the Bombay Stock Exchange website (URL: www.bseindia.com) and on the Company's website (URL: 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 from those estimated as on the date of approval of these standalone financial results depending on how long the pandemic lasts and time period taken for the economic activities to return to normalcy.

As at 31 March 2020, 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 realization rate per room and fall in revenue of other assets. In April, May and June 2020, the hotels have been operational though at a significantly reduced occupancy rate. Management is undertaking various cost saving initiatives to maximise operating cash flows in the given situation. Management has assessed the impact of existing and anticipated effects of COVID-19 on the future cash flow projections on the basis of significant assumptions as per the available information. As per the management, the Company has sufficient financing arrangements to fulfil its working capital requirements and necessary capital expenditure, 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 and will be able to discharge its liabilities and realise the carrying amount of its assets as on March 31, 2020.

6. Effective 1 April 2019, the Company has adopted Ind AS 116 "Leases", applied to all lease contracts existing on 1 April 2019 using the modified retrospective method and has opted to take cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended 31 March 2019 and quarter and year ended 31 March 2020 would not need to be retrospectively restated. However, based on the assessment done by the management, there is no material impact on the statement of profit and loss for the quarter and year ended 31 March 2020.

7. During the current year, the Company has recorded an impairment provision of Rs 250 million in respect of a subsidiary in accordance with Ind AS 109 "Financial Instruments".

8. 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 2020 is Rs. 52.13 million (31 March 2019: Rs. 53.32 million) and carrying value of property, plant and equipment as at 31 March 2020 is Rs. 427.21 million (31 March 2019: Rs. 436.66 million).

9. 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 2020 (31 March 2019: Rs. 510 million)."

10. Other expense includes foreign exchange loss on external commercial borrowings (ECB) accounted as per Ind AS 23 - Borrowing cost:

Particulars	Quarter ended			Year ended	
	31 March 2020	31 December 2019	31 March 2019	31 March 2020	31 March 2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Exchange loss	18.39	-	160.97	18.39	160.97

11. 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 Kamataka 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 2020 (31 March 2019: Rs 40.96 million) is reflected as an exceptional item. 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. Management is of the view that no changes are required on this account in the standalone financial results as at and for the year ended 31 March 2020.

Notes: (Continued)

12. The Company has recognised deferred tax asset on the brought forward house property losses pertaining to previous years after considering the relevant facts and circumstances to the extent that the Company had convincing evidence based on its business plans and budgets to the extent that the deferred tax asset will be realised. Consequently, the Company has recognised deferred tax asset of Rs 253 million as at 31 March 2020 (31 March 2019: Rs Nil). A new Section 115BAA was inserted in the Income Tax Act, 1961, by The Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions/conditions defined in the said section. The Company has decided to continue with the existing tax structure for the year ended 31 March 2020.

13. The statutory auditor of the Company have expressed an unqualified opinion on the above results for quarter and year ended 31 March 2020.

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. On 3 February 2020, the Company acquired 100% of equity shares of Belaire Hotels Private limited (BHPL) and 100% of zero coupon fully compulsory convertible debentures for a cash consideration of Rs 1,193.32 million. On 10 February 2020, the Company acquired 100% of the equity shares of Seaportal Hotels Private Limited (SHPL) and 100% zero coupon fully compulsory convertible debenture for a complete cash consideration of Rs. 574.68 million. Consequent to the above BHPL and SHPL have become wholly owned subsidiaries of the Company.

17. Previous period's figures have been regrouped/reclassified, wherever required, to make them comparable with the figure 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@chalet-hotels.com
Website: www.chalet-hotels.com
8 June 2020

For Chalet Hotels Limited
(CIN-L55101MH1986PLC038538)

**SANJAY
SETHI**

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Date: 2020.06.08
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Sanjay Sethi
Managing Director & CEO
(DIN. 00641243)

**MANSI
CUSROW
PARDIWALLA**

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MANSI CUSROW
PARDIWALLA
Date: 2020.06.08
17:53:17 +05'30'

B S R & Co. LLP

Chartered Accountants

5th Floor, Lodha Excelus,
Apollo Mills Compound
N. M. Joshi Marg, Mahalaxmi
Mumbai - 400 011
India

Telephone +91 (22) 4345 5300
Fax +91 (22) 4345 5399

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 2020, 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 and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries, 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
Seaparl Hotels Private Limited**	Wholly owned Subsidiary
Chalet Hotels & Properties (Kerala) Private Limited.	Subsidiary

* acquired wholly owned subsidiary w.e.f 3 February 2020
** acquired wholly owned subsidiary w.e.f 10 February 2020

- 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 profit and other comprehensive income and other financial information of the Group for the year ended 31 March 2020.

