July 02, 2023

MHRIL/SE/23-24/27

Listing Compliance
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra (E), Mumbai – 400051
Symbol: MHRIL

Listing Compliance
BSE Limited
Floor 25, PJ Towers,
Dalal Street
Mumbai – 400 001
Scrip Code: 533088

Dear Sir/ Madam,

Sub: Compliance under Regulations 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Annual Report including Business Responsibility & Sustainability Report and Notice of the 27th Annual General Meeting for the Financial Year 2022-23.

Ref: Our letter No. MHRIL/SE/23-24/09 dated April 25, 2023

This is in reference to our letter No. MHRIL/SE/23-24/09 dated April 25, 2023 intimating that the 27th Annual General Meeting ("AGM") of the Company will be held on Tuesday, July 25, 2023 at 03.00 P.M. (IST) at Y. B. Chavan Centre, General Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai 400 021.

Pursuant to Regulations 30 and 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith, the Annual Report including Business Responsibility & Sustainability Report (BRSR) and Notice of the 27th AGM of the Company for the Financial Year 2022-23. The brief details of the agenda items proposed to be transacted at the 27th AGM are given in Annexure A to this letter.

The Annual Report including BRSR and the Notice of the 27th AGM for the Financial Year 2022-23 are also available on the website of the Company www.clubmahindra.com. These documents are being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories/ KFin Technologies Limited (Company's Registrar and Share Transfer Agent). However, physical copies of the same will be sent to those Members who request for the same.

The voting rights of the Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the Cut-off Date i.e. Tuesday, July 18, 2023. Further, Members are requested to please note that the remote e-voting period shall commence from Thursday, July 20, 2023 (9:00 AM IST) and will end on Monday, July 24, 2023 (5:00 PM IST).

Kindly take the same on record.

Thanking you,

Yours faithfully,
For Mahindra Holidays & Resorts India Limited

DHANRAJ NARSAPPA MULKI

Digitally signed by DHANRAJ NARSAPPA MULKI
Date: 2023.07.02 14:07:18 +05'30'

Dhanraj Mulki
General Counsel & Company Secretary

Encl.: as above

Annexure A

Brief Summary of the Resolutions proposed to be transacted at the 27th Annual General Meeting

Resolution No.	Details of the Resolution	Ordinary/Special Resolution
1	To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2023, and the Reports of the Board of Directors and Auditors thereon.	Ordinary Resolution
2	To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023 and Report of the Auditors thereon.	Ordinary Resolution
3	To note that Mr. Arun Nanda (DIN: 00010029), Non-Executive and Non-Independent Director, who is due to retire by rotation at this Annual General Meeting, has expressed his desire not to be re-appointed.	Ordinary Resolution
4	Appointment of Mr. C.P. Gurnani as a Non-Executive Non-Independent Director.	Ordinary Resolution

Mahindra Holidays & Resorts India Limited

(CIN: L55101MH1996PLC405715)
Registered Office: Mahindra Towers, 1st Floor, "A" Wing, Dr. G M Bhosale Marg, P.K. Kurne Chowk, Worli, Mumbai - 400 018
T: +91 22 6918 4722 | W: www.clubmahindra.com | E: investors@mahindraholidays.com

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY-SEVENTH ANNUAL GENERAL MEETING OF MAHINDRA HOLIDAYS & RESORTS INDIA LIMITED will be held on Tuesday, July 25, 2023 at 3.00 p.m. (IST) at Y. B. Chavan Centre, General Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai 400 021, to transact the following business:

A. ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2023, and the Reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023 and Report of the Auditors thereon.
3. To note that Mr. Arun Nanda (DIN: 00010029), Non-Executive and Non-Independent Director, who is due to retire by rotation at this Annual General Meeting, has expressed his desire not to be re-appointed.

   To consider and, if thought fit, to pass, with or without modification(s), the following as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Arun Nanda (DIN: 00010029), who was appointed as a Director of the Company liable to retire by rotation, and who has expressed his desire not to seek re-appointment upon expiry of his term at the conclusion of this Annual General Meeting, be not re-appointed as a Director of the Company.

RESOLVED FURTHER THAT the vacancy, so created on the Board of Directors of the Company, be not filled.**"**

B. SPECIAL BUSINESS

4. Appointment of Mr. C.P. Gurnani as a Non-Executive Non-Independent Director

   To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 and all other applicable provisions of the Companies Act, 2013 ("the Act") and the Rules framed thereunder [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, Mr. C.P. Gurnani (DIN: 00018234), who was appointed by the Board of Directors as an Additional Non-Executive Non-Independent Director of the Company with effect from April 26, 2023 and Chairman with effect from July 26, 2023, pursuant to the provisions of Section 161 of the Act and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, being so eligible, be and is hereby appointed as a Non-Executive Non-Independent Director of the Company, liable to retire by rotation."

By Order of the Board

Dhanraj Mulki
General Counsel & Company Secretary
FCS - 4631

Registered Office:
Mahindra Towers, 1st Floor, "A" Wing,
Dr. G M Bhosale Marg, P.K. Kurne Chowk.
Worli, Mumbai - 400 018
T: +91 22 6918 4722
CIN: L55101MH1996PLC405715
e-mail: investors@mahindraholidays.com

Place: Mumbai
Date: July 01, 2023

Notes:

A. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the "Act") setting out material facts concerning the business under item no. 4 of the Notice of 27th Annual General Meeting ("Notice") is Annexed hereto.

B. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM/ MEETING) IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND A PROXY NEED NOT BE A MEMBER.**

C. **A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. HOWEVER, A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS A PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER**.

D. **PROXY:** A form of proxy is enclosed to this Notice. No instrument of proxy shall be valid unless:

   a) It is signed by the Member or by his / her attorney duly authorised in writing or, in the case of joint holders, the signature of any one holder on proxy form will be sufficient, but names of all the joint holders should be stated or, in the case of body corporate, it is executed under its common seal, if any, or signed by its attorney or authorized signatory duly authorised in writing; provided that an instrument of proxy shall be sufficiently signed by any Member, who for any reason is unable to write his/her name, if his / her thumb impression is affixed thereto, and attested by a judge, magistrate, registrar or sub-registrar of assurances or other government gazetted officers or any officer of a Nationalised Bank;

   b) It is duly stamped and deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the Meeting i.e. by 3:00 p.m. on Sunday, July 23, 2023, together with the power of attorney or other authority (if any), under which it is signed or a copy of that power of attorney certified by a notary public or a magistrate unless such a power of attorney or the other authority is previously deposited and registered with the Company / Registrar & Share Transfer Agent;

E. Members / proxies are requested to bring duly filled attendance slips, sent herewith, to attend the Meeting and proxy holder shall prove his/her identity at the time of attending the Meeting;

F. Every Member entitled to vote at the AGM of the Company can inspect the proxies lodged with the Company at any time during the business hours of the Company during the period beginning twenty-four (24) hours before the time fixed for the commencement of the AGM and ending on the conclusion of the AGM. However, a prior notice of not less than three (3) days in writing of the intention to inspect the proxies lodged shall be required to be provided to the Company.

G. Corporate / Institutional Members intending to authorize their representatives to participate and vote at the AGM are requested to send a certified copy of the Board resolution / authorization letter to the Scrutiniser at e-mail ID kjr@mdassociates.co.in with a copy marked to evoting@kfintech.com and to the Company at investors@mahindraholidays.com authorizing its representative(s) to attend the Meeting and vote on their behalf at the AGM, pursuant to Section 113 of the Companies Act, 2013 ("the Act"). The Members of the Company under the category of Institutional Shareholders are encouraged to attend the AGM and vote thereat.

H. The Company's Registrar and Share Transfer Agent for its Share Registry Work (Physical and Electronic) is KFin Technologies Limited ("KFintech/ RTA") having its office at Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032.

I. **TRANSFER OF SHARES PERMITTED IN DEMAT FORM ONLY:** Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), as amended, mandates that transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI, vide its circular dated January 25, 2022, has clarified that listed companies, with immediate effect, shall issue the securities only in demat mode while processing investor service requests pertaining to issuance of duplicate securities certificate, endorsement, exchange /sub-division / splitting / consolidation of securities certificates etc. In view of this, Members holding shares in physical form are requested to submit duly filled Form ISR-4 for the above mentioned service requests. Further, to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding equity shares in physical form are requested to consider converting their holdings to demat mode.

J. SEBI had vide circular dated March 16, 2023 introduced Common and Simplified Norms for furnishing PAN, KYC details and Nomination by the Shareholders, according to which, all shareholders holding shares in physical form are mandatorily required to furnish PAN (compulsorily linked with Aadhaar), contact details, bank account details and specimen signature, in Form ISR-1 along with the supporting documents to KFintech at the above mentioned address or by email to einward.ris@kfintech.com from their registered email id.

Further, it is mandated that the RTA shall not process any service request or complaint of shareholders till PAN, KYC and nomination document/details are received. In case any one of aforesaid documents are not available on or after October 1, 2023, the folios shall be frozen by the RTA.

K. Members holding shares in demat form are requested to provide their e-mail address, mobile number, bank details and details relating to nomination to their Depository Participant(s) ("DPs"), in case the same are not updated.

L. **NOMINATION FACILITY:** Members who hold shares in the physical form may nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail the nomination facility by filling Form No. SH-13 or Form ISR-3 (Declaration to Opt-out).

Members holding shares in the dematerialised form may contact their DP's for recording the nomination in respect of their holdings.

M. Forms ISR-1, ISR-3, ISR-4 & SH-13 alongwith the supporting documents as stated above are required to be submitted to KFintech at the address mentioned above.

N. Pursuant to the provisions of Section 124 and 125 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, is liable to be transferred to IEPF Authority. Further, according to the IEPF Rules, the shares in respect of which dividend has not been paid or claimed by the Shareholders for a period of seven consecutive years are also liable to be transferred to the demat account of the IEPF Authority.

Last date of claiming unclaimed and unpaid dividend declared by the Company for the Financial Years 2015-16, 2016-17 and 2017-18 to IEPF are as under:

Financial Year ended	Date of declaration of dividend	Last date for claiming unpaid / unclaimed dividend
March 31, 2016	July 29, 2016	August 28, 2023
March 31, 2017	August 2, 2017	September 1, 2024
March 31, 2018	August 2, 2018	September 1, 2025

Members who have not encashed the dividend warrant so far in respect of the aforesaid period are requested to make their claim to KFintech well in advance of the above dates.

The Company has sent individual notice to all the Members whose shares/ dividend were due to be transferred to the IEPF Authority and has also published newspaper advertisement in this regard.

O. Members are requested to

a. intimate to KFintech at the above mentioned address, changes, if any, in their registered addresses at an early date, in case of shares held in physical form;

b. intimate to the respective DPs, changes, if any, in their registered addresses at an early date, in case of shares held in dematerialized form;

c. quote their folio numbers/Client ID/DP ID in all correspondences;

d. consolidate their holdings into one folio in case they hold shares under multiple folios in the identical order of names;

e. register their PAN with their DPs, in case of shares held in dematerialised form and KFintech/ Company, in case of shares held in physical form, as directed by SEBI.

P. Details of Scrutinizer: Mr. M. Damodaran, Managing Partner, M Damodaran & Associates LLP (Membership No: 5837, Certificate of Practice No. 5081).

Q. The Scrutinizer's decision on the validity of the votes shall be final.

R. The Scrutinizer after scrutinizing the votes cast through remote e-voting and voting during the AGM shall, not later than 48 hours from conclusion of the AGM, make a consolidated Scrutinizer's Report and submit the same forthwith to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same.

S. The Results declared along with the consolidated Scrutinizer's Report shall be hosted on the website of the Company (https://www.clubmahindra.com) and on the website of KFintech (https://emeetings.kfintech.com). The results shall simultaneously be communicated to BSE Limited and National Stock Exchange of India Limited.

T. The Resolutions shall be deemed to be passed on the date of the AGM i.e. July 25, 2023, subject to receipt of the requisite number of votes in favour of the Resolutions.

U. **DISPATCH OF ANNUAL REPORT:** Pursuant to Section 101 and 136 of the Act read with relevant Rules made thereunder and Regulation 36(1)(a) of SEBI Listing Regulations, soft copy of the Annual Report and other communications shall be served to the Members through electronic mode to those Members who have registered their e-mail address either with the Company or KFintech or with any Depositories. Those Members, who desire to receive notice / financial statement / other documents through e-mail, are requested to communicate their e-mail ID and changes thereto, from time to time, to his / her DP's (in case of Shares held in dematerialised form) / KFintech in Form ISR 1 (in case of Shares held in physical form).

Soft copy of the Annual Report including the Notice of the AGM of the Company in electronic form, inter-alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form would be sent to all the Members whose email IDs are registered with the Company / KFintech / DPs.

Members may also note that the Notice of the AGM and the Annual Report for the financial year 2022-23 will also be available on the Company's website https://www.clubmahindra.com for download, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively, and also on the website of KFintech: http://www.kfintech.com/. Request for a hard copy of the aforesaid documents may be made by the Members by sending request to the following e-mail ids - einward.ris@kfintech.com / investors@mahindraholidays.com.

V. Procedure for registering e-mail addresses by the Members whose e-mail addresses are not registered with the DPs (in case of Members holding shares in demat form) or with KFintech (in case of Members holding shares in physical form), in order to receive all communications (including Annual Report and Notice of the AGM) from the Company electronically:

Those Members who have not yet registered their e-mail addresses are requested to get their e-mail addresses registered by following the procedure mentioned below:

a) Members holding shares in demat form can get their e-mail ID registered by contacting their respective DPs.

b) Members holding shares in physical mode and who have not registered/ updated their email addresses are requested to update their email addresses by sending the duly filled in form ISR 1 (uploaded on the website of the Company/KFintech) along with relevant proof to KFin Technologies Limited, Unit: Mahindra Holidays & Resorts India Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 or the scan copies of the documents may also be mailed through your registered email ID with KFintech at the mail ID einward.ris@kfintech.com duly e-signed on the forms and all proofs.

W. PROCEDURE FOR REMOTE E-VOTING AND VOTING AT THE AGM:

i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of MCA and SEBI Circulars in relation to "e-voting facility provided by Listed Entities", the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by KFintech, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.

ii. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-voting facility provided by Listed Companies", e-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.

iii. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process. Shareholders are advised to update their mobile number and e-mail ID with their Depository Participant(s) to access e-voting facility.

iv. The remote e-voting period commences on Thursday, July 20, 2023 (9:00 AM IST) and ends on Monday, July 24, 2023 (5:00 PM IST). During the remote e-voting period, Members of the Company, holding shares either in physical form or in dematerialised form, may cast their votes electronically. The remote e-voting module shall be disabled by KFintech for voting thereafter and thus, remote e-voting shall not be allowed beyond Monday, July 24, 2023 (5:00 p.m. IST). Once the vote on all the resolutions are cast by a Member, whether partially or otherwise, the Member shall not be allowed to change it subsequently or cast vote again.

v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the Cut-off Date i.e. Tuesday, July 18, 2023 ("Cut-off Date").

vi. Any person holding shares in physical form and non-individual Shareholders, who acquires shares of the Company and becomes a Member of the

Company after dispatch of AGM Notice and holding shares as on the Cut-off Date, may obtain the login ID and password by sending a request at evoting@Kfintech.com. However, if he / she is already registered with KFintech for remote e-voting then he /she can use his / her existing User ID and password for casting the vote.

vii. The details of the process and manner for remote e-voting, voting during the AGM and attending the AGM are explained herein below:

Step 1: Access to Depositories e-voting system in case of individual Shareholders holding shares in demat mode.

Step 2: Access to KFintech e-voting system in case of Shareholders holding shares in physical and non-individual Shareholders holding shares in demat mode

Step 3: Access to vote during the AGM.

Details on Step 1 are mentioned below:

I) Login method for remote e-voting for Individual Shareholders holding shares in demat mode

Type of Shareholders	Login Method
Individual Shareholders holding shares in demat mode with NSDL	**1. User already registered for IDeAS facility:** I. Visit URL: https://eservices.nsdl.com II. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-voting" IV. Click on company name or e-voting service provider and you will be re-directed to e-voting service provider website for casting the vote during the remote e-voting period. **2. User not registered for IDeAS e-Services** I. To register click on link : https://eservices.nsdl.com II. Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. IV. Follow steps given in point 1 **3. Alternatively by directly accessing the e-Voting website of NSDL** I. Open URL: https://www.evoting.nsdl.com/ II. Click on the icon "Login" which is available under 'Shareholder/Member' section. III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will be requested to select the name of the Company and the e-Voting Service Provider name, i.e. KFintech. V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.
Individual Shareholders holding shares in demat mode with CDSL	**1. Existing user who have opted for Easi / Easiest** I. Visit URL: https://web.cdslindia.com/myeasinew/home/login/ or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with your registered User ID and Password. The user will see the e-voting Menu. Click on e-voting link available against the name of the Company and you will be re-directed to e-voting page of KFintech for casting the vote during the remote e-voting period.
	2. User not registered for Easi / Easiest I. Option to register is available at https://web.cdslindia.com/myeasinew/Registration/EasiRegistration II. Proceed with completing the required fields. III. Follow the steps given in point 1

<table>
<tr><th>Type of Shareholders</th><th>Login Method</th></tr>
<tr><td></td><td>3. Alternatively, by directly accessing the e-Voting website of CDSL
I. Visit URL: https://evoting.cdslindia.com/Evoting/EvotingLogin
II. Provide your demat Account Number and PAN No.
III. System will authenticate user by sending OTP on registered Mobile & e-mail as recorded in the demat Account.
IV. After successful authentication, user will be redirected to KFintech e-voting page for casting your vote during the remote e-voting period.</td></tr>
<tr><td>Individual Shareholder login through their demat accounts / Website of Depository Participant</td><td>I. You can also login using the login credentials of your demat account websites of Depository Participants registered with NSDL/CDSL for e-voting facility.
II. Once logged-in, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-voting feature.
III. Click on options available against Company name or e-voting service provider – KFintech and you will be redirected to e-voting website of KFintech for casting your vote during the remote e-voting period without any further authentication.</td></tr>
</table>

Important note: Members who are unable to retrieve User ID / Password are advised to use "Forgot user ID" / "Forgot Password" options available on the websites of Depositories / Depository Participant(s).

Helpdesk for Individual Shareholders holding shares in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Shares held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: **1800 1020 990 and 1800 22 44 30**
Shares held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at **022- 23058738 or 022-23058542-43**

Details on Step 2 are mentioned below:

II) Login method for remote e-Voting for Non-individual Shareholders holding shares in demat mode and Shareholders holding shares in physical mode.

Members whose e-mail IDs are registered with the Company/Depository Participant(s), will receive an e-mail from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

i. Launch internet browser by typing the URL: https://evoting.kfintech.com/

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number), followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, e-mail ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVENT" i.e., 'Mahindra Holidays & Resorts India Limited

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the e-voting period, Members can login any number of times till they have voted on the Resolution(s) set forth in this Notice.

xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM on its behalf and to cast its vote through remote e-voting, together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at e-mail ID kjr@mdassociates.co.in with a copy marked to evoting@kfintech.com and to the Company at investors@mahindraholidays.com. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_Even No." It should reach the Scrutiniser and the Company by e-mail not later than Monday, July 24, 2023 (5:00 PM IST). In case if the authorized representative attends the AGM, the above mentioned documents shall be mailed before the commencement of AGM.

Details on Step 3 are mentioned below:

III) Instructions for all the Shareholders for voting during the AGM.

i. The facility for voting through electronic voting system shall also be made available at the Meeting and Members attending the Meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the Meeting.

ii. A Member can opt for only single mode of voting i.e. through remote e-voting or voting at the AGM. If a Member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID". However, Members who have voted through remote e-voting shall be eligible to attend the AGM.

iii. The Members, who have not cast their vote through remote e-voting can exercise their voting rights at the AGM. The facility for voting through electronic voting system ("Insta Poll") shall be made available at the Meeting.

OTHER INSTRUCTIONS

A. Members holding shares as on the Cut-off Date shall be entitled to vote through remote e-voting or vote at the meeting.

B. User ID and password for e-voting is sent in the email where notice is sent by email. Members whose name is recorded in the register of Members or in the register of beneficial owners maintained by the depositories as on Cut-off Date only shall be entitled to avail the facility of remote e-voting or voting at the AGM, as the case may be. The voting rights shall be reckoned on the basis of number of equity shares held by the Members as on the Cut-off Date for the purpose.

C. Members holding shares as on the Cut-off Date shall be entitled to vote through remote e-voting or voting during the AGM. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members / List of Beneficial Owner of the Company will be entitled to vote during the AGM.

D. Procedure for inspection of Documents:

The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, a certificate from the Secretarial Auditor confirming that the Stock Option Schemes have been implemented by the Company in accordance with the applicable SEBI Regulations and relevant documents referred to in this Notice of AGM and Explanatory Statement, is available for inspection by the Members at the Registered Office of the Company on all working days (Monday to Friday), from 10:00 a.m. to 1:00 p.m. up to the date of the AGM except Public Holidays.

E. The route map of the venue of the Meeting is given in the Notice. The prominent landmark for the venue is 'next to Sachivalaya Gymkhana'.

F. Any Member desirous of getting any information on the accounts or operations of the Company is requested to write to the Company at investors@mahindraholidays.com at least seven working days prior to the Meeting, so that the required information can be made available at the Meeting;

I. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.kfintech.com (KFintech Website) or contact Ms. Sheetal Doba at evoting@kfintech.com or at 040-6716 1509 or call KFintech's toll free No. 1800-309-4001 for any further clarifications.

II. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on the Cut-off Date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the Cut-off Date should treat this Notice for information purposes only.

III. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the Cut-off Date for e-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

i. If the mobile number of the Member is registered against Folio No./ DP ID Client ID, the Member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

Example for NSDL: MYEPWD <SPACE> IN12345612345678

Example for CDSL: MYEPWD <SPACE> 1402345612345678

Example for Physical: MYEPWD <SPACE> XXXX1234567890

ii. If e-mail address or mobile number of the Member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.kfintech.com/, the Member may click on "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

iii. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.

X. KPRISM- Mobile service application by KFintech:

Members are requested to note that KFintech has launched a new mobile application – KPRISM and website https://kprism.kfintech.com/ for online service to Shareholders.

Members can download the mobile application, register themselves (onetime) for availing host of services viz., consolidated portfolio view serviced by KFintech, Dividend status and send requests for change of Address, change / update Bank Mandate etc. Through the Mobile app, Members can download Annual Reports, standard forms and keep track of upcoming General Meetings, IPO allotment status and dividend disbursements. The mobile application is available for download from Android Play Store. Alternatively, visit the link https://kprism.kfintech.com/app/ to download the mobile application.

By Order of the Board

Dhanraj Mulki
General Counsel & Company Secretary
FCS - 4631

Registered Office:
Mahindra Towers, 1st Floor, "A" Wing,
Dr. G M Bhosale Marg, P.K. Kurne Chowk.
Worli, Mumbai - 400 018
T: +91 22 6918 4722
CIN: L55101MH1996PLC405715
e-mail: investors@mahindraholidays.com

Place: Mumbai
Date: July 01, 2023

ANNEXURE TO NOTICE

Additional Information in respect of item no. 3 of this Notice

Item No. 3:

To note that Mr. Arun Nanda (DIN: 00010029), Non-Executive and Non-Independent Director, who is due to retire by rotation at this Annual General Meeting, has expressed his desire not to be re-appointed.

Mr. Arun Nanda (DIN: 00010029), the founder of the Company, has been serving as a Non-Executive Non-Independent Director on the Board since inception of the Company.

Pursuant to Section 152(6) of the Companies Act, 2013 ("the Act"), at least one-third of the directors who are liable to retire by rotation, shall retire at every Annual General Meeting ("AGM") of the Company.

Mr. Arun Nanda (DIN: 00010029), being the longest serving Director of the Company, is liable to retire by rotation at the 27th AGM of the Company. Although being eligible for re-appointment, he has expressed his intention not to seek reappointment at the 27th AGM. Accordingly, Mr. Arun Nanda would cease to hold office as a Non-Executive Director and Chairman of the Company from the conclusion of the 27th AGM of the Company.

Mr. Arun Nanda has been a stellar 'Intrapreneur' of the Mahindra Group for several decades. Besides his responsibilities as Executive Director of Mahindra & Mahindra Limited, he has led several initiatives of the Group's diversification into the services sector. Out of these, his contribution into the leisure and hospitality sectors, the pioneering work he did in setting up Mahindra World Cities in Chennai and Jaipur, the Water supply Project in Tirupur under PPP Model stand out. The Board of Directors would like to place on record their sincere appreciation of Mr. Nanda's contribution to the Company since it's inception, during which his visionary leadership, mentorship, strategic direction and stewardship contributed immensely to the growth of the Company. The Board also thanks him for conceptualising Mahindra Holidays vacation ownership model and its success story and wish him many happy and productive years ahead.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act")

Item No. 4:

Appointment of Mr. C.P. Gurnani as a Non-Executive Non-Independent Director

The Board of Directors of the Company, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee ("NRC"), has appointed Mr. C.P. Gurnani as an Additional Director in the capacity of Non-Executive Non-Independent Director of the Company with effect from April 26, 2023. Mr. Gurnani shall hold office upto the date of this AGM and is eligible to be appointed as a Non-Executive Non-Independent Director, liable to retire by rotation.

Further, the Board of Directors, pursuant to the recommendation of the NRC has appointed Mr. Gurnani as a Non-Executive Chairman of the Company to be effective from July 26, 2023.

The Company has received a notice in writing from a Member under Section 160 of the Act proposing the candidature of Mr. Gurnani for the office of Director of the Company. Mr. Gurnani is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company. Further, Mr. Gurnani is not debarred from holding the office of Director, pursuant to any Order issued by SEBI or any other authority.

The information to be provided under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard 2 issued by the Institute of Company Secretaries of India, pertaining to the appointment of Mr. Gurnani as a Non-Executive Non-Independent Director is annexed to this Notice.

The remuneration, if any, to Mr. Gurnani shall be governed by the Remuneration Policy of the Company. The Board of Directors are of the opinion that the vast knowledge and experience of Mr. Gurnani will be of great value to the Company.

The Board recommend the Resolution at Item no. 4 as an Ordinary Resolution for approval of the Members.

Save and except Mr. Gurnani and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel (KMP) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Notice. None of the Directors and KMP of the Company are inter-se related to each other.

ADDITIONAL INFORMATION WITH RESPECT TO ITEM NO. 4

Details of the Directors seeking appointment at the Annual General Meeting [pursuant to Secretarial Standard 2 (SS-2) issued by the Institute of Company Secretaries of India (ICSI) and Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Item No 4:

Name of the Director	**Mr. C.P. Gurnani**
DIN	00018234
Date of Birth	19/12/1958
Age	64 years
Terms and conditions of re- appointment	Liable to retire by rotation
Qualification	Chemical Engineering graduate from the National Institute of Technology, Rourkela
Profile, Experience and Expertise in specific functional areas	Refer "Annexure A" given below
Details of remuneration sought to be paid	The Non-Executive Directors are entitled to commission (within the limits already approved by the Shareholders of the Company), sitting fees for attending board/ committee meetings, reimbursement of expenses incurred in discharge of their duties and stock options (other than Independent Directors).
Details of remuneration last drawn by such person (FY 2022-23)	Not applicable
Date of first appointment on Board	April 26, 2023
Shareholding in the Company (equity shares of Rs.10 each)	Nil
Relationship with other Directors and Key Managerial Personnel (KMPs)	None of the Directors and KMPs of the Company are inter-se related to Mr. C.P. Gurnani
Listed entities from which the Director has resigned from directorship in last three (3) years	None
The number of meetings of the Board attended during the financial year 2022-23	Not applicable
Other Directorships as on March 31, 2023 (excluding Mahindra Holidays & Resorts India Limited)	1. Mahindra & Mahindra Limited 2. Tech Mahindra Limited 3. Tech Mahindra Foundation 4. Mahindra Educational Institutions 5. AA Brands Private Limited 6. Sam Residency Private Limited 7. SGS Buildtech Private Limited 8. Vendekin Technologies Private Limited 9. ANG Realities Private Limited 10. Assago Industries Private Limited 11. Assago Finance Private Limited 12. Ocularity Analytics Private Limited
Membership / Chairmanship of other Board Committees as on March 31, 2023 (excluding Mahindra Holidays & Resorts India Limited)	**Tech Mahindra Limited** • Corporate Social Responsibility Committee – Chairman • Stakeholders Relationship Committee – Member • Securities Allotment Committee – Member • Investment Committee – Member

Annexure A

Brief profile of Mr. C.P. Gurnani

C.P. Gurnani (popularly known as 'CP' within his peer group), is the Managing Director and Chief Executive Officer of Tech Mahindra. He is also the Additional Director (Non-Executive and Non-Independent Director) of Mahindra Holidays & Resorts India Limited (MHRIL). A lifelong learner and a disrupter is what best describes CP. An accomplished business leader with extensive experience in international business development, start-ups and turnarounds, joint ventures, mergers and acquisitions, CP led Tech Mahindra's transformation journey, and one of the biggest turnarounds of Indian Corporate History - the acquisition and merger of Satyam.

His inimitable style of leadership, combined with his sharp focus on customer experience has helped Tech Mahindra emerge as one of the leading digital IT solution providers of India.

In a career spanning 40+ years, CP has held several leading positions with Hewlett Packard Ltd, Perot Systems (India) Ltd. and HCL Corporation Ltd. CP has also served as a Chairman of NASSCOM for the year 2016-2017. An outstanding people manager, CP has an entrepreneurial style of management that is a blend of enthusiasm and dynamism. He has always focused on his team's strength to bring out the best in them. 'Work hard and play hard' is his motto and he applies it to all aspects of his life with complete passion.

A chemical engineering graduate from the National Institute of Technology, Rourkela, he is a distinguished and active alumnus of the Institute. CP has also been felicitated with an honorary Doctorate degree by Veer Surendra Sai University of Technology and Sharda University. He is on the Board of Mahindra & Mahindra Limited, a promoter of Tech Mahindra Limited. His passion for education is resonated in the various honorary positions he holds - He is on the board of Mahindra Educational Institutions (MEI) & a Member of the Board of Management of Mahindra University, a private university promoted by MEI to educate future citizens for and of a better world. He is also the Chairman of IIM Nagpur and the Founding Trustee of Plaksha University.

CP's endeavours are self-explanatory which won him numerous accolades that include winning the CEO's Choice 'Lifetime Achievement Award' 2021 – the nation's highest independent civilian honour – instituted by SKOCH Group and CEO's Association for Inclusive India (CAII). He is also a Gold winner of the CEO World Awards 2018 for his organization wide reskilling initiative at Tech Mahindra and winner of the Business Today 'Best CEO' Awards 2019 in the IT & ITES category. His clinical leadership strategies have always been honored at various platforms over the years; a few of them include 'CEO of the Year' award at the Raymond CEO Forum India Awards 2022, 'Most Inspiring Business Leaders of Asia' 2022 by The Economic Times, 'Business Icon of India' 2022 by Zee Business, 'Leader of the Year' in IT at CEO Today Magazine Middle East Awards 2021, 'Influential Leader of New India' 2021 by CNN News 18, 'Best CEO of the Year' at the Forbes India Leadership Awards in 2015, Business Standard 'CEO of the Year' in 2014, Ernst and Young 'Entrepreneur of the Year' and CNBC Asia's 'India Business Leader of the Year'.

CP strongly believes in promoting child education. He is on the Board of Tech Mahindra Foundation – launched in 2007 to help the underprivileged children with 290,425 beneficiaries & counting. CP, along with his wife Anita, have founded 'Titliyan', an NGO located in Noida spreading smiles, happiness and education to more than 240 under privileged children – a dream project for the Gurnanis.

CP is highly active on social media platforms like Twitter and LinkedIn and you can connect and follow him on the same.

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ClubMahindra

Mahindra Holidays & Resorts India Limited

(CIN: L55101MH1996PLC405715)

Registered Office: Mahindra Towers, 1st Floor, "A" Wing, Dr. G M Bhosale Marg, P.K. Kurne Chowk, Worli, Mumbai - 400 018

T: +91 22 6918 4722 | W: www.clubmahindra.com | E: investors@mahindraholidays.com

FORM NO. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN:	L55101MH1996PLC405715
Name of the Company:	Mahindra Holidays & Resorts India Limited
Registered Office:	Mahindra Towers, 1st Floor, "A" Wing, Dr. G. M. Bhosale Marg, P. K. Kurne Chowk, Worli, Mumbai - 400 018
Name of the member(s):	
Registered address:	
E-mail Id:	
Folio No/Client Id	
DP ID	

I/We, being the member(s) of Mahindra Holidays & Resorts India Limited holding………………shares of the Company, hereby appoint:

1	Name			
	Address			
	E-mail id		Signature	
	Or failing him / her			
2	Name			
	Address			
	E-mail id		Signature	
	Or failing him / her			
3	Name			
	Address			
	E-mail id		Signature	

as my / our proxy to attend and vote for me / us and on my / our behalf at the 27th Annual General Meeting of the Company, to be held on Tuesday, July 25, 2023 at 3:00 p.m. (IST) at Y. B. Chavan Centre, General Jagannath Bhosale Marg, next to Sachivalaya Gymkhana, Mumbai 400 021 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
Ordinary Businesses				
1.	To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2023 and the Reports of the Board of Directors and Auditors thereon.			
2.	To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2023 and Report of the Auditors thereon.			
3.	To note that Mr. Arun Nanda (DIN: 00010029), Non-Executive and Non-Independent Director, who is due to retire by rotation at this Annual General Meeting, has expressed his desire not to be re-appointed.			
Special Business				
4.	To consider and approve appointment of Mr. C.P. Gurnani as a Non-Executive Non-Independent Director.			

Signed this…………………….day of……………………….2023.

Signature of the Member:…………………………………

Signature of Proxy holder(s) :…………………………………

Notes:

1. This form of proxy in order to be effective, should be duly stamped, completed, signed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the meeting;
2. It is optional to indicate your preference. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

ClubMahindra

Mahindra Holidays & Resorts India Limited

(CIN: L55101MH1996PLC405715)
Registered Office: Mahindra Towers, 1st Floor, "A" Wing, Dr. G. M. Bhosale Marg, P. K. Kurne Chowk, Worli, Mumbai - 400 018
T: +91 22 69184722 | W: www.clubmahindra.com | E: investors@mahindraholidays.com

ATTENDANCE SLIP FOR 27TH ANNUAL GENERAL MEETING

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE AGM HALL

Joint Shareholders desiring to attend the Meeting may obtain additional Attendance Slips on request. Provided such request is received by the Company/Registrar and Share Transfer Agent, KFin Technologies Limited at Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 before July 18, 2023.

Name & Address of the Shareholder:		
Joint Holder 1:		
Joint Holder 2:		
Folio No.:	**DP ID:**	**Client ID:**
No. of Shares:		

I / We record my / our presence at the TWENTY SEVENTH ANNUAL GENERAL MEETING of the Company being held at Y. B. Chavan Centre, General Jagannath Bhosale Marg, Next to Sachivalaya Gymkhana, Mumbai 400 021 on Tuesday, July 25, 2023 at 3:00 p.m. (IST).

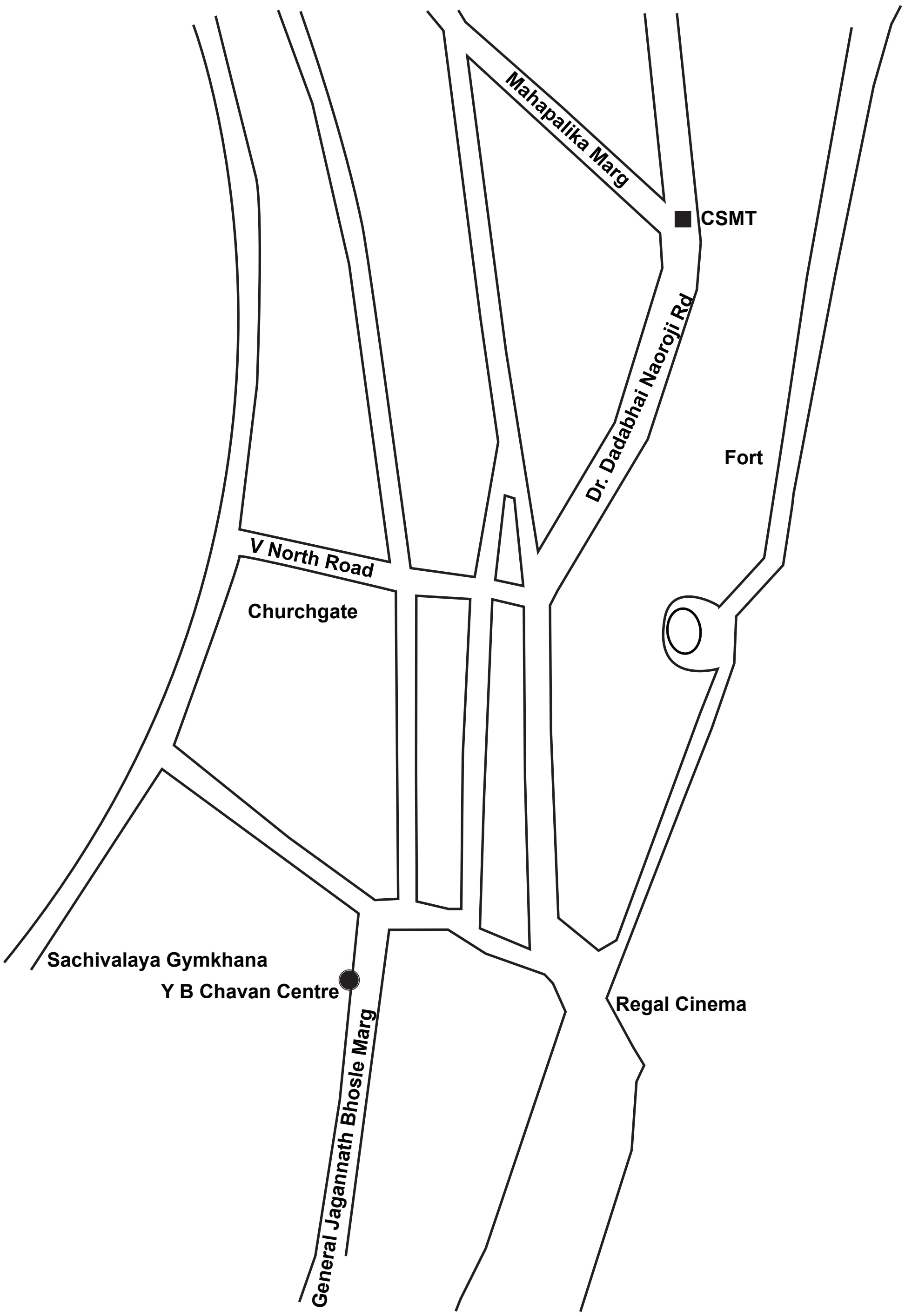
Name(s) of the Shareholder(s)/Proxy (IN BLOCK CAPITALS). ____________________

Signature(s) of the Shareholder(s) or Proxy ____________________

NOTE: You are requested to sign and handover this slip at the entrance of the Meeting venue. You are also requested to bring your copy of Annual Report at the Meeting.

Route Map for 27th AGM

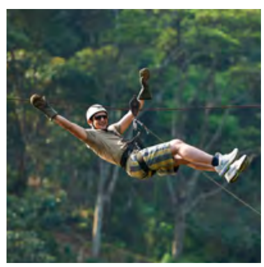
Mahindra Holidays & Resorts India Limited
27th Annual General Meeting,
Tuesday, July 25, 2023 at 3:00 p.m.



Venue :
Y. B. Chavan Centre,
General Jagannath Bhosle Marg,
Next to Sachivalaya Gymkhana, Mumbai – 400 021

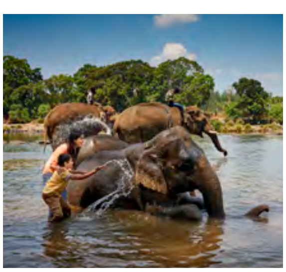
26 YEARS OF MAGICAL MEMORIES & UNSTOPPABLE GROWTH.

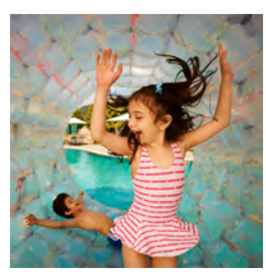
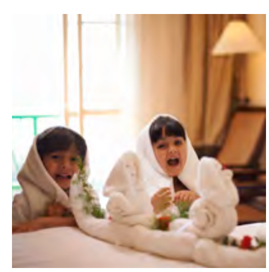






Mahindra Holidays & Resorts India Limited

27th Annual Report 2022-23

Contents

Chairman's Message

Dear Shareholders,

As I write my message about the performance of your Company during the year ended 31st March, 2023, I feel proud of the achievements of your management and optimistic about the future.