Independent Auditors' Report (Continued)

Chalet Hotels Limited

Report on the audit of the Consolidated Annual Financial Results (Continued)

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.

Emphasis of Matter

- a. We draw attention to Note 8 to these 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 Holding Company's Four Points by Sheraton Hotel has been built. The allotment of land by City & Industrial Development Corporation of Maharashtra Limited ('CIDCO') to K. Raheja Corp Private Limited has been challenged 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 these consolidated annual financial results as at 31 March 2020 to the carrying value of the leasehold rights (reflected as prepayments) and the hotel assets thereon aggregating to Rs 479.33 million and Rs 489.98 million as at 31 March 2020 and 31 March 2019 respectively.
- b. 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 these matters.

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 profit 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

Independent Auditors' Report (Continued)
Chalet Hotels Limited

Report on the audit of the Consolidated Annual Financial Results (Continued)

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

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;
- 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;

Independent Auditors' Report (Continued)
Chalet Hotels Limited

Report on the audit of the Consolidated Annual Financial Results (continued)

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

- 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. For the other entities included in the consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the 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

Report on the audit of the Consolidated Annual Financial Results (continued)

Other Matters

- (a) The consolidated annual financial results include the audited financial results of two subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 3,122.99 million as at 31 March 2020, total revenue (before consolidation adjustments) of Rs. 45.95 million and total net (loss) after tax (before consolidation adjustments) of Rs. 39.38 million and net cash outflows of Rs. 12.80 million for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their respective independent auditor. The independent auditors' reports on financial statements of these entities have been furnished to us by the management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above; and
- (b) The consolidated annual financial results include the results for the quarter ended 31 March 2020 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: 20108511AAAADP3331

Mumbai
8 June 2020

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2020

Particulars	Quarter ended			Year ended	
	31 March 2020	31 December 2019	31 March 2019	31 March 2020	31 March 2019
	(Refer Note 3)		(Refer Note 3)		
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Revenue					
Revenue from Operations	2,273.48	2,781.35	2,698.65	9,811.28	9,871.73
Other Income	102.79	65.92	72.08	278.97	476.08
Total Income	2,376.27	2,847.27	2,770.73	10,090.25	10,347.81
Expenses					
Real Estate Development Cost	36.87	50.44	8.99	205.56	194.08
Changes in inventories of finished good and construction work in progress	(9.33)	7.66	29.75	23.34	239.70
Food and Beverages Consumed	184.88	233.62	202.47	828.39	866.67
Operating Supplies Consumed	74.47	89.41	68.67	306.71	262.83
Employee Benefits Expense	386.60	361.22	381.66	1,522.81	1,448.08
Power and Fuel	145.86	161.10	159.34	663.48	668.42
Other Expenses (Refer note 7)	821.71	754.99	875.91	2,894.84	2,999.69
Total Expenses	1,641.06	1,658.44	1,726.79	6,445.13	6,679.47
Earnings before interest, depreciation, amortisation and tax (EBITDA) before exceptional items	735.21	1,188.83	1,043.94	3,645.12	3,668.34
Depreciation and Amortisation Expenses	284.88	282.99	295.43	1,133.17	1,154.17
Finance Costs	397.01	339.19	560.52	1,461.76	2,656.69
Profit / (Loss) before exceptional items and tax	53.32	566.65	187.99	1,050.19	(142.52)
Exceptional items (Refer note 10)	(4.53)	(11.91)	(15.48)	(41.71)	(40.96)
Profit / (Loss) before income tax	48.79	554.74	172.51	1,008.48	(183.48)
Tax Expense (Refer note 12)	(372.99)	222.07	39.43	12.22	(107.21)
Current Tax	15.33	100.00	10.00	195.33	10.00
Deferred Tax (credit) / charge	(388.32)	122.07	29.43	(183.11)	(117.21)
Profit / (Loss) for the period / year	421.78	332.67	133.08	996.26	(76.27)
Other Comprehensive Expense					
Items that will not be reclassified to profit or loss					
Remeasurement of the defined benefit plans	(8.48)	(2.95)	(4.09)	(17.33)	(11.80)
Income-taxes on above	2.97	1.03	1.43	6.06	4.12
Other Comprehensive Expense for the period / year, net of tax	(5.51)	(1.92)	(2.66)	(11.27)	(7.68)
Total Comprehensive Income / (Expense) for the period / year	416.26	330.75	130.42	984.99	(83.95)
Profit / (Loss) for the period attributable to :					
Owners of the Company	427.77	332.79	133.08	1,026.75	(76.27)
Non-Controlling Interests	(5.99)	(0.12)	-	(30.49)	-
Other Comprehensive Income / (Expense) attributable to :					
Owners of the Company	(5.51)	(1.92)	(2.66)	(11.27)	(7.68)
Non-Controlling Interests	-	-	-	-	-
Total Comprehensive Income / (Expense) attributable to :					
Owners of the company	422.25	330.87	130.42	1,015.48	(83.95)
Non-Controlling Interests	(5.99)	(0.12)	-	(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	-	-	-	13,495.27	12,176.48
Earnings Per Share (Face value of Rs. 10 each)					
Basic (* not annualised) (in Rs.)	*2.09	*1.62	*0.69	5.01	(0.43)
Diluted (* not annualised) (in Rs.)	*2.09	*1.62	*0.69	5.01	(0.43)
See accompanying notes to the consolidated financial results					