The pride comes from the fact that this year your Company delivered the best ever results in its history. Total income on a standalone basis at ₹ 1,306 crore, member additions at 17,477, a growth of 37% over the previous year and highest ever resort Income at ₹ 323 crore compared to ₹ 193 crore in the previous year, profit before tax at ₹ 214 crore and profit after tax at ₹ 159 crore were the highest in the history of the Company.

The consolidated results were even more impressive with total income being 20% higher at ₹ 2,624 crore, EBIDTA 21% higher at ₹ 579 crore and profit before tax at ₹ 171 crore was 54% higher than the previous year.

All these were possible because of the excellent work done both by the management of your Company and that of its subsidiary, Holiday Club Resorts Oy, Finland (HCR).

I am also happy with the performance of HCR. After they managed to come out of the after-effects of Covid, their economy was severely affected by Russia-Ukraine conflict with a steep increase in fuel prices, high inflation, substantial increase in interest rates and worst of all, drop in international tourism due to sanctions against Russia.

In spite of these major hurdles, the management of HCR, by focusing on domestic markets, optimizing utilization of resources, cost rationalization, improving labour productivity made an operating profit of Euro 5 million in 2022-23 versus an operating loss of Euro 0.3 million in 2021-22.

Let me now share where my optimism comes from.

First and foremost is the validation of customer confidence by our existing members. The upgrades in 2022-23 at ₹ 188 crore were 71% higher than the previous year. To me, this is the best form of validation and a sign of customer confidence: only when a member is extremely happy with the service and benefits will the members pay to upgrade. Significant increase in resort income at ₹ 323 crore (up 67%) and occupancies going up from 74% in 2021-22 to 84% in 2022-23 are other major indicators that your management has made the members happier year after year.

What does this mean to us?

- Higher customer spends. A happy customer not only spends more on F&B but also on various other activities at resorts including the Spa.
- Happy members encourage their friends and families to become new members.
- Higher referrals lead to lower acquisition costs.
- More members mean more new resorts and an even wider choice for members.
- More members and higher occupancies encourage management to build larger resorts and effect economies of scale.

The management is in the advanced stages of expansion of resorts in Kandaghat (Himachal Pradesh), Assonora (Goa) and Puducherry. In addition, it will start construction of two new resorts at Ganpatipule (Western Maharashtra) and Theog (Himachal Pradesh) soon.

I am also very optimistic about the future of HCR. Despite post-Covid issues and the current geo-political situation, HCR has managed to achieve a positive operating profit in the year under review. We have seen a good growth in time-share sales and the new launches have been successful. In addition, HCR has a land bank for further launches. The other good thing is that Finland is seeing tourist arrivals from new destinations; and once the geopolitical situation improves, this will give a further boost to the hospitality sector. Hence, I am reasonably confident that the future will augur well for HCR.

It is also pertinent to note that HCR's management has brought down external debt from Euro 51.7 million in September 2014 to Euro 15.6 million as of March 2023. This should significantly improve the enterprise value of HCR.

Operational and financial excellence are important parameters. As a 'Mahindra company' your Company has done much more than that. To list a few:

The first is honesty in doing business. I am truly proud of the fact that we have been able to live with the Mahindra values and ethics.

The second is that we are truly a customer centric organisation. Our capacity to show that we care and the fact that we go an extra mile to make every moment magical for the customer means a great deal to how we run our business. And these translate to extended customer goodwill.

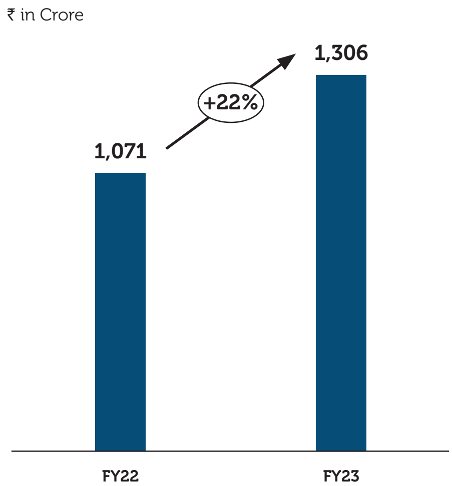
The third is custodianship of the environment and sustainability. As always, your Company remains steadfastly committed to conserve the ecological integrity of its operating locations through responsible business practices and activities such as measurement of carbon footprint, conservation of biodiversity, energy conservation, use of renewable sources, water conservation and waste recycling. For example, we use solar power in 22 of our resorts with 43.43 lakh units (kWh) generated in 2022-23. Six of our resorts are currently 'water secure'; utilisation of rainwater increased considerably to 275 million litres in 2022-23; and water consumption has reduced by 100 million litres versus the previous year with 60 per cent of total water consumed by the resorts being recycled.

In conclusion, I want to emphasise that with a growing member base, growth in resorts and the constant endeavour of management to improve member experience, provide a huge growth opportunity for your Company and, with it, a bright future.

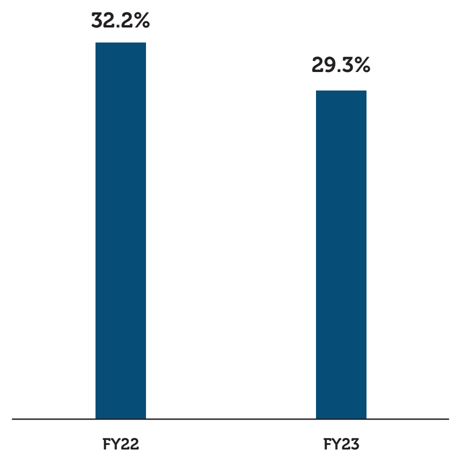
With my best wishes,

Arun Nanda
Chairman

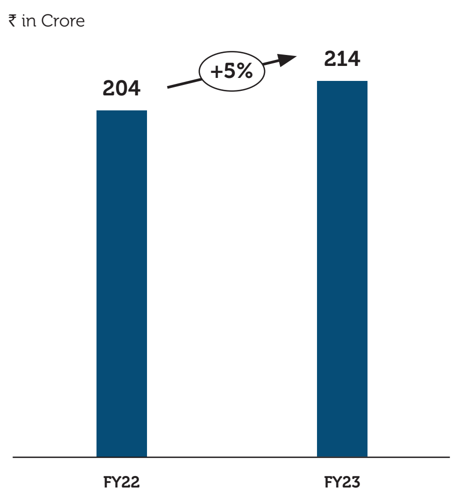
Total Income



EBITDA Margin



PBT



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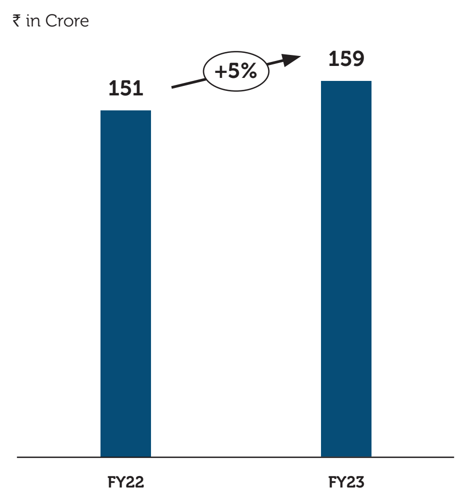
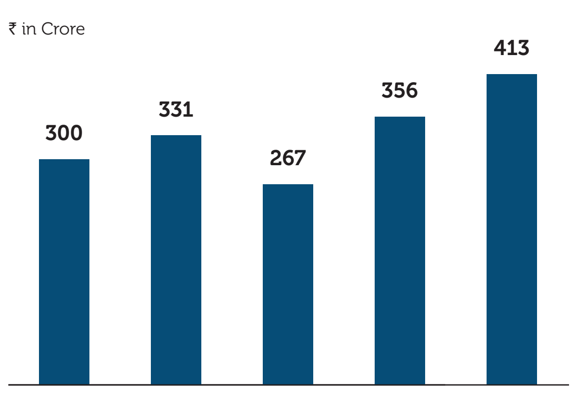
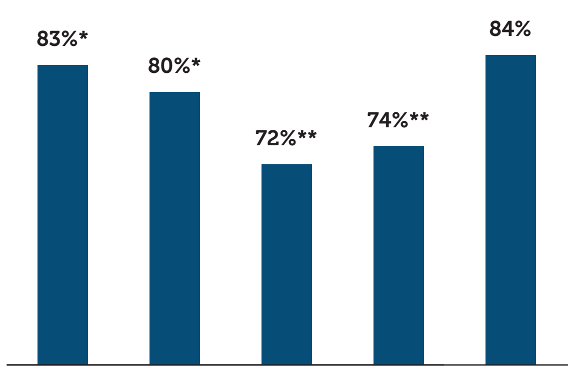


Operating Cash



Occupancy Trend



* Occupancy adversely affected due to Covid-19 impact in March 2020 and unprecedented floods in Kerala & Coorg in August 19.

** Occupancy adversely affected due to Covid-19 in FY 21 & FY 22 and Occupancies as a % of Operational rooms.

FINANCIAL HIGHLIGHTS FOR THE LAST 5 YEARS - STANDALONE

(₹ in lakhs)

Particulars	Ind AS 115 & 116				Ind AS 115
	2022-23	2021-22	2020-21	2019-20	2018-19
Revenue from operations	**1,19,618**	96,068	82,224	97,701	91,829
Total Income	**1,30,557**	1,07,072	90,876	1,03,712	96,344
Earnings Before Depreciation, Finance Cost and Tax Expenses (EBDIT)	**38,228**	34,457	28,616	24,161	15,160
Depreciation and Amortisation	**13,909**	11,989	10,374	10,167	5,141
Profit For the Year before one-time Tax impact	**15,858**	15,130	12,576	9,152	6,386
One Time Tax Impact on Tax Expense due to Rate Change.	**-**	-	-	19,973	-
Profit For the Year	**15,858**	15,130	12,576	(10,821)	6,386
Equity Dividend %	**-**	-	-	-	-
Equity Share Capital	**20,070**	19,985	13,292	13,292	13,290
Reserves and Surplus	**54,388***	36,455*	20,179*	4,323*	16,392*
Net Worth	**74,575***	56,439*	33,471*	17,615*	29,682*
Net Fixed Assets	**2,73,047**	2,55,984	2,29,697	2,25,605	2,02,146
Total Assets	**7,01,430**	6,50,401	6,11,720	6,41,932	6,04,958
Market Capitalisation (as on March 31)	**5,41,430**	4,58,951	2,79,904	1,85,761	3,19,795

* includes revaluation reserves and transition difference

KEY INDICATORS

Particulars	Ind AS 115 & 116				Ind AS 115
	2022-23	2021-22	2020-21	2019-20	2018-19
Diluted Earnings Per Share - (₹)	**7.89**	7.55#	6.30#	(8.14)	4.80
Book Value Per Share - (₹)	**37.16**	28.24	25.18	13.25	22.33
EBDIT / Total Income %	**29.28%**	32.18%	31.49%	23.30%	15.74%
Net Profit Margin %	**12.15%**	14.13%	13.84%	8.82%##	6.63%

On September 13, 2021, the Company issued and allotted 6,68,16,892 bonus equity shares of ₹ 10/- each, in the proportion of 1 (one) bonus share for every 2 (two) fully paid up equity shares to all the registered shareholders as on the Record Date (i.e. September 9, 2021) by utilization of securities premium account and consequently, the equity share paid up capital of the Company increased from ₹ 1,33,63,37,840/- to ₹ 2,00,45,06,760/-. The earnings per share (EPS) data for FY 21-22 and FY 20-21 disclosed above have been calculated after taking into account the issue of Bonus shares as per Ind AS - 33 on Earnings Per Share.

Net Profit Margin % is calculated considering Net Profit for the year before one time Tax impact.

Corporate Information

Board of Directors

Arun Nanda, Chairman

Rohit Khattar

Sridar Iyengar *(upto July 31, 2022)*

Sanjeev Aga

Sangeeta Talwar

Diwakar Gupta

Rajat Kumar Jain
(appointed w.e.f November 3, 2022)

Anish Shah

Ruzbeh Irani

C. P. Gurnani
(appointed w.e.f April 26, 2023)

Kavinder Singh, Managing Director & CEO

Chief Financial Officer

Sujit Vaidya *(upto May 31, 2023)*

General Counsel & Company Secretary

Dhanraj Mulki

Registered & Corporate Office

Mahindra Towers, 1ST Floor,
'A' Wing, Dr. G.M. Bhosale Marg,
P.K. Kurne Chowk,
Worli, Mumbai – 400 018
Maharashtra, India
T: +91 22 6918 4722
E: investors@mahindraholidays.com
W: www.clubmahindra.com
CIN: L55101MH1996PLC405715

Statutory Auditors

BSR & Co. LLP
Chartered Accountants
14th Floor, Central B Wing and
North C Wing, Nesco IT Park 4,
Nesco Centre, Western Express Highway,
Goregaon (E), Mumbai – 400 063

Secretarial Auditor

M Siroya and Company
Company Secretaries
A-103, Samved Building (Madhukunj),
Near Ekta Bhoomi Gardens,
Rajendra Nagar, Borivali (E),
Mumbai - 400 066

Committees of Board of Directors

Audit Committee

Diwakar Gupta

Sanjeev Aga

Sangeeta Talwar

Ruzbeh Irani

Corporate Social Responsibility Committee

Sangeeta Talwar

Arun Nanda

Kavinder Singh

Nomination and Remuneration Committee

Rohit Khattar

Sanjeev Aga

Anish Shah

Stakeholders Relationship Committee

Arun Nanda

Sangeeta Talwar

Kavinder Singh

Risk Management Committee

Sanjeev Aga

Arun Nanda

Diwakar Gupta

Kavinder Singh

Inventory Approval Committee

Rohit Khattar

Arun Nanda

Kavinder Singh

Securities Allotment Committee

Arun Nanda

Ruzbeh Irani

Kavinder Singh

Registrar and Transfer Agent

KFin Technologies Limited
(formerly KFin Technologies Private Limited)
Selenium Building, Tower B, Plot No 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad – 500 032
T: + 91 40 6716 2222;
F: + 91 40 2300 1153;
Toll free No: 18003094001;
E: einward.ris@kfintech.com

Bankers

HDFC Bank Limited
State Bank of India
HSBC Limited
ICICI Bank Limited
Axis Bank Limited
YES Bank Limited

Directors' Report

Dear Shareholders,

The Directors of the Company are pleased to present their Twenty Seventh Report together with the Audited Financial Statements of the Company for the year ended March 31, 2023.

1. Operations and Financial Overview

The Company is the largest Vacation Ownership company outside the US and is 6th largest globally. The Company has created a unique and sustainable vacation ownership business and the Company is the No. 1 leisure hospitality player in the country. It has established itself as the market leader in the family holidays space, in India, following a two-pronged growth strategy of providing a diverse range of holidaying options and superlative service to ensure customer delight.

The Company has delivered a strong operational and financial performance during the year under review with high level of resort occupancies, highest resort revenues along with a healthy growth in member additions and room inventory. The creditable performance of the Company brings out the resilience of its business model and at the same time, highlights its ability to move swiftly in tough conditions. It also achieved highest amount of upgrades which shows the trust and confidence its members repose in the Club Mahindra Brand, which is a crucial differentiator and contributes immensely to the Company's performance.

During the year under review, the Company added 17,477 new members to its vacation ownership business. Addition in the members is a result of continued success of Company's pull-based digital and referral leads as well as reaching out to prospects by way of engagement through more innovative technological platforms, alliances and corporate partnerships. During the year under review, the Company has been reinventing its marketing strategy around digital formats and platforms as media consumption has shifted towards mobile devices.

In the FY 2022-23, the Company added 372 rooms, taking the total inventory to 4,940 room units across its 102 resorts as of March 31, 2023. Along with 33 resorts of Holiday Club Resorts Oy (HCR), the Company is offering the Club Mahindra members an access to over 143 resorts in India, Asia, Europe and USA.

The Company's total income (including other income) was ₹ 1,305.56 crore in 2022-23 compared to ₹ 1,070.72 crore in 2021-22. Profit Before Tax (PBT) grew to ₹ 214.06 crore in 2022-23 from ₹ 203.53 crore in 2021-22. PBT (excluding translation forex gain on ICDs to subsidiaries and gain on fair valuation of investment in unlisted company) also grew to ₹ 183.31 crore in 2022-23 from PBT (excluding profit on sale of investment in Nreach Online Services Private Limited, lease rent waiver and interest on income tax) of ₹ 160.40 crore in 2021-22. Profit After Tax (PAT) grew to ₹ 158.57 crore in 2022-23 from ₹ 151.30 crore in 2021-22. Diluted Earnings Per Share (EPS) for 2022-23 stood at ₹ 7.89 compared to ₹ 7.55 in 2021-22.

Further, the Company's Consolidated total income (including other income) was ₹ 2,623.90 crore in 2022-23 compared to ₹ 2,178.85 crore in 2021-22. Consolidated PBT was ₹ 170.65 crore in 2022-23 compared to ₹ 110.56 crore in 2021-22. Consolidated PAT was ₹ 113.82 crore in 2022-23 compared to ₹ 67.64 crore in 2021-22. Consolidated Diluted EPS for 2022-23 stood at ₹ 5.73 compared to ₹ 3.37 in 2021-22.

2. Financial Highlights (Standalone)

(₹ in crore)

	2022 – 2023	2021 – 2022
Income:		
Income from sale of Vacation Ownership and other services	**1,196.18**	960.68
Other Income	**109.38**	110.04
Total Income	**1,305.56**	1,070.72
Expenditure:		
Less: Employee Cost and Other Expenses	**923.29**	726.15
Profit before Depreciation, Interest and Taxation	**382.27**	344.57
Less: Depreciation	**139.09**	119.89
Interest	**29.13**	21.16
Profit for the year before Tax	**214.05**	203.52
Less: Provision for Tax – Current Tax	**67.88**	26.66
– Deferred Tax (net)	**(12.40)**	25.56
Net Profit for the year after Tax	**158.57**	151.30
Other Comprehensive Income - Net of Tax	**6.38**	70.29
Total Comprehensive Income for the year	**164.95**	221.59

3. Share Capital

During the year under review, the Company has allotted 6,58,464 Equity Shares of ₹ 10 each to the eligible employees/ directors, pursuant to exercise of stock options granted under the Company's Employee Stock Option Schemes.

Consequent to the aforesaid allotments, the Issued, Subscribed and Paid up Share Capital of the Company as on March 31, 2023 was ₹ 2,01,25,66,400 (Rupees Two Hundred and One Crore Twenty Five Lakhs Sixty Six Thousand and Four Hundred Only) dividend into 20,12,56,640 (Twenty Crore Twelve Lakh Fifty Six Thousand Six Hundred and Forty) Equity Shares of ₹ 10 (Rupees Ten) each.

During the year under review, the Company did not issue shares with differential voting rights. Details of the Directors' shareholding as on March 31, 2023, are mentioned in the Corporate Governance Report, which forms part of this Annual Report.

4. Dividend

In compliance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Dividend Distribution Policy of the Company is annexed herewith as Annexure I and is also available at the Company's website at: https://www.clubmahindra.com/investors/investor-information.

The Company had changed its revenue recognition policy in accordance with Ind AS 115 during financial year 2018-19. Consequently, the Deferred Revenue and Deferred Costs had to be recomputed and has been stated as Transition Difference. The Company is profitable and has healthy cash flows and has declared dividends every year from 2006 till 2018. The Company has sought clarification from Ministry of Corporate Affairs (MCA) that, this Transition Difference should not be considered for the purpose of declaration of dividend under the provisions of Section 123(1) of the Companies Act, 2013 ("the Act"). The declaration of dividend, if any, shall be subject to receipt of clarification from MCA.

5. Transfer to Reserve

The Directors of the Company do not propose to transfer any amount to reserves.

6. Related Party Transactions

The Company undertakes various transactions with related parties in the ordinary course of business. All transactions entered with related parties during the year under review were on arm's length basis and in the ordinary course of business. The Company has not entered into any contracts / arrangements / transactions with related parties which could be considered material in accordance with the policy of the Company i.e. Policy on Materiality of and Dealing with Related Party Transactions ("RPT Policy"). Accordingly, Form AOC-2 is not applicable to the Company. Further, transactions entered by the Company with related parties in the normal course of business were placed before the Audit Committee and the Board and the same were approved.

There were no materially significant related party transactions with the Promoters, Directors and Key Managerial Personnel, which may have a potential conflict with the interest of the Company at large.

The RPT Policy as approved by the Audit Committee and the Board is available on the website of the Company at:www.clubmahindra.com/investors/investor-information.

The Directors of the Company draw attention of the Members to Note No. 51 to the Standalone Financial Statements which sets out related party disclosure.

7. Particulars of Loans and Advances, Guarantees, Investments and Securities

As the Company is engaged in the activity covered under Schedule VI of the Act, the provisions of Section 186 of the Act relating to loans given, guarantees granted or securities provided are not applicable to the Company. However, the details of such loans given and guarantees given to / on behalf of subsidiary companies are provided in Note Nos. 9, 10 and 21 to the Standalone Financial Statements. These loans and guarantees provided are proposed to be utilized by the respective recipients for their business purposes. Particulars of investments made by the Company are provided in the Standalone Financial Statements at Note Nos. 7 and 16.

During the year under review, the Company has granted additional corporate guarantees on behalf of MHR Holdings (Mauritius) Limited, Mauritius ("MHR Holdings"), subsidiary company of the Company, as a collateral security towards financial facilities amounting to € 3 million (Total Guarantee € 33 million) availed by MHR Holdings from Axis Bank Limited. The aforesaid financial facility was an additional guarantee availed by MHR Holdings to finance the existing loan amounting to € 29 million availed from Axis Bank Limited for providing financial assistance to the subsidiary companies.

During the year under review, the Company has subscribed to additional 4,88,321 Equity Shares of Great Rocksport Private Limited ("Rocksport") in two installments for a total cash consideration of ₹ 12 crore. With completion of this second tranche investment, the Company's shareholding in Rocksport has gone up from 6.67% to 23.42% and it became an associate of the Company with effect from April 16, 2022 in accordance with IND AS 28. Rocksport is engaged *inter-alia*, in the business of undertaking and providing outdoor entertainment, adventure programs, educational adventure tours and retailing of branded adventure products in India. The investment in Rocksport will increase customer engagement avenues for the Company, whereby the Company and Rocksport can engage in multiple formats for its members within and outside the resorts of the Company.

The details of loans and advances, which are required to be disclosed in the Annual Report of the Company pursuant to Regulation 34(3) read with Schedule V of the SEBI Listing Regulations are furnished separately as Annexure II to this report.

8. Significant and Material Orders passed by the Regulators or Courts

There are no significant and material orders passed by the Regulators/Courts/Tribunal which would impact the going concern status of the Company and its operations in the future.

The Company has received an order ('the Order') from National Financial Reporting Authority ('NFRA') on March 29, 2023. As per the Order, the Company is required to review its accounting policies and practices in respect of disclosure of operating segments and timing of recognition of revenue from customers and take necessary measures to address the observations made in the Order. Further, such documentation is also required to be verified by the Company's statutory auditor. The process review as per the Order is in progress.

For the year ended March 31, 2023, the management has assessed the application of its accounting policies relating to segment disclosures and revenue recognition. Basis the current assessment by the Company, the existing accounting policies, practices and disclosures are in compliance with the respective Ind AS and accordingly, have been applied by the Company in the preparation of financial results.

Further, the Shareholders', based on the approval of Board of Directors of the Company, through Postal Ballot Notice dated November 30, 2022, has approved the shifting of registered office of the Company from the State of Tamil Nadu to the State of Maharashtra, subject to the approval of regulatory authorities. The Regional Director, Southern Region, Ministry of Corporate Affairs vide its Order dated April 12, 2023 has approved the Company's application for the aforesaid shifting of Registered Office of the Company.

9. Corporate Social Responsibility

Corporate Social Responsibility ("CSR") activities of the Company are guided by its CSR Policy, which is framed and approved by the Board. The Company's CSR Policy is available on its website at: https://www.clubmahindra.com/investors/investor-information. These are discussed in detail in the Management Discussion and Analysis Report, which forms a part of this Annual Report. The statutory disclosure with respect to CSR activities forms part of this Report and is annexed herewith as Annexure III.

10. Sustainability

In line with the philosophy of the Mahindra Group, the Company is committed to following sustainable practices in its operations. The details of the initiatives taken by the Company in this regard are discussed in the section on Sustainability in the Management Discussion and Analysis Report, which forms a part of this Annual Report.

11. Business Responsibility and Sustainability Report (BRSR)

The Business Responsibility and Sustainability Report (BRSR) of the Company for the financial year 2022-23, as required under Regulation 34(2)(f) of the SEBI Listing Regulations, is a part of this Annual Report and also available on the website of the Company: https://www.clubmahindra.com/investors/financials.

The BRSR provides insights on the initiatives taken by the Company from an environmental, social and governance perspective.

The Company regularly carries out several initiatives that contribute to the sustainability and well-being of the environment and the communities in which it operates. The Company also recognises the importance of sustainability and is committed to conserve the ecological integrity of its locations through responsible business practices. Sustainability is thus a core agenda for the Company.

12. Corporate Governance Report

A Report on Corporate Governance along with a certificate from the Statutory Auditors of the Company regarding the compliance of conditions of corporate governance as stipulated under Schedule V of the SEBI Listing Regulations, forms a part of this Annual Report.

13. Management Discussion and Analysis Report

A detailed analysis of the Company's operational and financial performance as well as the initiatives taken by the Company in key functional areas such as Resort Operations, Member Experience, Business Excellence, Human Resources and Information Technology are separately discussed in the Management Discussion and Analysis Report, which forms a part of this Annual Report.

14. Whistle Blower Policy & Vigil Mechanism

As per the provisions of Section 177(9) of the Act and Regulation 22 of SEBI Listing Regulations, the Company is required to establish an effective Vigil Mechanism for Directors, employees and other stakeholders to report genuine concerns. The details of the Whistle Blower Policy and Vigil Mechanism have been disclosed in the Corporate Governance Report, which forms a part of this Annual Report.

15. Employees' Stock Options

Employees' Stock Options represent a reward system based on overall performance of the individual employee and the Company. It helps the Company to attract, retain and motivate the best available talent. This also encourages employees to align individual performances with those of the Company and promotes increased participation by the employees in the growth of the Company.

Accordingly, the Company formulated the Employees' Stock Option Schemes namely – 'Mahindra Holidays & Resorts India Limited Employees' Stock Option Scheme 2006' ("MHRIL ESOS 2006"), 'Mahindra Holidays & Resorts India Limited Employees' Stock Option Scheme 2014' ("MHRIL ESOS 2014") and 'Mahindra Holidays & Resorts India Limited Employees' Stock Option Scheme 2020' (MHRIL ESOS 2020") after obtaining requisite approvals from the Shareholders. All the balance shares available under MHRIL ESOS 2006 together with any other shares represented by Options that may lapse for any reason thereat, was/will be considered for issuing/ granting Options to the Employees pursuant to the provisions under MHRIL ESOS 2014.

During the year under review, pursuant to the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB and SE Regulations") (as amended from time to time), a total of 1,56,701 Options were granted under the MHRIL ESOS 2020 by the Nomination and Remuneration Committee to the eligible employees and noted by the Board.

Details required to be provided under Regulation 14 of the SEBI SBEB and SE Regulations and Rule 12(9) of the Companies (Share Capital & Debentures) Rules, 2014 are available on the Company's website at: http://www.clubmahindra.com/about-us/investor-relations/financials.

A certificate from the Secretarial Auditor of the Company confirming that the MHRIL ESOS 2006, MHRIL ESOS 2014 and MHRIL ESOS 2020, have been implemented in accordance with the SEBI SBEB and SE Regulations and the resolutions passed by the Shareholders, will be available for inspection by Members at the ensuing AGM.

16. Subsidiaries, Joint Venture and Associate companies

During the year under review, the Company has incorporated an entity named "Mahindra Holidays & Resorts Harihareshwar Limited" (MHRHL) in Mumbai, Maharashtra on August 23, 2022 as a wholly owned subsidiary of the Company. MHRHL has been incorporated as a Special Purpose Vehicle company for upgradation, operation and maintenance of the Maharashtra Tourism Development Corporation (MTDC) Resort at Harihareshwar under Public Private Partnership ("PPP") model.

During the year under review, pursuant to the conversion of 25,000 7% Non- cumulative redeemable participating optionally convertible preference shares of ₹ 10 each of Guestline Hospitality Management and Developement Services Limited ("Guestline") into 25,000 equity shares of ₹ 10 each on December 2, 2022, Guestline has become a subsidiary of the Company with effect from December 3, 2022 with 98.39% stake as on March 31, 2023.

The Company has increased its equity stake in Rocksport and consequently, Rocksport has become an Associate of the Company with effect from April 16, 2022.

HCR Management Oy ("HCRM") is a wholly owned subsidiary of Covington S.á.r.l., Luxembourg ("Covington") and in turn subsidiary of the Company. During the year under review, HCRM has been merged with Holiday Club Resorts Oy ("HCR") and consequently, HCRM has ceased to be a subsidiary of Covington and of the Company with effect from February 28, 2023.

Arabian Dreams Hotel Apartments LLC, Dubai ("Arabian Dreams"), a Joint Venture company of the Company, has been considered as a subsidiary company in accordance with the provisions of Ind AS (effective from the financial year 2016-17).

As of March 31, 2023, the Company had 21 subsidiaries (including 12 indirect subsidiaries), 2 joint venture companies (indirect) and 2 associate companies (1 indirect).

17. Performance of Subsidiaries

Domestic Subsidiaries

Gables Promoters Private Limited ("Gables"), is a wholly owned subsidiary of the Company. Gables operates a resort property of 115 rooms at Naldehra, Himachal Pradesh. The Company avails rooms in the resort property of Gables for usage of its guests and vacation ownership members. Gables had also entered into a Public-Private Partnership (PPP) contract with Himachal Pradesh Government to renovate and operate a resort in Janjehli (Mandi District). During the year under review, Gables has acquired a resort in Ooty named "Danish Villa" which was earlier managed under a lease arrangement.

Mahindra Hotels and Residences India Limited ("MHARIL") is a wholly owned subsidiary of the Company. During the year under review, MHARIL has acquired a resort situated at Rajasthan. Improvement Plan along with acquisition of adjacent land of the resort is underway.

Guestline is a non-operative company and generates income from investments.

Rocksport is engaged *inter-alia*, in the business of undertaking and providing outdoor entertainment, adventure programs, educational adventure tours and retailing of branded adventure products in India.

Foreign Subsidiaries

Heritage Bird (M) Sdn. Bhd, Malaysia ("Heritage Bird") is a wholly owned subsidiary of the Company. Heritage Bird's principal activities are holding of investments and leasing of properties. Heritage Bird has rooms/units in apartment properties in a well-known location in Kuala Lumpur, Malaysia.

MH Boutique Hospitality Limited, Thailand ("MH Boutique"), in which the Company holds 49% of equity stake, is a subsidiary of the Company by virtue of control on the composition of the Board of MH Boutique and it mainly holds investments in Infinity Hospitality Group Company Limited, Thailand ("Infinity").

Infinity is the subsidiary company of MH Boutique and by virtue of the same is also subsidiary of the Company. Infinity owns and operates a hotel/apartment property at Bangkok, Thailand. The Company avails rooms in the hotel property of Infinity for usage of its guests and vacation ownership members.

MHR Holdings is a wholly owned subsidiary of the Company. The principal activity of MHR Holdings is to hold investments. Currently, it holds investments in Covington.

Covington is a wholly owned subsidiary of MHR Holdings and in turn a subsidiary of the Company. The principal activity of Covington is to hold investments. During the previous year, it held investments in HCR and HCR Management Oy ("HCRM"), Finland. However, during the year under review, HCR Management Oy ("HCRM") was merged with Holiday Club Resorts Oy ("HCR"). As on March 31, 2023, Covington holds 100% stake in HCR.

HCR, subsidiary of Covington and in turn of the Company, is the largest operator of leisure hotels in Finland and the largest vacation ownership company in Europe. As of March 31, 2023, HCR has 33 resorts of which 25 are located in Finland, 2 in Sweden and 6 in Spain. During the year under review, total income of HCR stood at € 144.21 million, compared to € 122.07 million in 2021-22. Earnings before interest, tax, depreciation and amortization (EBITDA) for the year were € 4.96 million, compared to (€ 0.32) million in 2021-22. Overall, HCR recorded a PBT and PAT of (€ 0.51) million and (€ 0.52) million respectively in 2022-23. During the year under review, the Finish Economy's growth forecast has been revised downwards on account of the ongoing Russia-Ukraine conflict and rising inflationary pressures. Consumer confidence remained low but gradually improved in the last quarter, with inflation and energy prices coming off from their peak levels. HCR witnessed revenue seasonality on account of summer holidays in Q2 and skiing holidays in Q4. The timeshare demand picked up due to its relatively lower transaction price for the customer. Spa Hotels outperformed the local hospitality market in Finland contributing to 58% of total turnover of HCR.

HCR has implemented several actions to improve its efficiency and adapt the cost base to the changing market conditions. Given the robust business model, improvement in consumer sentiment and buoyancy in leisure travel, the outlook for HCR is positive.

Arabian Dreams, (a Joint Venture company as per the Act and Subsidiary company as per Ind AS) operates a 75-room hotel property in Dubai (UAE) taken on lease basis. The Company avails rooms/apartments in the hotel property of Arabian Dreams for usage of its guests and vacation ownership members.

Associate Companies

Rocksport is an associate of the Company & Kiinteistö Oy Seniori-Saimaa is an associate of HCR and consequently, associate of the Company.

Joint Venture Companies

Tropiikin Rantasauna Oy and Kiinteistö Oy Vierumäen Kaari are Joint Venture companies (JV) of HCR and consequently, JV of the Company.

A report on the performance and financial position of the subsidiaries, associate and joint venture companies whose financial statements are considered for preparation of Consolidated Financial Statements of the Company as per the Act (in the prescribed format i.e. "Form AOC-1") is provided as Annexure to the Consolidated Financial Statements.

The policy for determining material subsidiaries as approved by the Board may be accessed on the Company's website at:https://www.clubmahindra.com/investors/investor-information.

In accordance with the third proviso to Section 136(1) of the Act, the Annual Report of the Company, containing therein its Standalone and the Consolidated Financial Statements are available on the Company's website https://www.clubmahindra.com. Further, as per fourth proviso to the said Section, the Audited Annual Financial Statements of each of the said subsidiaries of the Company are also available on the Company's website https://www.clubmahindra.com. Any Shareholder who may be interested in obtaining a copy of the aforesaid documents may write to the Company Secretary at the Company's Corporate Office.

18. Directors

As on the date of this report, the Company has Nine Directors, which includes Five Independent Directors, Three Non-Executive Non-Independent Directors and One Managing Director.

As informed in the previous Annual Report, Mr. Sridar Iyengar ceased to hold office as an Independent Director of the Company with effect from August 1, 2022, upon completion of his tenure as approved by the Shareholders. The Board places on record its sincere appreciation for the valuable contributions made by Mr. Sridar Iyengar during his association with the Company.

Based on the recommendations of the NRC, the Board of Directors at its meeting held on November 2, 2022 had appointed Mr. Rajat Kumar Jain, as an Additional Director in the category of an Independent Director of the Company, not liable to retire by rotation, for a period of 5 (five) consecutive years with effect from November 3, 2022. Subsequently, the Shareholders through Postal Ballot Notice dated November 30, 2022, approved the appointment of Mr. Rajat Kumar Jain as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for a period of 5 years effective from November 3, 2022.

In terms of the Articles of Association of the Company and as per Section 152(6) of the Act, Mr. Arun Nanda (DIN: 00010029), being longest in the office, is liable to retire by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. However, Mr. Arun Nanda has expressed his desire not to seek re-appointment and accordingly, he will hold office as a Non-Executive Director and Chairman of the Company till the conclusion of the ensuing AGM of the Company.

The Board of Directors would like to place on record their sincere appreciation for Mr. Nanda's contribution to the Company since it's inception, during which his visionary leadership, mentorship, strategic direction and stewardship contributed immensely to the growth of the Company. The Board also appreciated him for conceptualising Mahindra Holidays vacation ownership model and its success story and wish him many happy and productive years ahead.

Based on the recommendation of the Nomination and Remuneration Committee and subject to approval of Shareholders at the ensuing AGM, the Board of Directors at their meeting held on April 25, 2023 had appointed Mr. C.P. Gurnani as an Additional Director in the category of Non-Executive Non-Independent Director of the Company w.e.f. April 26, 2023, liable to retire by rotation and as Non-Executive Chairman of the Company with effect from July 26, 2023. He shall hold office as an Additional Director upto the date of the ensuing AGM. The Company has received the requisite Notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company.

The Board has recommended to the shareholders Mr. Gurnani's appointment at the forthcoming Annual General Meeting as a Non-Executive Non-Independent Director of the Company, liable to retire by rotation. Brief resume and other details of Mr. Gurnani, in terms of Companies Act, 2013, SEBI Listing Regulations and Secretarial Standards on General Meeting, are provided in the Notice sent alongwith the Annual Report. None of the Directors of the Company are inter-se related to each other. Further he is not disqualified from being appointed as Director by virtue of the provisions of Section 164 of the Companies Act, 2013.

Declaration by Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and SEBI Listing Regulations.

In terms of Regulation 25(8) of SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties. Based on the declarations received from the independent Directors, the Board of Directors has confirmed that they meet the criteria of Independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations and that they are Independent of the Management. In the opinion of the Board, there has been no change in the circumstances affecting their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board.

Further, the Independent Directors of the Company have also confirmed that they have registered themselves with the Indian Institute of Corporate Affairs, Manesar and have included their name in the databank of Independent Directors within the statutory timeline pursuant to the provisions of Rule 6(3) of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

19. Key Managerial Personnel (KMPs)

As on March 31, 2023, Mr. Kavinder Singh, Managing Director & CEO, Mr. Sujit Vaidya, Chief Financial Officer and Mr. Dhanraj Mulki, General Counsel & Company Secretary, are the KMPs as per the provisions of the Act.

20. Policy on Directors' Appointment and Remuneration

The salient features of the following policies of the Company are attached herewith and marked as Annexure IV:

1. Policy on Appointment of Directors and Senior Management;
2. Policy on Remuneration of Directors; and
3. Policy on Remuneration of Key Managerial Personnel and Employees.

The aforesaid policies are also available at the link https://www.clubmahindra.com/investors/investor-information.

The Managing Director & CEO of the Company does not receive remuneration or commission from any of its subsidiaries and draws remuneration only from the Company.

21. Board Evaluation

The Board has conducted an annual evaluation of its own performance, individual Directors, Committees of the Board and that of its Non-Executive Chairman, in terms of the relevant provisions of the Act, Rules made thereunder and SEBI Listing Regulations. The manner in which the evaluation was conducted by the Company has been explained in the Corporate Governance Report, which forms a part of this Annual Report.

22. Number of Board Meetings

During the year under review, the Board of Directors met 6 (Six) times. The details of the Board Meetings and attendance of the Directors are provided in the Corporate Governance Report, which forms a part of this Annual Report.

23. Composition of Audit Committee

The Audit Committee consists of Mr. Diwakar Gupta as its Chairman and Mr. Sanjeev Aga, Mrs. Sangeeta Talwar and Mr. Ruzbeh Irani, as its other members. Further details are provided in the Corporate Governance Report, which forms a part of this Annual Report.

24. Directors' Responsibility Statement

Pursuant to Section 134(3)(c) of the Act, the Directors of the Company state that:

a) in the preparation of the annual accounts for the year ended March 31, 2023, the applicable Accounting Standards had been followed and there is no material departure;

b) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit of the Company for the year ended on that date;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the annual accounts have been prepared on a going concern basis;

e) the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

25. Internal Financial Controls and their Adequacy

The Company has an adequate internal controls system, commensurate with the size and nature of its business. The system is supported by documented policies, guidelines and procedures to monitor business and operational performance which are aimed at ensuring business integrity and promoting operational efficiency. Further details are provided in the Management Discussion and Analysis Report, which forms a part of this Annual Report.

During the year under review, the Statutory Auditors and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under Section 143(12) of the Act, details of which needs to be mentioned in this Report.

26. Consolidated Financial Statements

The Consolidated Financial Statements of the Company and its subsidiaries, associate and joint venture companies prepared in accordance with the Act and applicable Accounting Standards form part of this Annual Report.

For the purpose of preparation of the Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2023 as per Ind AS, the latest audited financial results of all the subsidiaries, two associate companies and two joint venture companies pertaining to HCR were considered and consolidation was done as per the provisions of Section 129 of the Act.