Chalet Hotels Limited
Consolidated Balance Sheet
as at 31 March 2020

CHALET

(Rs. in million)

	As at 31 March 2020 (Audited)	As at 31 March 2019 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	22,791.79	20,492.67
Capital work-in-progress	875.13	342.67
Investment property	7,138.18	6,809.47
Goodwill	226.11	226.11
Other intangible assets	33.69	6.11
Financial assets		
(i) Investments	45.14	47.00
(ii) Loans	113.38	121.77
(iii) Others	70.88	51.00
Other non-current assets	605.63	258.00
Deferred tax assets (net)	852.81	732.67
Non-current tax assets (net)	797.01	517.77
Total non-current assets	33,549.75	29,604.77
Current assets		
Inventories	3,924.09	3,954.67
Financial assets		
(i) Trade receivables	416.78	476.80
(ii) Cash and cash equivalents	76.42	400.00
(iii) Bank balances other than (ii) above	1,202.40	426.77
(iv) Loans	30.80	18.00
(v) Others	151.80	239.00
Other current assets	775.54	478.77
Total current assets	6,577.83	5,994.00
TOTAL ASSETS	40,127.58	35,598.77
EQUITY AND LIABILITIES		
Equity		
Equity share capital	2,050.24	2,050.24
Other equity	13,495.27	12,176.67
Non controlling interests	(2.70)	27.77
Total equity	15,542.81	14,254.68
Liabilities		
Non current liabilities		
Financial liabilities		
(i) Borrowings	16,643.84	13,392.67
(ii) Others	198.27	208.67
Provisions	76.33	57.67
Deferred tax liabilities (net)	222.11	290.00
Other non-current liabilities	132.51	144.00
Total non current liabilities	17,273.06	14,093.00
Current liabilities		
Financial liabilities		
(i) Borrowings	404.77	717.67
(ii) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises and	30.09	27.67
(b) Total outstanding dues to creditors other than micro enterprises and small enterprises	1,031.94	1,189.67
(iii) Other financial liabilities	2,501.28	1,656.67
Other current liabilities	2,259.32	2,692.67
Provisions	889.29	966.67
Current tax liabilities	195.02	-
Total current liabilities	7,311.71	7,250.00
TOTAL EQUITY AND LIABILITIES	40,127.58	35,598.77

Chalet Hotels Limited

Consolidated Statement of Cash Flow
for the year ended 31 March 2020

CHALET
HOTELS LIMITED

(Rs in million)