27. Risk Management

The Company has a well-defined risk management framework to identify and evaluate elements of business risk. The Board of Directors have constituted the Risk Management Committee pursuant to the provisions of Regulation 21 of the SEBI Listing Regulations and its prime responsibility is to oversee the implementation of the risk management policy of the Company. The Audit Committee has an oversight in the area of financial risk and controls. Other details including details pertaining to various risks faced by the Company and also development and implementation of risk management framework are discussed in the Management Discussion and Analysis Report forming part of this Annual Report.

28. Disclosure requirements

➢ Pursuant to Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, details of transactions with persons or entities belonging to the promoter/promoter group which holds 10% or more shareholding in the Company, are furnished under Note No. 51 to the Standalone Financial Statements which sets out related party disclosure.

- The provisions in respect of maintenance of cost records as specified under sub-section (1) of Section 148 of the Act are not applicable to the Company.
- During the year under review, there was no change in the nature of business of the Company.
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.
- During the year under review, no revision was made in the previous financial statements of the Company.
- During the year under review, the Company has not made any application and there are no proceedings pending under the Insolvency and Bankruptcy Code, 2016.
- The Company has no borrowings as on March 31, 2023 and hence, the requirement of providing details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the banks / financial institutions along with the reasons thereof is not applicable to the Company.

29. Auditors

A) Statutory Auditors

During the year under review, the Shareholders at their 26th AGM held on July 30, 2022 had approved the re-appointment of B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration Number 101248W/W-100022), as the Statutory Auditors of the Company for a second term of 5 (five) consecutive years till the conclusion of the 31st AGM of the Company to be held in the year 2027.

The Auditors' Report on the financial statements of the Company for the year ending March 31, 2023 is unmodified i.e. it does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements forming part of the annual report.

B) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and Rules thereunder, the Company has appointed M Siroya and Company, Company Secretaries, to undertake the secretarial audit of the Company. The Report of the Secretarial Auditor is annexed herewith as Annexure V.

There are no qualifications, reservations or adverse remarks made by M Siroya and Company, Company Secretaries, Secretarial Auditor of the Company in the Secretarial Audit Report.

30. Deposits

The Company has not accepted any deposits from public or its employees and, as such no amount on account of principal or interest on deposit were outstanding as of the Balance Sheet date.

31. Credit Rating

India Ratings and Research Private Limited has re-affirmed Long-Term Issuer Rating at 'IND A+' with a stable outlook to the Company. The 'IND A+' rating indicates adequate degree of safety regarding timely servicing of financial obligations.

32. Material Changes and Commitment affecting Financial Position of the Company

There are no material changes and commitments, affecting financial position of the Company which have occurred between the end of the financial year of the Company i.e. March 31, 2023 and the date of the Directors' Report.

33. Annual Return

As per the provisions of the Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return as of March 31, 2023, is made available on the website of the Company and can be accessed at https://www.clubmahindra.com/investors/financials.

34. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The Company continuously strives to conserve energy, adopt environment friendly practices and employ technology for more efficient operations. Some of these initiatives are discussed in the section on Sustainability in the Management Discussion and Analysis Report, which forms a part of this Annual Report.

The particulars relating to energy conservation, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Act and Rule 8(3) of the Companies (Accounts) Rules, 2014 are given in the Annexure VI to this Report.

35. Human Resources

The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of its business. It considers people as its biggest assets. It has put concerted efforts in talent management, performance management and learning and development initiatives to ensure that the Company consistently develops inspiring, strong and a credible leadership and workforce. Apart from continued investment in skill and leadership development of its people, this year the Company has also focused on employee engagement initiatives aimed at increasing the culture of innovation and collaboration across all strata of the workforce. During the year under review, the Company has set out on the journey of transformation by blending technology in every step of the employees' engagement. The Company has also been certified as one of 'India's Great Places to Work For' and recognized amongst the Top 50 'Best companies to work for in India' by Great Place to Work (GPTW) Institute. The Company had also qualified in the Best Workplaces Asia List – 2022. These are discussed in detail in the Management Discussion and Analysis Report forming part of this Annual Report.

Disclosures pertaining to the Sexual Harassment of Women at the Workplace (Prevention, Prohibition And Redressal) Act, 2013:

The Company has a Policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace and matters connected therewith or incidental thereto covering all the aspects as contained under the Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013 ("POSH Act"). The Company has also complied with provisions relating to the constitution of Internal complaints Committee under the POSH Act and the Committee includes external members from NGO and / or members with relevant experience. There were no complaints pending at the beginning of the year. During the year under review, the Company has received one complaint under the Policy and the same has been closed.

36. Particulars of Employees

The disclosure with respect to the remuneration of Directors, KMPs and employees under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("the Rules"), is attached as Annexure VII and forms a part of this report.

The Company had 12 (Twelve) employees who were employed throughout the year and were in receipt of remuneration of more than ₹ 102 lakhs per annum. There were 3 (Three) employees employed for part of the year by the Company who were in receipt of remuneration of more than ₹ 8.50 lakhs per month.

In terms of Section 136 of the Act, the copy of the Financial Statements of the Company, including the Consolidated Financial Statements, the Auditor's Report and relevant Annexures to the said Financial Statements and reports are being sent to the Members and other persons entitled thereto, excluding the information in respect of the said employees containing the particulars as specified in Rule 5(2) and Rule 5(3) of the said Rules. If any Member is interested in obtaining a copy thereof, he may write to the Company Secretary of the Company at its Corporate Office.

The Financial Statements, reports, etc. of the Company are available on the website of the Company www.clubmahindra.com

37. Acknowledgement and Appreciation

The Directors of the Company take this opportunity to thank the Company's Customers, Shareholders, Suppliers, Bankers, Financial Institutions and the Central and State Governments for their unstinted support. The Directors would like to place on record their appreciation to the employees at all levels for their hard work, dedication, commitment and valuable performance during the challenging times.

For and on behalf of the Board

Arun Nanda
Chairman
DIN: 00010029

Place: Mumbai
Date: April 25, 2023

ANNEXURE I TO THE DIRECTOR'S REPORT FOR THE YEAR ENDED MARCH 31, 2023

Dividend Distribution Policy

The Dividend Distribution Policy ("the Policy") establishes the principles to ascertain amounts that can be distributed to equity shareholders as dividend by the Company as well as enable the Company strike balance between pay-out and retained earnings, in order to address future needs of the Company. The Policy has come into force for the accounting period beginning from 1st April, 2016.

Dividend would continue to be declared on per share basis on the Ordinary Equity Shares of the Company having face value of ₹ 10 each. The Company currently has no other class of shares. Therefore, dividend declared will be distributed amongst all shareholders, based on their shareholding on the record date.

Dividends will generally be recommended by the Board once a year, after the announcement of the full year results and before the Annual General Meeting (AGM) of the shareholders, out of the profits of the Company for the current year or out of profits of the Company for any previous financial years or out of both, as may be permitted under the Companies Act, 2013 ("the Act").

In the event of inadequacy or absence of profits in any year, the Board may recommend to declare dividend out of the accumulated profits earned by the Company in any previous financial years and transferred to free reserves, provided such declaration of dividend shall be in accordance with the provisions of the Act and Rules framed thereunder.

The Board may also declare interim dividend as may be permitted by the Act.

The Company's dividend policy aims to balance the objective of appropriately rewarding shareholders through dividends and to support the future growth.

As in the past, subject to the provisions of the applicable laws, the Company's dividend payout will be determined based on available financial resources, investment requirements and considering optimal shareholder return. Within these parameters, the Company would endeavor to maintain a total dividend pay-out ratio in the range of 20% to 40% of the annual standalone Profit After Tax (PAT) of the Company.

While determining the nature and quantum of the dividend payout, including amending the suggested payout range as above, the Board would consider the following factors:

- Internal Factors:
  - i. Profitable growth of the Company and specifically, profits earned during the financial year as compared with
    - a. Previous years and
    - b. Internal budgets,
  - ii. Cash flow position of the Company,
  - iii. Accumulated reserves,
  - iv. Earnings stability,
  - v. Future cash requirements for organic growth/ expansion and/or for inorganic growth,
  - vi. Brand acquisitions,
  - vii. Current and future leverage and, under exceptional circumstances, the amount of contingent liabilities,
  - viii. Deployment of funds in short term marketable investments,
  - ix. Long term investments,
  - x. Capital expenditure(s), and
  - xi. The ratio of debt to equity (at net debt and gross debt level).
- External Factors:
  - i. Business cycles,
  - ii. Economic environment,
  - iii. Cost of external financing,
  - iv. Applicable taxes including tax on dividend,
  - v. Industry outlook for the future years,
  - vi. Inflation rate, and.
  - vii. Changes in the Government policies, industry specific rulings & regulatory provisions.

Apart from the above, the Board also considers past dividend history and sense of shareholders' expectations while determining the rate of dividend. The Board may additionally recommend special dividend in special circumstances.

The Board may consider not declaring dividend or may recommend a lower payout for a given financial year, after analyzing the prospective opportunities and threats or in the event of challenging circumstances such as regulatory and financial environment. In such event, the Board will provide rationale in the Annual Report.

The retained earnings of the Company may be used in any of the following ways:

i. Capital expenditure or working capital,
ii. Organic and/ or inorganic growth,
iii. Investment in new business(es) and/or additional investment in existing business(es),
iv. Declaration of dividend,
v. Capitalisation of shares,
vi. Buy back of shares,
vii. General corporate purposes, including contingencies,
viii. Correcting the capital structure,
ix. Any other permitted usage as per the Act.

Information on dividends paid in the last 5 years is provided in the Annual Report.

This policy may be reviewed periodically by the Board.

The Policy will be available on the Company's website and the link to the policy is https://www.clubmahindra.com/about-us/policies.

For and on behalf of the Board

Arun Nanda
Chairman
DIN: 00010029

Place: Mumbai
Date: April 25, 2023

ANNEXURE II TO THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2023

Loans and Advances as per Regulation 34(3) read with Part A of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"):

Particulars of loans and advances to subsidiaries, associates, etc., as required to be disclosed in the Annual Report of the Company pursuant to Regulation 34(3) read with Part A of Schedule V of the SEBI Listing Regulations:

Loans and advances in the nature of loans to subsidiary:

(₹ in lakhs)

Name of the subsidiary company	Balance as on March 31, 2023	Maximum outstanding during the year
Heritage Bird (M) Sdn Bhd., Malaysia	699	699
MH Boutique Hospitality Limited, Thailand	675	675
Infinity Hospitality Group Company Limited, Thailand	4,207	4,207
Gables Promoters Private Limited	6,607	6,607
MHR Holdings (Mauritius) Limited, Mauritius	22,634	22,634
Mahindra Hotels and Residences India Limited	1,971	1,971

For and on behalf of the Board

Arun Nanda
Chairman
DIN: 00010029

Place: Mumbai
Date: April 25, 2023

ANNEXURE III TO THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2023

Annual Report on Corporate Social Responsibilities (CSR) Activities

1. Brief outline on CSR Policy of the Company.

The Company is deeply rooted in all the communities that it works with, through a variety of CSR programs and volunteering efforts by employees. The Company engages in community initiatives that are designed to 'enrich lives' and 'protect nature', through the domains of environment, education & livelihood, skill building and women empowerment. The Company is committed to playing a larger role towards making a difference in the lives of beneficiaries it works with.

In accordance with the Companies Act, 2013 ("the Act"), the Company has committed 2% of the average net profit before tax made during the 3 immediately preceding financial years annually towards CSR initiatives. The CSR Policy of the Company outlines the approach and direction given by the Board, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of CSR activities as well as formulation of the Annual CSR Action Plan.

The CSR initiatives of the Company were driven through (i) active involvement of its employees under Employees Social Options Program, which is the employees volunteering program in the nearby areas of Company's Resorts and locations across India and (ii) partnerships with other reputed Not for Profit Organizations having an established track record of at least 3 years in carrying on the specific CSR activity, as may be permitted under the Act.

The CSR initiatives taken up by the Company reflects Mahindra Group's 'TogetherWeRise' philosophy, with a focus on driving positive change to enable communities around it to Rise.

The Company's core CSR focus areas are:

- Environmental Sustainability
- Women Empowerment
- Education & Skill Development

2. **Composition of CSR Committee:**

Sl. No.	Name of Director	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mrs. Sangeeta Talwar	Independent Director and Chairperson	2	2
2.	Mr. Arun Nanda	Non-Executive Director	2	2
3.	Mr. Kavinder Singh	Managing Director & CEO	2	2

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

   https://www.clubmahindra.com/investors/investor-information.

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).**

   Not Applicable

5. **Details of the amount available for set-off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
Nil			

6. **Average net profit of the Company as per Section 135(5):** ₹ 16,057.83 Lakhs

7. (a) **Two percent of average net profit of the Company as per Section 135(5):** ₹ 325 Lakhs

   (b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Not Applicable

   (c) **Amount required to be set off for the financial year, if any:** Not Applicable

   (d) **Total CSR obligation for the financial year (7a+7b-7c):** ₹ 325 lakhs

8. (a) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (₹ in lakhs)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
325.42	NIL	-	-	NIL	-

(b) **Details of CSR amount spent against ongoing projects for the financial year:** Not Applicable

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
-	-	-	-	-	-	-	-	-	-	-	-	-

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ in lakhs)	Mode of implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	**Nanhi Kali –** Educational support (academic & material) provided to underprivileged girls in India through an after school support program	Promoting Education	No	West Bengal, Maharashtra, Gujarat and Punjab	Darjeeling, Kalimpong, Nashik, Jambusar, Amritsar, Tarn Taran and Moga	162.50	No	K.C. Mahindra Education Trust	CSR00000511
2.	**Hunnar -** Skill Building and Entrepreneurship for Women	Empowering Women	Yes	Goa	Varca	14.00	No	United Way of Mumbai	CSR00000762
3.	**Hunnar -**Building Livelihoods of Women Artisans	Empowering Women	Yes	Rajasthan	Udaipur	13.61	No	United Way of Mumbai	CSR00000762
4.	**Green Guardians -** Sustainable fuelwood management	Environmental Sustainability	Yes	Tamil Nadu	Ooty	10.07	No	Sambhav Foundation	CSR00000475
5.	**Green Guardians -** Distribution of Sarala stoves to low-income communities	Environmental Sustainability	Yes	Karnataka	Madikeri	09.87	No	United Way of Mumbai	CSR00000762
6.	**Green Guardians -** Access to water	Environmental Sustainability	Yes	Himachal Pradesh	Manali	14.04	No	United Way of Mumbai	CSR00000762
7.	**Green Guardians -** Solar Lantern distribution to Street Vendors	Environmental Sustainability	Yes	Maharashtra	Alibaug	20.06	No	United Way of Mumbai	CSR00000762
8.	**Mahindra Hariyali –** Increasing green cover and protecting biodiversity in the country by planting trees	Environmental Sustainability	Yes	Madhya Pradesh, Kerala, Uttar Pradesh, Rajasthan, Uttarakhand, Chandigarh and Maharashtra	Kanha, Ashtamudi, Poovar, Meerut, Lucknow, Jaipur, Binsar, Mussoorie, Chandigarh and Mumbai	01.79	Yes	Direct	NA
9.	**Swachh Bharat -** Initiatives such as - cleanliness drives were rolled out	Environmental Sustainability	Yes	Tamil Nadu, New Delhi, Kerala and Maharashtra	Chennai, New Delhi, Poovar and Lonavala	00.40	Yes	Direct	NA
10.	**Suryodaya -** Solar operated street lights to identified locations	Environmental Sustainability	Yes	Kerala and Puducherry	Arookutty, Ashtamudi and Puducherry	00.73	Yes	Direct	NA
11.	**Green Guardians -** Initiatives to protect the environment	Environmental Sustainability	Yes	Maharashtra, Karnataka and Kerala	Mumbai, Madikeri and Cherai	00.51	Yes	Direct	NA
12.	**Project Hunnar -** Imparting employability / livelihood skills to the family members of head loaders community	Promoting Education	Yes	Maharashtra	Navi Mumbai	18.00	No	Manav Sadhan Vikas Sanstha	CSR00002126
13.	**Project Udaan -** Economically empowering women and making them self-reliant through livelihood enhancement initiatives.	Promoting Education	Yes	Karnataka and Kerala	Bangalore and Thekaddy	15.60	No	Sambhav Foundation	CSR00000475
14.	**Green Guardians -** Support provided to WWF India's Nature Guardian Program (conservation programmes)	Environmental Sustainability	No	Pan India	-	02.00	No	WWF India	CSR00000257

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (₹ in lakhs)	Mode of implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
15.	**Gyandeep –** The program includes providing education support, Infrastructure improvement support, provision of books & stationary, renovation of school buildings.	Promoting Education	Yes	Gujarat, Maharashtra, Goa, Sikkim, Rajasthan, Tamil Nadu, Madhya Pradesh, Kerala, Tamil Nadu, Uttarakhand, Himachal Pradesh, Karnataka, Telangana, Uttar Pradesh, New Delhi and Chandigarh	Ahmedabad, Netrang, Dwarka, Gir, Mahabaleshwar, Mumbai, Hatgad, Nagpur, Assonora, Varca, Madgaon, Ranipool, Baiguney, Gangtok, Jaisalmer, Jaipur, Chennai, Kanha, Arookutty, Kochi, Thekkady, Munnar, Ashtamudi, Ooty, Binsar, Corbett, Shimla, Madikeri, Bangalore, New Delhi, Hyderabad, Meerut, Lucknow and Kanha	17.73	Yes	Direct	NA
16.	**Women Empowerment -** Supporting women from the local community	Empowering Women	Yes	Madhya Pradesh, Gujarat, Goa, Maharashtra and Himachal Pradesh	Kanha, Netrang, Varca, Assonora, Mahabaleshwar and Shimla	05.61	Yes	Direct	NA
17.	**Green Guardians -** Access to potable water	Environmental Sustainability	Yes	Maharashtra, Gujarat and Puducherry	Lonavala, Gir and Puducherry	04.52	Yes	Direct	NA
18.	**Sehat –** Provided healthcare support to differently abled and underprivileged individuals	Promoting Healthcare and Preventive Healthcare	Yes	Kerala, Goa, Sikkim, Maharashtra, Gujarat, Rajasthan, Uttar Pradesh, Madhya Pradesh, Karnataka, Tamil Nadu, Telangana, Himachal Pradesh, Uttarakhand, Puducherry and New Delhi	Cherai, Ashtamudi, Poovar, Thekkady, Munnar, Assonora, Varca, Mumbai, Pune, Lonavala, Ahmedabad, Gir, Chandigarh, Jaipur, Lucknow, Meerut, Kanha, Bangalore, Chennai, Hyderabad Kandaghat, Shimla, Binsar and Puducherry	14.04	Yes	Direct	NA
	TOTAL					**325.08**			

(d) Amount spent in Administrative Overheads: ₹ 0.34 lakhs

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the financial year (8b+8c+8d+8e): ₹ 325.42 lakhs

(g) Excess amount for set off, if any – Not Applicable

Sl. No.	Particular	Amount (₹ in lakhs)
(i)	Two percent of average net profit of the company as per Section 135(5)	-
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) **Details of Unspent CSR amount for the preceding three financial years:** Not Applicable

Sl. No.	Preceding financial year	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the reporting financial year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
-	-	-	-	-	-	-	-

(b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** Not Applicable

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project	Financial year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the Project in the reporting financial year (in ₹)	Cumulative amount spent at the end of reporting financial year (in ₹)	Status of the project - Completed / Ongoing
-	-	-	-	-	-	-	-	-

10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)**

a) Date of creation or acquisition of the capital asset(s) – February 7, 2023

b) Amount of CSR spent for creation or acquisition of capital asset – ₹ 4.20 lakhs

c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc – Grampanchayat, Tungi Village, Tungi, Post, Pawananagar, Taluka, Maval, Dist. Pune, Maharashtra – 410406

d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)- Water Treatment Plant, near Bhairavnath Mandir, At-Tungi, Post-Pawananagar, Taluka Maval, Dist. Pune, Maharashtra - 410406

11. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)**

The Company has spent the requisite amount allocated by the Board for its CSR activities i.e. 2% of average net profit as per Section 135(5) of the Act.

Kavinder Singh
Managing Director & CEO
DIN: 06994031

Sangeeta Talwar
Chairperson - CSR Committee
DIN: 00062478

Place : Mumbai
Date : April 25, 2023

ANNEXURE IV TO THE DIRECTORS REPORT FOR THE YEAR ENDED MARCH 31, 2023

A. SALIENT FEATURES OF POLICY ON APPOINTMENT OF DIRECTORS AND SENIOR MANAGEMENT

Appointment of Director:

- The Nomination and Remuneration Committee (NRC) reviews and assesses the Board composition and recommends the appointment of new Directors.
- NRC evaluates suitability of individual for Board appointments based on merits, skills, experience, independence and knowledge.
- NRC also considers ability of candidates to devote sufficient time in discharging his/her duties and balanced decision making.
- Based on the recommendation from NRC, the Board evaluates the individual and decide on his/her appointment as a Director of the Company.

Appointment of Senior Management:

- NRC has also laid down criteria for identification of persons who may be appointed in the Senior Management.
- The selection criteria for Senior Management includes merit, experience and knowledge of the candidate.
- Senior Management personnel are appointed or promoted and removed/relieved with the approval of Managing Director & CEO based on the business need and the suitability of the candidate.

During the year, no changes were made to the Policy.

B. SALIENT FEATURES OF POLICY FOR REMUNERATION OF THE DIRECTORS

1. **Remuneration to Non-Executive including Independent Directors:**
   - NRC shall decide the basis for determining the compensation to Non-Executive Directors, whether as commission or otherwise and submit its recommendations to the Board. The Board shall determine the compensation payable to Non-Executive Directors within the overall limits specified in the Shareholders resolution.
   - In addition to the above, the Directors are entitled to sitting fees for attending Board / Committee meetings, reimbursement of expenses incurred in discharge of their duties and stock options (other than Independent Directors).
   - The Non-Executive Non-Independent Directors who are in the employment and who receive remuneration from the holding company or any other group company are not paid any sitting fees or any remuneration.
2. **Remuneration to Managing Director & Chief Executive Officer (MD & CEO) and Executive Directors:**
   - The remuneration to MD & CEO is recommended by NRC to the Board. While considering remuneration to MD & CEO, NRC considers industry benchmarks, merit and seniority of the person and ensures that the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.
   - The remuneration consists of both fixed compensation and variable compensation and is paid as salary, commission, performance bonus, stock options (where applicable), perquisites and fringe benefits as per the policy of Company, as approved by the Board and within the overall limit specified by Shareholders.
   - While the fixed compensation is determined at the time of appointment, the variable compensation is determined annually by the NRC based on the performance.

   During the year, no changes were made to the Policy.

C. SALIENT FEATURES OF POLICY FOR REMUNERATION OF KEY MANAGERIAL PERSONNEL AND EMPLOYEES

- All employees, irrespective of contract, are to be remunerated fairly and the remuneration is to be externally competitive and internally equitable. The remuneration is paid in accordance with the laid down Statutes.
- Remuneration for on-roll employees will include a fixed component payable monthly and a variable component, based on performance, on annual basis.
- Variable component will be a function of individual performance as well as business performance.
- Business performance is evaluated using a Balanced Score Card (BSC) while individual performance is evaluated on Key Result Areas (KRA).
- Both BSC and KRA are evaluated at the end of the fiscal to arrive at the BSC rating of the business and PPS rating of the individual.
- An annual compensation survey is carried out to ensure that the Company's compensation is externally competitive and is around 60th percentile.
- Based on the findings of the survey and the business performance, the CEO along with the CHRO and CFO decides the increment for different performance ratings as well as grades, the increment for promotions, the total maximum increment and the maximum increase in compensation cost in % and absolute.

During the year, no changes were made to the Policy.

For and on behalf of the Board

Arun Nanda

Place: Mumbai
Chairman

Date: April 25, 2023
DIN: 00010029

ANNEXURE V TO THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2023

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Mahindra Holidays & Resorts India Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mahindra Holidays & Resorts India Limited (hereinafter referred to as the "Company"/"MHRIL"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the relevant and applicable provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder, as may be applicable;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder (Not applicable during the year);

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

  (d) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

  (e) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable during the year); and

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client.

(vi) As confirmed by the Company, it is operating in the Leisure Hospitality Industry and mainly in the business of vacation ownership and there are no laws which are specifically applicable in relation to the business of the Company.

We have also examined compliance with the applicable clauses of the following:

1. Secretarial Standards issued by The Institute of Company Secretaries of India as amended time to time;

2. The Equity Listing Agreements entered into by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE); and

3. The Company has maintained Structured Digital Database (SDD) in the internal software maintained by the Company for ensuring necessary compliances with SDD under SEBI (PIT) Regulations, 2015 from January 1, 2023 and before such date it was maintained on Microsoft Team's software.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

Other statutes, Acts, laws, Rules, Regulations, Guidelines and Standards etc., as applicable to the Company are given below:

1. Labour Laws and other incidental laws related to employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;

2. Acts as prescribed under Direct Tax and Indirect Tax;

3. Stamp Acts and Registration Acts of respective States;
4. Labour Welfare Act of respective States; and
5. Such other Local laws etc. as may be applicable in respect of various offices of the Company.

We further report that the Board of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors, Independent Directors and Woman Director. The following changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

(i) Mr. Sridar Iyengar (DIN:00278512) retired as an Independent Director of the Company with effect from August 01, 2022; and

(ii) Mr. Rajat Kumar Jain (DIN:00046053) was appointed as an Independent Director of the Company to hold office for a term of 5 consecutive years with effect from November 03, 2022 to November 02, 2027.

Adequate notices were given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except for the Unpublished Price Sensitive Information which were, pursuant to clause no. 1.3.7 of Secretarial Standard 1 (“SS 1”), circulated separately or placed at the Meetings of the Board and the Committees, after due compliance with the SS 1, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation & deliberations at these Meetings.

During the period under review, decisions were carried through unanimously and no dissenting views were observed, while reviewing the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company in order to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has undertaken below mentioned significant & material corporate events/actions having a major bearing on the Company’s affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

1. The Shareholders have approved the special resolution to shift register office of the Company from the State of Tamil Nadu to the State of Maharashtra through postal ballot on January 02, 2023.

2. National Financial Reporting Authority (NFRA) has vide its Order dated March 29, 2023 passed following directions to the Company and its Statutory Auditor:

   (i) MHRIL shall, going forward, thoroughly and proactively review its accounting policies and practices in respect of segment reporting, as they relate to application of Ind AS 108; and also Ind AS 115, keeping in mind our above findings relating to deficiencies in accounting disclosures. Following such a review, MHRIL shall take necessary measures to address the deficiencies pointed out in the foregoing paragraphs and effect changes in the disclosures in its financial statements in the letter and spirit of the disclosure as required under the Companies Act and the SEBI LODR. MHRIL shall complete this process by 30th June, 2023.

   (ii) MHRIL's review and the changes brought in its accounting practices and reporting should be properly documented, especially with respect to the CODM's exercise of monitoring and control, both at the aggregated and disaggregated, granular level, and such documentation shall be verified by MHRIL's statutory auditor who shall complete this process by 31st July 2023.

   (iii) MHRIL and its statutory auditor shall report separately to NFRA the results of their review and the changes effected in the MHRIL's accounting policies and practices. Based on its own review of the reports of MHRIL and its statutory auditor, NFRA will take further course of action as provided under the existing provisions of the CA-2013 and the NFRA Rules.

For **M Siroya and Company**
Company Secretaries

Mukesh Siroya
Proprietor
FCS No.: 5682
CP No.: 4157
UDIN: F005682E000190152

Date: April 25, 2023
Place: Mumbai

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

'Annexure A'

To,

The Members,

Mahindra Holidays & Resorts India Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **M Siroya and Company**
Company Secretaries

Mukesh Siroya
Proprietor
FCS No.: 5682
CP No.: 4157
UDIN: F005682E000190152

Date: April 25, 2023
Place: Mumbai

ANNEXURE VI TO THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2023

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

A) Conservation of energy:

(i) The steps taken or impact on conservation of energy:

The operations of the Company are not energy intensive. However adequate measures have been initiated to reduce energy consumption further which are listed below:

- Committed to become Carbon Neutral by 2040;
- Signed both RE100 (Renewable Energy) and EP100 (Energy Productivity), a global campaign led by The Climate Group — setting targets to run on 100% renewable energy by 2050 and to double its energy productivity by 2030;
- Committed to the Science Based Target Initiative, which requires it to reduce greenhouse gas (GHG) emissions to limit global temperature rise to below two degrees Celsius;
- Installation of Solar hot water generator at resorts;
- Replacement of hot water diesel generators with installation of energy efficient heat pumps at resorts;
- Provision of independent solar pathway / garden lights. Timers for external lighting and installation of energy efficient LED lighting at resorts;
- Water flow restrictors installation has helped in saving energy as lower water consumption reduces energy consumption required for pumping, heating and treatment etc.;
- Grey water treatment plant installed in two resorts as pilot for treating only shower and wash basin water coming out of rooms ensuring more than 85% water recovery for reuse in flushing and irrigation.
- Natural food waste composting bins to convert food waste to manure – eliminated use of waste composting machines which consumes power.

(ii) The steps taken by the Company for utilizing alternate sources of energy:

- Renewable energy through solar power;
- Hot water generation through heat pump instead of diesel boilers;
- Electric vehicles for internal mobility at resorts;
- Rainwater harvesting.
- Electric induction stoves are used for live cooking which are 40% efficient and safe as compared to LPG.

(iii) The capital investment on energy conservation equipment: ₹ 23.8 Crores.

B) Technology absorption:

i. The efforts made towards technology absorption: Not Applicable

ii. The benefits derived like product improvement, cost reduction, product development or import substitution: Not Applicable

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not Applicable

a) The details of technology imported;

b) The year of import;

c) Whether the technology been fully absorbed;

d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

iv. The expenditure incurred on Research and Development: Not Applicable

(C) Foreign Exchange Earnings and Outgo:

Foreign Exchange Earnings & Outgo during the year under review are as follows:

(₹ in lakhs)

Total Foreign Exchange Earnings & Outgo	For the financial year ended March 31, 2023	For the financial year ended March 31, 2022
Foreign exchange Earnings	2,661.29	70.66
Foreign Exchange Outgo	4,386.01	3,026.20

For and on behalf of the Board

Arun Nanda
Chairman
DIN: 00010029

Place: Mumbai
Date: April 25, 2023

ANNEXURE VII TO THE DIRECTORS' REPORT FOR THE YEAR ENDED MARCH 31, 2023

Disclosures required with respect to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. **The ratio of the remuneration of each director to the median employees' remuneration for the financial year**

Name of the Directors	Ratio to median remuneration
Non- Executive Directors*	
Mr. Arun Nanda	37:1
Mr. Rohit Khattar	12:1
Mr. Sridar Iyengar	04:1
Mr. Sanjeev Aga	11:1
Mrs. Sangeeta Talwar	09:1
Mr. Diwakar Gupta	11:1
Dr. Anish Shah#	-
Mr. Ruzbeh Irani#	-
Mr. Rajat Kumar Jain	03:1
Executive Director	
Mr. Kavinder Singh	175:1

* The remuneration of Non-Executive Directors includes sitting fees and commission.

Not drawn any remuneration from the Company.

2. **The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year**

Name of the Directors, Chief Financial Officer and Company Secretary	Percentage increase in remuneration
Mr. Arun Nanda	14.36
Mr. Rohit Khattar	4.16
Mr. Sridar Iyengar*	-
Mr. Sanjeev Aga	10.13
Mrs. Sangeeta Talwar	6.91
Mr. Diwakar Gupta	9.66
Dr. Anish Shah	-
Mr. Ruzbeh Irani	-
Mr. Rajat Kumar Jain #	-
Mr. Kavinder Singh, Managing Director & CEO	7.00
Mr. Sujit Vaidya, Chief Financial Officer	6.70
Mr. Dhanraj Mulki, General Counsel & Company Secretary	6.00

* Ceased to be Director w.e.f August 1, 2022

Appointed as Director w.e.f November 3, 2022

3. **The Percentage increase in the median remuneration of employees in the financial year:**

   The percentage increase in the median remuneration of the employees in the financial year 2022-23 was around 6.3%. The calculation of percentage increase in median remuneration is done based on comparable employees and for this purpose, we have excluded employees who were not eligible for any increment.

4. **The Number of permanent Employees on the rolls of the Company:** 5,206

5. **Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration:**

   The average percentage increase made in the salaries of total employees other than the Key Managerial Personnel during the financial year 2022-23 was around 7.1%, while the average increase in the remuneration of the Key Managerial Personnel was around 6.80%. The remuneration of the managerial personnel is based on the remuneration policy as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

   While recommending the increase in remuneration of its employees, the Company considered overall organization performance, industry benchmarking, cost of living adjustment / inflation apart from individual performance based on Balanced Scorecard approach.

   The total compensation is a prudent mix of fixed and variable pay in the form of performance pay. The proportion of variable pay to total compensation is higher at senior level and lower at middle level.

   The performance of the Company has bearing on the quantum of variable pay declared for employees across senior and middle levels.

6. **Affirmation that the remuneration is as per the remuneration policy of the Company.**

   It is hereby affirmed that the remuneration paid is as per the Policy for Remuneration of the Directors, Key Managerial Personnel and Employees.

For and on behalf of the Board

Arun Nanda
Chairman
DIN: 00010029

Place: Mumbai
Date: April 25, 2023

Management Discussion and Analysis

Mahindra Holidays & Resorts India Limited ('Mahindra Holidays', 'MHRIL' or 'the Company') is a leading player in the leisure hospitality industry in India. Founded in 1996, the Company has established vacation ownership business in India and is the market leader with over 2.8 lakhs members. Together with its Finnish subsidiary, Holiday Club Resorts (HCR), Mahindra Holidays has over 3.4 lakhs members and 143 resorts in India, Asia, Europe and the USA — making it the largest vacation ownership company outside the USA.

Mahindra Holidays also offers its members access to over 4,300 RCI affiliate resorts worldwide and an opportunity to holiday at 388 partner hotels in India and abroad through 'Horizons' — its own holiday exchange programme for members. In addition, it offers unique membership privileges — an unmatched range of travel and lifestyle experiences — which differentiates it within the industry. This experience ecosystem has made 'Club Mahindra' an aspirational brand in the leisure hospitality industry in India.

This Management Discussion and Analysis (MDA) Report presents an overview of the operational and financial performance of the Company. It also discusses the macroeconomic environment and opportunities, Mahindra Holidays' strategy and important initiatives taken by it during the year. We begin with a summary of the Company's performance in 2022-23.

Summary and Key Highlights

After multiple waves of Covid-19 in the previous two years, 2022-23 was the first full year when India was not directly impacted by it. However, there were challenges due to disruptions in global supply chains following fresh outbreaks in China and the war in Ukraine. But India continued to be a global bright spot, with impressive macro-economic stability and a strong GDP growth of 7% in 2022-23. The section on 'Macroeconomic Environment and Opportunities' provides further details.

Based on the experience from the pandemic, particularly the Omicron wave in January 2022, it was clear that the leisure travel and hospitality industry in India was poised for significant growth provided there were no major Covid outbreaks. We had also shared this sentiment in our outlook for 2022-23 in the last year's MDA report. As the year progressed and a supportive environment ensued, Mahindra Holidays implemented a focussed two-pronged strategy anticipating significant increase in demand for holidays.

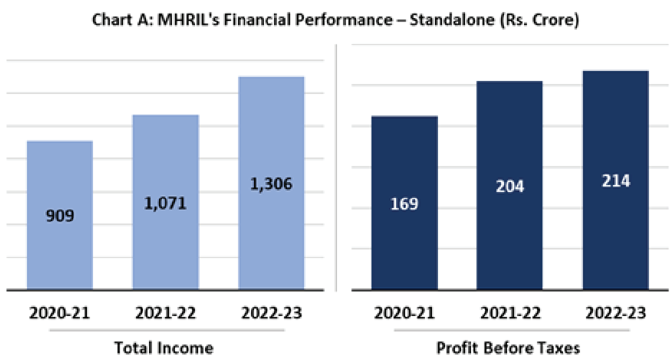
First initiative was to drive occupancy and ensuring highest levels of customer satisfaction — both while holidaying at resorts and in member servicing. Further details on these initiatives and achievements are provided in the sections on 'Resort Operations' and 'Member Experience'.

Second, the Company took wide-ranging measures to expand its distribution network across multiple channels with the objective of surpassing its pre-Covid performance on member acquisition. These are covered in greater detail in the section on 'Membership'.

This focus substantially augmented the organisational capabilities built over time through the Company's commitment to its three key identified priorities: Experience Ecosystem, Member Lifetime Value and Digital First. (See the section on 'Strategic Priorities' for discussion on these areas). As a result, Mahindra Holidays reported a considerable improvement in performance in 2022-23:

- ***Mahindra Holidays added 17,477 members to its vacation ownership business in 2022-23, a growth of 36.9% compared to 12,764 members added in the previous year. This is also significantly higher than 15,697 members added in the pre-Covid year of 2019-20.*** After accounting for members who completed their membership tenure, the cumulative membership base stood at 281,820 as on March 31, 2023, compared to 265,980 at the end of 2021-22. See the section on 'Membership' for further details on products and initiatives.
- ***Another significant achievement in 2022-23 was that the number of Club Mahindra resorts crossed the 100-mark to close at 102 resorts as on March 31, 2023,*** up from 84 at the end of the previous year. Several new domestic and international destinations were added. Overall, the Company added 372 rooms taking the total room inventory to 4,940 units as on March 31, 2023. Further details are provided in the section on 'Properties and New Projects'.
- ***Occupancy improved significantly to 84% in 2022-23, compared to 74% and 72% in 2021-22 and 2020-21 respectively. It was even higher than 80% achieved in the pre-Covid year of 2019-20.*** This is momentous as it comes on a significantly larger operating inventory given the strong inventory additions in the last few years. ***At the same time, considerable improvements were reported in member servicing parameters, feedback scores as well as appreciation on social media.*** Initiatives to engage with members and excellence in operations are presented in sections on 'Member Experience' and 'Business Excellence'.

This improvement in MHRIL's operational performance is also reflected in the financial results for 2022-23. As shown in Chart A, ***Total Income (including Other Income) for Mahindra Holidays as a standalone entity, increased by 21.9% from ₹ 1,071 crore in 2021-22 to ₹ 1,306 crore 2022-23.*** This was also driven by an impressive 67.4% growth in Resort Income from ₹ 193 crore in 2021-22 to ₹ 323 crore in 2022-23.



Profit Before Taxes (PBT) of MHRIL as a standalone entity grew from ₹ 204 crore in 2021-22 to ₹ 214 crore in 2022-23. Profit After Taxes (PAT) also grew along similar lines from ₹ 151 crore in 2021-22 to ₹ 159 crore in 2022-23. *A more detailed analysis is provided in the section on 'Financials'.*

Macroeconomic Environment and Opportunities

After a strong recovery in 2021 following the Covid-19 pandemic, the global economy was expected to register another year of impressive growth. But the fragile recovery was soon derailed. The war in Ukraine severely affected global energy and food markets. At the same time, restrictions in China following fresh Covid-19 outbreaks disrupted global supply chains. ***According to the International Monetary Fund (IMF), world GDP grew at 3.4% in 2022, compared to the growth of 6.3% in 2021. Emerging and developing economies in Europe were the most impacted***.

Spiralling inflation in global commodities and consumer goods prompted several advanced economies to tighten their monetary policy, causing further recessionary pressures and well as systemic risks to the banking and financial sectors. ***In its latest estimates released in April 2023, the IMF projects the global economy to grow at 2.8% in 2023. This slowdown will be concentrated in Advanced Economies, especially the Euro Area and the UK***.

In comparison, the Indian economy has performed much better. ***According to the second advance estimate released by the National Statistical Office in February 2023, India's GDP grew at 7.0% in 2022-23, with both private consumption and public investment driving this growth***. While the growth moderated somewhat compared to 9.1% in 2021-22, it continued to be broad-based with the exception of manufacturing. In fact, India continues to be a bright spot in the global economy, not just as the fastest growing large economy in the world but also in terms of its macroeconomic and financial stability.

This is not to say that India is insulated from the rest of the world or that it does not face headwinds from persistent inflation or poor external demand. But the fact remains that it has been able to navigate the situation well. While the Reserve Bank of India (RBI) has been quick to react, increasing policy rates cumulatively by 250 basis points in 2022-23 to rein in inflation, the Government's policies have continued to support growth. ***According to the RBI's recent Monetary Policy Report released in April 2023, India is likely to witness only a marginal deceleration in growth from 7.0% in 2022-23 to 6.5% in 2023-24***.