	For the ended 31 March 2020 (Audited)	For the year ended 31 March 2019 (Audited)
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit/ (Loss) before tax	1,008.48	(183.48)
Adjustments for :		
Interest income from instruments measured at amortised cost	(49.47)	(196.16)
Depreciation and amortisation expenses	1,133.17	1,154.17
Finance costs	1,461.62	2,656.69
Impairment of Capital Work in Progress and capital advances	59.51	-
Unrealised exchange loss	46.64	22.57
Dividend received*	0.00	-
Provision for estimated cost	41.71	40.96
Profit on sale of property, plant and equipment (net)	(11.20)	(2.39)
Property, plants and equipment written off	6.31	3.17
Profit on sale of investment	(3.94)	-
Provision for doubtful debts, Advances and Bad debt written off	14.43	93.64
Employee stock option expense	12.06	14.64
Export benefits and entitlements	(132.72)	(155.48)
Provision for mark to market on derivative contract	(28.60)	-
Provision for stock obsolescence	6.78	-
Proposed dividend*	0.00	-
Tax on dividend*	0.00	-
Others	-	3.54
Total	2,556.31	3,635.35
Operating Profit before working capital changes	3,564.79	3,451.87
Adjustments		
Decrease / (Increase) in trade receivables and current assets	23.61	(60.18)
Decrease / (Increase) in inventories	35.33	(838.84)
(Increase) /Decrease in trade payables & current liabilities	(842.58)	1,167.08
Total	(783.64)	268.06
Direct taxes paid	(256.73)	(64.72)
NET CASH GENERATED FROM OPERATING ACTIVITIES (A)	2,524.41	3,655.21
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Property, plant and equipment (including capital work in progress, capital creditors and capital advances)	(960.91)	(367.59)
Proceeds from sale of property, plants and equipments and investment property	65.08	12.23
Purchase of investments (including investment property and investment property under construction)	(2,316.43)	(288.66)
Sale of Investments	5.88	-
Loans given	-	(889.89)
Loans repaid	-	3,216.44
Interest income received	48.90	196.16
Fixed deposits (placed) / matured	(731.24)	(405.21)
Margin money (placed) (net)	(48.52)	(1.08)
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES (B)	(3,937.24)	1,472.40
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Fresh issue of equity shares	-	9,527.79
IPO expenses	-	(308.76)
Issue of preference shares	740.00	510.00
Proceeds from long-term borrowings	6,035.00	2,400.00
Repayment of long-term borrowings	(4,042.14)	(13,742.34)
Proceeds from short-term borrowings	2.00	27.25
Repayment of short-term borrowings	(55.24)	(1,152.79)
Interest and finance charges paid	(1,351.76)	(2,489.48)
NET CASH (USED IN) FINANCING ACTIVITIES (C)	1,327.86	(5,228.33)
NET (INCREASE) IN CASH AND CASH EQUIVALENTS (A) + (B) + (C)	(84.97)	(100.72)
CASH AND CASH EQUIVALENTS - OPENING BALANCE	(238.70)	(137.98)
Acquired in Business Combination (refer note 40)	22.89	-
CASH AND CASH EQUIVALENTS - CLOSING BALANCE	(300.78)	(238.70)

*Amount less than million

Chalet Hotels Limited

Consolidated Statement of Cash Flow (Continued)

for the year ended 31 March 2020

CHALET

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 2020 (Audited)	As at 31 March 2019 (Audited)
Cash and cash equivalents (refer note 13a)	76.42	400.04
Less: Over draft accounts from banks (refer note 24)*	(377.20)	(638.74)
Cash and cash equivalents as per consolidated statement of cash flow	(300.78)	(238.70)

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

	For the year ended 31 March 2020 (Audited)	For the year ended 31 March 2019 (Audited)
Opening borrowings	14,821.58	26,819.90
Acquired in Business Combination (refer note 40)	1,149.13	-
Proceeds from long-term borrowings**	6,777.00	2,937.25
Repayment of long-term borrowings	(4,097.38)	(14,895.13)
Non-cash adjustments	(12.05)	(40.44)
	18,638.28	14,821.58

* 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 2020

(Rs. in million)

Particulars	Quarter ended			Year ended	
	31 March 2020	31 December 2019	31 March 2019	31 March 2020	31 March 2019
	(Refer Note 3)		(Refer Note 3)		
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1. Segment revenue					
(a) Hospitality (Hotels)	2,010.67	2,500.38	2,566.71	8,755.02	9,136.80
(b) Real Estate	-	-	40.76	52.94	344.24
(c) Retail & commercial	262.81	280.97	91.18	1,003.32	390.69
(d) Unallocated	102.79	65.92	72.08	278.97	476.08
Net sales/income from operations	2,376.27	2,847.27	2,770.73	10,090.25	10,347.81
2. Segment results Profit/(Loss) before tax and interest					
(a) Hospitality (Hotels)	459.31	855.76	830.22	2,463.24	2,629.86
(b) Real Estate	(38.44)	(79.16)	(20.68)	(251.18)	(188.83)
(c) Retail & commercial	88.04	124.14	(50.89)	401.72	(118.50)
(d) Unallocated	-	-	-	-	-
Total	508.91	900.74	758.65	2,613.78	2,322.53
Less: (i) Finance Cost	397.01	339.19	560.52	1,461.76	2,656.69
(ii) Other un-allocable expenditure net off un-allocable income	63.11	6.81	25.62	143.54	(150.68)
Profit / (Loss) before tax	48.79	554.74	172.51	1,008.48	(183.48)
3. Segment assets					
(a) Hospitality	24,851.60	21,891.48	22,180.41	24,851.60	22,180.41
(b) Real Estate	3,882.43	3,882.09	3,914.51	3,882.43	3,914.51
(c) Retail & commercial	8,071.54	8,078.29	7,264.53	8,071.54	7,264.53
(d) Unallocated	3,322.01	2,104.99	2,239.34	3,322.01	2,239.34
Total	40,127.58	35,956.85	35,598.79	40,127.58	35,598.79
4. Segment liabilities					
(a) Hospitality	1,606.96	1,418.79	1,636.29	1,606.96	1,636.29
(b) Real Estate	2,730.20	2,863.35	3,129.51	2,730.20	3,129.51
(c) Retail & commercial	527.78	593.31	569.15	527.78	569.15
(d) Unallocated	19,719.83	16,102.10	16,009.33	19,719.83	16,009.33
Total	24,584.77	20,977.55	21,344.28	24,584.77	21,344.28

Notes:

- The above results for the quarter and for the year ended 31 March 2020 of Chalet Hotels Limited ('the Holding Company') and its Subsidiaries (together 'the Group') have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 8 June 2020
- The approved results for the quarter and year ended 31 March 2020 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.chalet-hotels.com).
- 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.
- 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.
- 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 from those estimated as on the date of approval of these consolidated financial results depending on how long the pandemic lasts and time period taken for the economic activities to return to normalcy.

As at 31 March 2020, 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 realization rate per room and fall in revenue of other assets. In April, May and June 2020, the hotels have been operational though at a significantly reduced occupancy rate. Management is undertaking various cost saving initiatives to maximise operating cash flows in the given situation. Management has assessed the impact of existing and anticipated effects of COVID-19 on the future cash flow projections on the basis of significant assumptions as per the available information. As per the management, the Group has sufficient financing arrangements to fulfil its working capital requirements and necessary capital expenditure, 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 and will be able to discharge its liabilities and realise the carrying amount of its assets as on 31 March 2020.

- Effective 1 April 2019, the Group has adopted Ind AS 116 "Leases", applied to all lease contracts existing on 1 April 2019 using the modified retrospective method and has opted to take cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended 31 March 2019 and quarter and year ended 31 March 2020 would not need to be retrospectively restated. However, based on the assessment done by the management, there is no material impact on the statement of profit and loss for the quarter and year ended 31 March 2020.
- Other expense includes foreign exchange (gain)/ loss on external commercial borrowings (ECB) accounted as per Ind AS 23 - Borrowing cost:

Particulars	Quarter ended			Year ended	
	31 March 2020	31 December 2019	31 March 2019	31 March 2020	31 March 2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
Exchange loss	18.39	-	160.97	18.39	160.97

8. 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 2020 is Rs. 52.13 million (31 March 2019: Rs. 53.32 million) and carrying value of property, plant and equipment as at 31 March 2020 is Rs. 427.21 million (31 March 2019: Rs. 436.66 million).

9. 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 laws. In this regard, the Company has a paid up preference share capital of Rs. 1,250 million as at 31 March 2020 (31 March 2019: Rs. 510 million)."

10. 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 2020 (31 March 2019: Rs 40.96 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. 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 2020.

11. The statutory auditor of the Holding Company have expressed an unqualified opinion on the above results for quarter and year ended 31 March 2020.

12. The Holding Company has recognised deferred tax asset on the brought forward house property losses pertaining to previous years after considering the relevant facts and circumstances to the extent that the Holding Company had convincing evidence based on its business plans and budgets to the extent that the deferred tax asset will be realised. Consequently, the Holding Company has recognised deferred tax asset of Rs 253 million as at 31 March 2020 (31 March 2019: Rs Nil). A new Section 115BAA was inserted in the Income Tax Act, 1961, by The Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions/conditions defined in the said section. The holding company and its subsidiaries have decided to continue with the existing tax structure for the year ended 31 March 2020.

13. 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.

Notes: (Continued)

14. On 3 February 2020, the Holding Company acquired 100% of equity shares of Belaire Hotels Private limited (BHPL) and 100% of zero coupon fully compulsory convertible debentures for a cash consideration of Rs 1,193.32 million. On 10 February 2020, the Holding Company acquired 100% of the equity shares of Seaparl Hotels Private Limited (SHPL) and 100% zero coupon fully compulsory convertible debenture for a complete cash consideration of Rs. 574.68 million. Consequent to the above BHPL and SHPL have become wholly owned subsidiaries of the Holding Company.

15. Previous period's figures have been regrouped/reclassified, wherever required, to make them comparable with the figure 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@chalet-hotels.com
Website: www.chalet-hotels.com
8 June 2020

For Chalet Hotels Limited
(CIN-L55101MH1986PLC038538)

SANJA Digitally signed
by SANJAY SETHI
Date: 2020.06.08
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Sanjay Sethi
Managing Director & CEO
(DIN. 00641243)

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Date: 2020.06.08
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