As far as the hospitality industry in India is concerned, 2022-23 saw major improvement in performance. There has been a significant rebound in domestic travel, with domestic air passenger traffic continuing to post healthy growth right through the fourth quarter of 2022-23. Both occupancy and the average daily room rates witnessed impressive growth, surpassing their pre-pandemic levels. Overall, the Leisure travel has seen a big rebound as well. Post Covid, members have been availing holidays with their extended families and the increase in hotel tariffs has made vacation ownership proposition more attractive.

At the same time, the long-term fundamentals of the industry in India remain strong. Government's strong push on domestic tourism as well as creating an enabling infrastructure is likely to have a multiplier effect in the future. The vacation ownership industry, with its loyal membership base, has even better prospects. The aspirational consumer segment in India is increasing at a rapid pace, expanding the opportunities for growth of the business. At the same time, the current market penetration of vacation ownership in India is very low at around 2% compared to 11% in the US, indicating considerable scope for growth.

More generally, if one looks at the hospitality industry, emerging trends in leisure travel — for instance, multi-generational travel for family bonding, wellness tourism for rejuvenation, 'Eco & Conscious' travel, curated do-it-yourself experiences, alternative and experiential holidays, drivable destinations — open-up further opportunities for companies that can innovate and provide immersive holiday experiences.

Mahindra Holidays is the market leader in the vacation ownership business and is well placed to capitalize on these opportunities. Besides, its large network of resorts in India and an unparalleled experience ecosystem gives the Company an edge when it comes to not just deliver on these emerging consumer trends and expectations, but also to establish industry benchmarks. Its impressive performance in 2022-23 highlights the resilience of its business model as well as its ability to scale-up operations with agility. It also underscores the trust and confidence its members repose in the Mahindra brand, which is a crucial differentiator and contributes enormously to the Company's performance.

Strategic Priorities

Considering the competitive landscape, major trends in the leisure travel and media consumption habits, the Company has identified three key strategic priorities to differentiate itself in the market and deliver superior business performance.

These are discussed below.

Building an 'Experience Ecosystem'

The objective is to strengthen the 'Club' value proposition of the Club Mahindra brand by building an extensive ecosystem offering unparalleled choice of destinations, itineraries, experiences and services as well as implementing appropriate tech-based solutions to aid their utilisation.

While providing immersive holiday experiences continues to be at the core of the Club Mahindra offering, the idea is to go beyond that and offer unique privileges to its members even outside the seven-day annual holiday period. In 2022-23, there was considerable progress in this journey. Key developments are given in Box 1.

Box 1: The Club Mahindra 'Experience Ecosystem'

- **Choice of Resorts:** Added several resorts with a focus on new destinations and experiences to take the total number of resorts from 84 to 102 by the end of 2022-23: new domestic additions include **Gangtok, Lachung, Jambughoda, Janjehli, Koyna, Khopoli, Ambaghat and Tirupati**; new international locations include Maldives, Abu Dhabi, Chiang Mai (Thailand), multiple destinations in **Cambodia (Phnom Penh and Angkor), Vietnam (Hanoi, Saigon and Halong) and Nepal (Kathmandu and Chitwan)**.
- **'Horizon' Holiday Exchange Programme:** Members can exchange their Club Mahindra room nights for stays in top-rated hotel chains after paying a nominal access fee. This currently covers **388 hotels across 180+ locations in India and abroad, covering major cities and holiday destinations where Club Mahindra is not currently present**. During the year, it added several popular international destinations such as Vienna, Prague, Paris, Berlin, Budapest, Rome, Venice and Lisbon. The platform now also supports real-time availability and booking in select hotels, adding to the convenience and increased utilisation. **2022-23 saw strong increase in utilisation of room nights under this programme**.
- **Travel Services and Curated Holiday Experiences:** Offers its members a wide range of travel services such as airport transfers; travel assistance; curated holiday experiences, seasonal tours and weekend getaways and villas. **Members can book individual services or complete packages at attractive discounts at the Company's online platforms**. In 2022-23, packages were added for several new destinations and experiences. An exclusive help and fulfilment desk was also set-up to facilitate seamless access for our members.
- **'Club M Select':** An exclusive subscription programme which allows enrolled members access to several luxury lifestyle offerings: international hotels, cruises and excursions; air travel benefits; dining privileges; lifestyle experiences; and luxury holidays. The platform provides exclusive member only pricing, real time booking, unrestricted access, unlimited usage as well as zero transaction charges. **During the year, it added offers on SPA treatment in MHRIL resorts, SPA services at airports, personalised yoga sessions and luxury holidays, while at the same time making several improvements to the user experience. 2022-23 saw strong growth in membership and transactions.**
- MHRIL increased its stake in Great Rocksport Private Limited ('Rocksport') from 6.67% to 23.42%. The primary objective is to enhance outdoor experience offerings by developing theme adventure parks in Club Mahindra resorts. **It currently has two adventure parks as a part of this partnership: Jungle Adventure Park in Assonora and Ape Adventure Land in Netrang**. Members will also have access to Rocksport's facilities in cities.

Enhancing 'Member Lifetime Value'

The objective is to engage with the members and enhance the lifetime value during their tenure of membership. To achieve this, the singular focus is on developing an in-depth understanding of the consumer — their needs and preferences — by utilising data and best-in-class analytics. The results of this approach are reflected in the Company's (i) product portfolio, (ii) thoughtfully designed service offerings and (iii) Best in class member engagement processes and programmes.

Over the years, these capabilities have been used to drive product and season upgrades, generate referrals, increase resort income and improve collection efficiency — directly contributing to its operational and financial performance. Some important elements of this strategy as well as key developments in 2022-23 are presented in Box 2.

Box 2: Enhancing 'Member Lifetime Value'

- MHRIL has a complete product portfolio that covers all key life-stage segments — **GoZest for young families (<30 years), longer term Club Mahindra (CMH25 and CMH15) for families in age group of 30+ years and Bliss for 50+ years**. This allows the Company to market its products to people across all life stages. Buoyed by the success of GoZest in bringing young consumers into the Club Mahindra fold and opening-up opportunities to later upgrade them to its longer-term products, **MHRIL piloted Resort Escapes in 2022-23. This is another short-tenure product targeted at millennials which will be sold exclusively through digital channels**.

- The Company also encourages members to **upgrade to higher tenure products as well as to higher seasons and room configuration within the same product**. The upgrade process is automated with complete information on season and rooms upgrade options as well as facility for online payments through the website or the mobile app. **Revenues from upgrades reflected a healthy increase, growing at 71% to ₹ 188 crore in 2022-23**.
- In another important initiative during the year, **Mahindra Holidays launched 'Club M Rewards', a multi-tiered loyalty programme to enhance member engagement and incentivising referrals with a wider set of benefits and redemption choices**. This builds on the erstwhile 'Happy Family Referral Programme', making the entire referral process more attractive as well as seamless through greater adoption of digital technology for access, sharing information, tracking progress and redemptions. Both participation in the rewards programme and member additions through referrals increased significantly in 2022-23.

- **Data & Analytics** has been instrumental in implementing member-friendly services as well as driving business goals: (i) using booking history, patterns and member profile to recommend holiday options is one of the most used features for resort discovery (ii) proactive analytics based recommendation of new resorts (iii) predicting member demand and cancellations to dynamically manage inventory utilisation, maximising occupancy and member holidays (iv) generating insights on holidaying needs, food preferences and special occasions to customise attractive options to pre-book meals and experiences to drive resort incomes (v) identifying members for referrals and upgrades (vi) receivables management and collections.

'Digital First' Philosophy

Another strategic priority for the Company has been to reinvent its marketing strategy around digital content in line with media consumption trends which favour social media, as well as utilise technology to improve outcomes while engaging with members and prospects. Some of the key initiatives and achievements in 2022-23 are presented in Box 3.

Box 3: Reinventing Marketing — Key Initiatives

- **Brand Campaign:** Club Mahindra launched its new flagship campaign with Raveena Tandon — across social media, TV and print — to showcase family experiences and position 'Club Mahindra' as a caring family brand from the perspective of a mother (#Familykisuperwoman). The campaign generated over 170 million impressions on digital and social media platforms. It also produced a 6-part series 'Club Mahindra Presents Magical Trails' in which celebrities promoted its destinations, properties and experiences. Its **'Family Premier League' campaign won the 2022 DMA Asia Echo CREATEFFECT Award under the 'Travel and Hospitality' category**.
- **Brand Platform:** MHRIL launched **'The Stage'**, its intellectual property platform curating events that resonates with the brand's core values, thereby differentiating it within the industry and augmenting its aspirational value. Events showcased under the platform in 2022-23 included: **Discover India Art Fair, a 3-Day Theatre Festival** by renowned theatre artist Lillete Dubey and a '**Conversation with Dinesh Karthik'**, one of India's most prolific wicketkeeper batsmen.
- **Digital Assets and Platforms:** Upgrading the Company's digital assets and platforms is a continuous process. Several measures were taken during the year to improve the prospects as well as member's websites, improvements in online journeys pertaining to upgrade process, digital onboarding of members as well as holiday planning and booking, digital payments and collections. **The enhancements in prospects' website contributed to significantly higher organic traffic, sessions, digital leads and sales during the year**. Besides, several initiatives are underway including: (i) new members' website and mobile app encompassing all its products to provide an unified experience to the members, and (ii) an interactive solution for virtually assisted selling.
- **The Club Mahindra Members' Community** has become a vibrant engagement platform for its members to share their experiences and help other members with valuable information on resorts and planning holidays. The user generated content of the community is leveraged across the Company's digital platforms in the form of travel stories and blogs to showcase member delight and drive occupancy, referrals and lead generation.

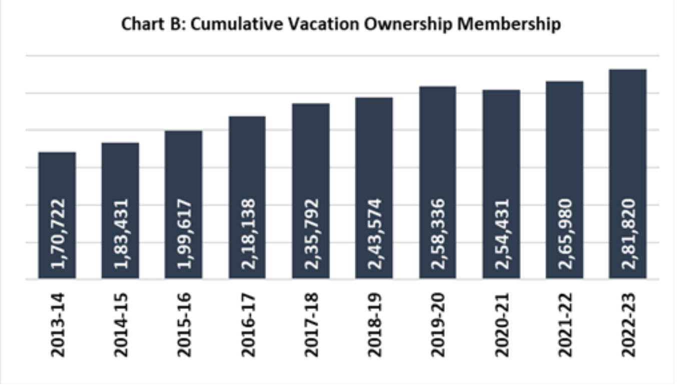
Business Performance

Membership

'Club Mahindra' is the Company's flagship product in the vacation ownership business. The core offering CMH25 entitles its members a week's holiday every year for a period of 25 years. During the year, the Company launched CMH15 — a shorter duration 15-year product. Both these products are targeted at young families in the 30-plus age group who would like to take regular vacations and spend quality time with their families.

It also markets **'Bliss'** — a flexible points-based product targeted at the 50-plus age group — which offers a week's holiday every year for 10 years and '**GoZest**', which is a three-year points-based product aimed at travellers in the less than 30 years age-group to introduce them to the Club Mahindra experience and generate interest for the core offerings. With these products, the Company has a complete product portfolio across all life stages of its target audience.

The Company added 17,477 members in 2022-23 compared to 12,764 in the previous year, reflecting a growth of 37% during the year. After accounting for members who completed their membership tenure, total membership stood at 281,820 as on March 31, 2023, compared to 265,980 at the end of 2021-22. Chart B provides data on the cumulative membership for the last 10 years.



Note: Membership includes all vacation ownership products of the Company.

This exceptional performance was made possible by the wide-ranging measures taken by the Company to expand its distribution network across multiple channels. The key elements are presented below:

- First, Mahindra Holidays strengthened its core presence through its branch network, sales offices and teams which operate in large towns and cities. The distribution network was also expanded with appointment of franchisee and direct sales agents (DSAs).
- Second, given the increased occupancy at resorts, special focus was on on-site sales channel at resort locations. Here, the effort was not just limited to sales, but also to augment efforts on renewals and upgrades. These are increasingly becoming more important as the Company targets younger families with its experiential offerings. On-site sales teams expanded from 38 to 44 locations in 2022-23.
- Third, the Company has put in place a new channel for corporates. Here, the idea is to target their employees and generate leads through partnerships and brand associations. This strategy has been successful in expanding our reach and brand proposition among the target audience and generating high-quality leads.
- Moreover, all of this was powered by appropriate technology interventions as well as the Company's ability to train and deploy adequate manpower. For instance, 'MPower' — the Company's Mobile App for its sales team was extended to DSAs to augment their capabilities and standardise sales process across the organisation.

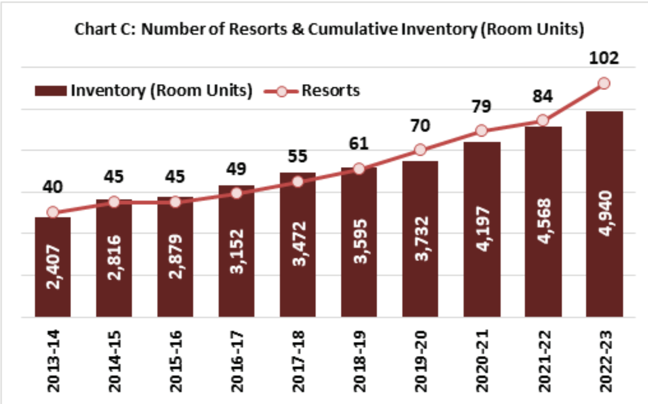
As a result of these efforts, Mahindra Holidays' geographic reach and presence increased significantly during the year. Smaller towns and cities saw their contribution to the sales mix increase. ***In 2022-23, 37% of its new members came from smaller towns and cities. At the same time, focus on digital and referral leads continued and about 57% of the sales came from these sources***, reflecting the Company's success in digital marketing and superior member engagement. These have already been discussed in the earlier section on 'Strategic Priorities'

'Club Mahindra Fundays' is a corporate product which allows enrolled organisations to offer holiday entitlements to its employees either as a part of their reward and recognition programme or as an employment perquisite. In 2022-23, Mahindra Holidays onboarded new clients into the platform and the increase in utilisation of room nights was satisfactory.

Properties and New Projects

Mahindra Holidays has a pan-India presence through its extensive network of resorts across destinations including hill stations, beaches, backwaters, wildlife sanctuaries, forts and heritage destinations. It is also present in international destinations such as Bangkok, Pattaya, Phuket, Bali, Kuala Lumpur, Singapore, Dubai, Colombo, Bhutan, Maldives, Vietnam, Cambodia and Nepal. In addition, Club Mahindra members have a choice to access HCR's 33 resorts in Finland, Sweden and Spain.

During the year, Mahindra Holidays continued to add room inventory in line with its positive long-term outlook for growth of leisure travel industry in India. As shown in Chart C, ***it added 372 rooms units in 2022-23, taking the total inventory from 4,568 room units in 2021-22 to 4,940 room units by the end of the year***.



This has been a significant year also in terms of resorts added: number of resorts crossed the 100-mark to close at 102 at the end of 2022-23, up from 84 at the end of the previous year. This addition includes several international destinations, where the Company entered for the first time: Maldives, Abu Dhabi, Chiang Mai (Thailand), multiple destinations in Cambodia (Phnom Penh and Angkor), Vietnam (Hanoi, Saigon and Halong) and Nepal (Kathmandu and Chitwan). Room inventory additions in 2022-23 also included new domestic destinations such as Tirupati (Andhra Pradesh), Jambughoda (Gujarat), Janjehli (Himachal Pradesh), Lachung (Sikkim) as well as Koyna, Khopoli, and Ambaghat in Maharashtra.

The Janjehli resort in Mandi district is under a public-private partnership (PPP) contract with the Himachal Pradesh Government. The efficiency and pace at which this property was renovated and made operational gives MHRIL the confidence to explore further opportunities in this space. In the previous year, MHRIL had also emerged as the successful bidder for another PPP project with Maharashtra Tourism Development Corporation at Harihareshwar where the formalities are in progress.

In line with the Company's strategy, a significant part of the room inventory is owned by it. In cases where resorts are under long-term lease arrangements, it manages the resorts to ensure delivery of a consistent experience to its members. It also adds inventory through short-term arrangements to test new destinations and offer greater choice to its members.

Given the long-term potential for vacation ownership business in India and the Company's growth outlook, increasing room inventory continues to be a key focus area. ***Over the next few years, additions are planned through both greenfield and expansion projects. New projects are planned at Ganpatipule (Maharashtra) and Theog (Himachal Pradesh), whereas expansion projects include Kandaghat (Himachal Pradesh), Assonora (Goa) and Puducherry***.

Mahindra Holidays also has land bank at several other destinations, including at some of its existing resorts, which provides further flexibility in adding inventory on an ongoing basis. The Company is actively evaluating the opportunity at some of these locations. In addition, it will continue to look at opportunities for fresh leases and acquisitions, especially in regions where it perceives demand to be stronger in the medium term.

Resort Operations

Efficient resort operations and thoughtfully designed, engaging resort amenities are central to delivering immersive holiday experiences. This encompasses three key areas: infrastructure and facilities, holiday activities and F&B. Mahindra Holidays has the unique distinction of having 31 RCI Gold Crown, which bears testimony to the high standards of resort facilities, amenities and services that its resorts offer.

Holiday activities are central to delivering a complete holiday experience. At Mahindra Holidays, these are institutionalised under the banner of ***'Happy Hub'*** built around a strategy of ***'do-learn-connect'***. The ***'Host'*** and ***'Champs'*** programmes, which have been instrumental in enhancing member engagement at resorts were expanded further. ***At the end of the year, the Company had over 300 hosts and around 120 Champs across resort locations 'making moments magical' for our holidaying members***.

During the year, the Company introduced ***'Happy Ville'*** in Club Mahindra Tungi — a dedicated play zone and activity area for kids that can also be used for birthday celebrations, arts and craft workshops, daycation picnics, special kids theme events and photo shoots. It also launched ***'Happy Days'*** — to institutionalise celebration of our members' birthdays and anniversaries. Special events were also curated to celebrate local festivals, Christmas and new year events and International Days associated with food such as World Chocolate Day, Pizza & Pasta Day. Besides, ***theme nights have been integrated into the core activities calendar, with most resorts doing three such events every week***.

In F&B, efforts are continuously undertaken to make the dining experience more exciting and fulfilling. **Twenty-eight** of its resorts are certified under ISO 22000:2018, which is an international accreditation recognising enhanced food hygiene and safety. Mahindra Holidays operates several successful restaurant concepts across its resorts such as *Barbeque Bay, Unwind, Curries, Spice, Finz and Ripples*. ***During the year, two of our F&B outlets in Goa — Curries at Club Mahindra Assonora and Waterfield Cafe at Club Mahindra Varca — were nominated for the 'Best All-Day Dining' category at the prestigious Times Food & Nightlife Awards 2022, Goa***.

Mahindra Holidays has institutionalised post-holiday feedback (PHF), which encompasses all key areas of resort operations. This serves as a measure of its success in delivering quality holiday experience as well as identifying and addressing member concerns. The Company continues to improve its PHF scores on an ongoing basis.

Member Experience

At Mahindra Holidays, excellence in member services is about a customer centric mindset and ensuring high levels of satisfaction in all its interactions with members, thus improving their overall experience of the Club Mahindra brand. This is aided by appropriate technological and digital interventions to also deliver on key operating metrics including occupancy, referrals, upgrades, collection, proactive management of issues and retention.

During the year, MHRIL upgraded its member contact centre to enable 24 x 7 availability, which has improved the service levels and member experience considerably. At the same time, enhancing its digital interaction and servicing capabilities through its website and mobile app as well as newer channels such as WhatsApp, Voice and Mobile Bot continue to be a focus area. Several improvements were implemented in these areas in 2022-23. ***Online bookings continue to be over 80% of the total bookings and over one-third of all member queries are being answered through digital channels. Overall turnaround times for resolution of member requests came down significantly across all touchpoints in 2022-23***.

The Company carried out several resort and region specific campaigns as well and personalised communication to drive member holidays, especially among non-holidaying members. Besides, it proactively plans first holidays for new members. As a result of these initiatives, ***occupancy increased significantly to 84% in 2022-23, compared to 74% in the previous year***.

All key operational metrics of effective member experience — be it referrals, product upgrades, collection or retention have shown a healthy improvement during the year. Feedback received through internal feedback mechanisms as well as external surveys continues to be on an upward trajectory, reflecting the success of its member servicing efforts. Sentiment metrics for key social media platforms were also overwhelmingly positive during the year.

Business Excellence

Mahindra Holidays has adopted the principles of Total Quality Management (TQM) under the banner of 'The Mahindra Way' — the Mahindra Group's integrated approach to promote excellence in all spheres of its operations. The Company has successfully institutionalised quality systems in all critical business functions. Some of the other key developments in 2022-23 are discussed below.

Promoting a culture of continuous improvement by institutionalising Kaizens has been central to the Company's efforts in this area. The impact of these projects has also been amplified by the online portal which acts as a repository and a tool for company-wide deployment. ***During the year, the adoption of 'i2i' (idea to implementation) mobile app for submission of ideas for innovation and sharing of best practices, including Kaizens, increased further. Over 60,000 Kaizens were registered across the organisation in 2022-23, including around 17,000 through the mobile app***.

The Company has also implemented CAPA (Corrective Actions & Preventive Actions) methodology for the identified problems by monitoring daily work to arrive at solutions. ***Over 900 CAPA projects were implemented in 2022-23. It also has a CAPA portal to register these projects and create a repository for organisation-wide deployment***.

Continuous learning is at the centre of our journey towards excellence and the Company's e-learning platform plays an important role in this regard. ***In 2022-23, new e-learning modules were created to create awareness on Quality. Overall, 3,900 participants completed 22,500 certifications during the year***.

Human Resources (HR)

Hospitality is a service-oriented business where customer experience depends directly on the interaction between the customers and employees. At Mahindra Holidays, this is codified in the SEWA philosophy: a set of values and behaviours reflecting "Service with Empathy Warmth and Attentiveness". This philosophy is embedded in all day-to-day processes to drive a service culture in the organisation and ultimately, performance.

The Company's operations are spread across its 102 resorts as well as another 50 locations comprising its sales establishments and corporate offices. Accordingly, the HR function at Mahindra Holidays is organised into three key areas: resort operations, customer acquisition and corporate functions. Over 70% of its people are in customer facing roles. Besides, as millennials form a large part of our workforce, attracting the right talent and providing them with right avenues to grow is key to its success.

Accordingly, the Company strives to ensure that its talent development and engagement practices successfully assess employee strengths, identify areas of development, augment skills through targeted learning and development (L&D) interventions and reward performance with opportunities for growth. Some of the key L&D initiatives undertaken in 2022-23 were:

- The Company has institutionalised ***'Shubharambh'*** — its induction and onboarding programme for all sales and frontline resorts personnel — to handhold them and impart necessary skills for early success. This is achieved through a combination of training on processes, sharing experiences, imparting practical skills and sharing feedback for improvement.
- Two new programmes were launched to train sales personnel in line with business priorities in 2022-23: (i) **'Road to Success'**, which is a week-long training program for Relationship Managers and Telemarketing Executives focused on teaching the most effective way to interact with prospects and creating a customised sales pitch, and (ii) **'On-site Sales Pitch'**, which is a specialised programme designed to identify opportunities to connect with members and prospects at our resorts.
- ***Fast-track growth programmes*** to identify and develop high-potential employees for supervisory and managerial positions after a rigorous training including classroom sessions, on the job assignments and live projects. During the year, high potential employees were enrolled in these programmes under the banner of **'iGrow'** for both sales and resort functions.
- ***Club Mahindra Executive Training*** programme for resorts and sales aims at building homegrown team of

best-in-class professionals following source-hire-train model for its unique and differentiated product offerings. Over the years, this 18-month intensive programme has been successfully providing a steady stream of trained managerial talent for sales and resorts.

Other important programmes undertaken in 2022-23 include 'Leading to Grow' for team management and leadership skills, 'Department Trainers Programme' to create a core group of trainers in each functional area at resorts, 'Customer Leadership and Commercial Mindset' for resort leaders to successfully deliver on business outcomes. Besides these, MHRIL's **ASPIRE E-learning portal** and **Harvard ManageMentor Spark** continue to provide self-paced learning opportunities based on individual developmental needs.

Maintaining high employee engagement levels continues to be a top priority. The Company's rewards and recognition program is aligned with its values and is designed to celebrate role models and performers. It also has a digital platform called CHEERS — Club Mahindra Happy Employees Engagement & Recognition System — to connect, collaborate, celebrate milestones and appreciate peers for their efforts all under one unified hub. ***Mahindra Holidays featured among the 'Best Companies to work for in India — Rank 20', 'Best Workplace Hotels and Resorts' and 'Best Workplaces Asia' by Great Place to Work Institute in 2022***.

As on March 31, 2023, there were 5,206 people on the rolls of the Company. Industrial and employee relations remained cordial throughout the year.

Information Technology (IT)

Mahindra Holidays believes that IT plays an active role in providing a competitive edge and contributes directly to its performance. The Company has invested significant resources in its IT architecture and benefits from it in all key spheres of its operations.

During the year, the Company took several measures to support growth. This included extending the core IT infrastructure to its new operating locations — both resorts and sales offices. Efforts to upgrade its IT assets and application environment to digitise processes in customer acquisition, resort operations and member experience which have already been discussed in the respective sections of this report.

Security continued to be an important area of focus in 2022-23. This included upgrading security at the Company's data centres as well as establishing back-up link for any downtime in primary network line as a part of business continuity planning. Several initiatives have also been taken to strengthen internal data security systems and processes: implementation of data encryption and leak protection tools; restrictions on data access and sharing; mobile access and application security protocols; network and VPN access management.

Security awareness training for employees is an important part of its internal compliance processes. It also successfully conducted a surprise mock drill to restore its server powering the website for one of its core products to evaluate its readiness in the event of a cyber-attack.

Environment Social Governance (ESG)

As a part of the Mahindra Group, Mahindra Holidays is guided by the 'Rise' philosophy, with the broader goal of driving positive change for all its stakeholders — including its customers, employees, vendors, shareholders — the communities in which it operates and the larger society. Adherence to the underlying principles of ESG have always been an important part of its functioning, guiding its strategic decision making to create long-term value as well as a tool for mitigating risks.

A discussion on the Company's processes and initiatives around Governance is provided in the chapter on Corporate Governance that forms a part of this Annual Report. In what follows, we present the Company's initiatives in the areas of Environment and Sustainability and Corporate Social Responsibility (CSR).

Environment and Sustainability

Mahindra Holidays is committed to conserve the ecological integrity of its operating locations through responsible business practices and activities such as measurement of carbon footprint, conservation of biodiversity, energy conservation, use of renewable sources, water conservation and waste recycling (See Box 4). These green initiatives undertaken by the Company are aligned to its larger mission of 'Good Living, Happy Families'.

Box 4: MHRIL's Sustainability Commitments

- Mahindra Holidays has committed to become carbon neutral by 2040.
- It is India's first hospitality company that has signed both RE100 (Renewable Energy) and EP100 (Energy Productivity), a global campaign led by The Climate Group — setting targets to run on 100% renewable energy by 2050 and to double its energy productivity by 2030.
- MHRIL has also committed itself to the Science Based Target Initiative, which requires it to reduce greenhouse gas (GHG) emissions to limit global temperature rise to below two degrees Celsius.
- It is also committed to EP100 cooling challenge for which it monitors the efficiency of air conditioning systems and implements energy efficient solutions.

In 2022-23, Mahindra Holidays undertook various initiatives in the areas of renewable energy, energy saving, water conservation, waste recycling and biodiversity:

- ***Renewable Energy and Energy Saving: Solar power is streaming in 22 of its resorts with 43.43 lakh units (kWh) generated during the year***. Microgrid operations comprising solar energy and BESS (Battery Energy Storage System) is another major initiative to bring down use of diesel generators. It is installing a capacity of 9 mwp for its resorts in Maharashtra, Kerala and Madikeri. Outdoor solar lights continue to be installed in landscaped areas, whereas other energy saving initiatives have been systematically implemented at resorts as a part of its energy saving action plan. Deployment of electric vehicles at resorts, especially for internal movement has also increased.

- **Water Conservation:** Important initiatives include recycling of water from sewage treatment plants, rainwater harvesting, installation of water saving taps/ fixtures in rooms as well as public areas. ***Six of our resorts are currently 'water secure', with*** net-zero water usage through the principles of reducing consumption and recycling, rain harvesting, and recharging more than consumption. ***Utilisation of rainwater increased considerably to 275 million litres in 2022-23***. Similar systems will be implemented in another 20 resorts by 2025. Water consumption has reduced by 100 million litres compared to last year and 60% of total water consumed by the resorts was recycled in 2022-23.
- **Waste recycling:** The Company had embarked on the 'Zero Waste to Landfill' (ZWL) programme in 2019-20 with its Virajpet resort becoming India's first ZWL resort. Currently, four of its resorts are ZWL certified, and the aim is to certify all its resorts in another three years. It is also focused on the installation of organic waste converters, vermicompost systems and biogas which are currently operational at many of its resorts. It has also initiated steps towards implementing principles of 'circular economy', responsible sourcing and elimination of single-use plastics.
- **Biodiversity:** MHRIL has organic gardens at several of its resorts: Kanha, Munnar, Corbett, Poovar, Manali, Cherai, Dharamshala, Thekkady, Kandaghat, Assonora and Mahabaleshwar. Assonora Nature Park has theme-based gardens namely Herb, Spice, Butterfly, Medicinal and Nature trails. It also has butterfly gardens at Puducherry and Ashtamudi. India Business and Biodiversity Initiative (IBBI) has developed a case study on biodiversity initiative at Madikeri. Achievements in the Company's tree plantation drive are presented in the section on CSR.

The Company's efforts on sustainability are also reflected in the 'Platinum' green building certification (IGBC-CII) of ten of its resorts at Ashtamudi, Emerald Palms, Puducherry, Naldehra, Kandhaghat, Varca, Poovar, Kanha, Mussoorie and Jaisalmer. The Company actively participates in the Mahindra Group's Corporate Sustainability Reporting. The 'Sustainability Report' of the Group is prepared in accordance with the internationally accepted framework specified by the Global Reporting Initiative (GRI). This framework sets out the principles and indicators that should be used to measure and report economic, environmental, and social performance. ***During 2022-23, 43 resorts participated in sustainability reporting of the Group***.

Corporate Social Responsibility (CSR)

Mahindra Holidays has been at the forefront of taking affirmative action and seeks to contribute to the socio-economic wellbeing of communities that it interacts with in carrying out its business. MHRIL assists communities around its resorts by implementing initiatives in areas such as Girl Child Education, Women Empowerment and Environmental Sustainability.

Apart from working with not-for-profit organisations and contributing resources for CSR projects, the Company also encourages community service by its employees by involving them through its 'Employee Social Options Programme'. ***During the year. 2,155 employees volunteered 15,655 person hours on CSR initiatives***. Key CSR initiatives undertaken by the Company in 2022-23 are presented below:

- ***Girl Child Education:*** Through the *'Nanhi Kali'* project, the Company supports education of 2,782 girls from socially and economically marginalised families. Under project *'Gyandeep'*, it provides infrastructure support, provisioning of books and stationary kits and renovation of schools.
- ***Women Empowerment:*** The 'Udaan' programme provided support to 61 women by enhancing their skills, while the 'Saksham' programme helped 100 women in developing businesses. Both initiatives aimed at providing employment opportunities, encourage entrepreneurship, and improve the financial independence of women in the community.
- ***Environment:*** 20,817 trees were planted in 2022-23 as a part of *'Mahindra Hariyali'* — the tree plantation initiative of the Mahindra Group — taking the total trees planted to 515,228 since the beginning of the project in 2010-11. Under its *'Green Guardians'* initiative, it undertook multiple programmes for sustainable fuelwood management. A water tank with a storage capacity of 1.5 lakh litres was constructed and connected to a glacier to address the issue of unreliable water supply in Prini, Manali. In another programme, 745 street vendors in Alibaug were provided solar lanterns for a safer and more conducive work environment.

Financials

Standalone Financial Results

Table 1 presents the abridged financial statements of the Company as a standalone entity.

Table 1: Financial Information (Standalone)

(₹ in crore)

	2022-23	2021-22
Income from Operations	1,196.2	960.7
Other Income	109.4	110.0
Total Income	**1,305.6**	**1,070.7**
Operating & Other Expenses	923.3	726.1
Finance cost	29.1	21.2
Depreciation	139.1	119.9
Total Expenditure	**1,091.5**	**867.2**
Profit Before Tax (PBT)	**214.1**	**203.5**
Tax Expenses	55.5	52.2
Profit After Tax (PAT)	**158.6**	**151.3**
Diluted EPS (₹)	7.89	7.55
Cash & Cash Equivalents	1,157.7	1,171.6
Long-term Debt	-	-
Deferred Revenues	5,326.5	5,082.8

Total Income, which includes both operating and other income, grew at 21.9% from ₹ 1070.7 crore in 2021-22 to ₹ 1,305.6 crore in 2022-23. This increase was driven by an impressive 67.4% increase in Resort Income, which increased from ₹ 192.7 crore in 2021-22 to ₹ 322.5 crore in 2022-23. Income from vacation ownership, which includes income from sale of vacation ownership products (including interest income on payment plans) and Annual Subscription Fees (ASF) is the largest components of the Company's operating income, grew at 13.8% from ₹ 768 crore in 2021-22 to ₹ 873.7 crore in 2022-23.

Total Expenditure grew at 25.9% from ₹ 867.2 crore in 2021-22 to ₹ 1,091.5 crore in 2022-23, mainly on account of higher business activity reflected in higher sales and marketing spend, resort expenses and other overheads. Employee expenses also increased from ₹ 248.6 crore in 2021-22 to ₹ 301.9 crore in 2022-23 as the Company strengthened its capabilities in both customer acquisition and resort operations to support growth.

As a result, Profit Before Taxes (PBT) grew from ₹ 203.5 crore in 2021-22 to ₹ 214.1 crore in 2022-23. After accounting for taxes, Profit After Taxes (PAT) grew from ₹ 151.3 crore in 2021-22 to ₹ 158.6 crore in 2022-23. It must be noted here that PBT, without considering the items in Other Income that are one-off in nature, also reflects a healthy increase of 14.3% from ₹ 160.4 crore in 2021-22 to ₹ 183.3 crore in 2022-23.

Cash balances continued to be strong at ₹ 1,157.7 crore at the end of 2022-23 — primarily due to better 'member quality' and higher resort incomes. As a result, the liquidity situation of the Company remains comfortable. The Deferred Revenue pool of increased to ₹ 5,326.5 crore as on 31st March 2023, primarily driven by higher member additions during the year. This provides visibility on future revenues and improved profitability with minimal incremental costs. The Company's strong balance sheet is further underscored by lack of any long-term debt as a standalone entity.

Table 2: Key Financial Ratios (Standalone)

	2022-23	2021-22
Debtors Turnover ^	1.05	0.82
Inventory Turnover ^	7.97	5.74
Current ratio	1.99	1.90
Operating profit margin (%)	32.0%	35.9%
PBT margin (%)	17.9%	21.2%
PAT margin (%)	13.3%	15.8%
Return on Net Worth* (%)	12.2%	13.4%

* Net worth has been derived after excluding revaluation reserve of ₹ 845.6 crore and Transition Difference of ₹ 1,402.7 crore.

^ Ratios where the change between 2021-22 and 2022-23 are significant — more than 25% as defined under the revised SEBI Listing Regulations.

Table 2 presents key financial ratios for Mahindra Holidays as a standalone entity. As the Company does not have any debt on its standalone balance sheet, Debt Equity and Interest Coverage ratios are not applicable and have not been calculated. Both debtor and inventory turnover ratios reflect a significant improvement — more than 25% — as defined under the revised SEBI Listing Regulations. In both cases, the improvement is consistent with increase in business activity during the year.

Holiday Club Resorts (HCR)

Holiday Club Resorts (HCR), Finland, is a wholly owned subsidiary of Mahindra Holidays through its step-down subsidiary Covington Sàrl, Luxembourg. Established in 1986, HCR is the largest vacation ownership company in Europe and the largest operator of leisure hotels in Finland. As of 31st March 2023, HCR had 33 resorts of which 25 are in Finland, 2 in Sweden and 6 in Spain. Its revenues are evenly split between the timeshare-related business and the hotel business. Its current timeshare membership is about 60,000 families and 1,300 companies. Besides, HCR's Spa Hotels service over 1.3 million guest visits annually.

The Finnish economy was significantly impacted by the Russia-Ukraine war and the rising inflationary pressures in 2022-23. Unlike in India, Covid situation in Finland also continued to pose challenges. As a result, operations of HCR were also impacted. Even so, HCR registered strong performance, especially in the second quarter, which is the main summer holiday season in Finland, and the skiing season in the fourth quarter. At the same time, the focus on reining in its costs continued during the year. Given the challenging environment, HCR reported a creditable performance in 2022-23. Table 3 provides summary of financial performance of HCR.

Table 3: Summary Financials — Holiday Club Resorts

(million €)

	2022-23	2021-22
Total Income	144.2	122.1
EBITDA	5.0	(0.3)
Profit Before Tax (PBT)	(0.5)	(5.9)
Profit After Tax (PAT)	(0.5)	(5.3)

Note: As per Finnish Accounting Standard (FAS) Accounts

During the year under review, total income of HCR, which includes turnover and other operating income grew at 18.1% from € 122.1 million in 2021-22 to € 144.2 million in 2022-23. Both key businesses reported improvement in revenues. While the revenues from Spa Hotels grew at 27% to € 82.9 million, the revenues from Timeshare business increased by 32% to € 38.4 million.

This improvement in income coupled with the company's efforts to optimise costs resulted in a strong turnaround in operating performance in 2022-23. Earnings before interest, tax, depreciation and amortization (EBITDA) improved significantly to € 5.0 million in 2022-23, compared to € (0.3) million in 2021-22. PBT and PAT also improved during the year.

Although the war in Ukraine continues to pose challenges to its economy, Finland is now part of NATO which address long-term concerns when it comes to security. As for domestic leisure travel, timeshare demand in Finland has picked-up and SPA hotel occupancies have outperformed the local hospitality market. This buoyancy in the domestic leisure travel is expected to continue, which augurs well for HCR's performance in 2023-24.

Consolidated Financial Results

For the purpose of consolidation of financial results of the Company, 23 subsidiaries, two joint ventures (JV) and two associates as on 31st March 2023 were considered. Table 4 presents the abridged financial statements of the Company as a consolidated entity. Further details of operational and financial performance of Holiday Club Resorts have already been provided.

Table 4: Financial Information (Consolidated)

(₹ in crore)

	2022-23	2021-22
Income from Operations	2,517	2,013.3
Other Income	106.9	165.6
Total Income	**2,623.9**	**2,178.9**
Operating & Other Expenses	2,045.4	1,698.2
Finance Cost	118.6	99.4
Depreciation	290	270.7
Total Expenditure	**2,454.0**	**2,068.3**
Profit before Share of Profit of JVs and Associate	169.9	110.6
Share of Profit of JVs and Associate	0.8	-
Profit Before Tax (PBT)	**170.7**	**110.6**
Tax Expenses	56.8	42.9
Profit after Tax (PAT)	**113.9**	**67.6**
Diluted EPS (₹)	5.73	3.37
Cash & Cash Equivalents	1,287.1	1,241.3
Total Debt	756	934

Total Income increased by 20.4% from ₹ 2,178.9 crore in 2021-22 to ₹ 2,623.9 crore in 2022-23, whereas Total Expenditure increased by 18.6% ₹ 2,068.3 crore in 2021-22 to ₹ 2,454 crore in 2022-23. As a result, PBT after including share in profit/loss of JV and associates improved considerably from ₹ 110.6 crore in 2021-22 to ₹ 170.7 crore 2022-23. Consolidated PAT also grew from ₹ 67.6 crore in 2021-22 to ₹ 113.9 crore 2022-23, reflecting a growth of 68.3%. Accordingly, Diluted EPS improved from ₹ 3.37 in 2021-22 to ₹ 5.73 in 2022-23.

The liquidity situation remained comfortable during the year. On consolidated basis, total debt came down to ₹ 756 crore as on 31st March 2023, compared to ₹ 934 crore at the end of the previous financial year.

Internal Controls

The Company has an adequate internal control system, commensurate with the size and nature of its business. The system is supported by documented policies, guidelines and procedures to monitor business and operational performance which are aimed at ensuring business integrity and promoting operational efficiency.

The Company conducts periodic internal audits in line with an audit plan that is drawn at the beginning of the year and is approved by the Audit Committee. The scope of the exercise includes ensuring adequacy of internal control systems, adherence to management policies and compliance with the laws and regulations of the country. The Company's ERP system has appropriate controls embedded in its processes and systems to reduce the need and reliance for compensating manual controls. These have also been strengthened from time to time.

Internal audit reports are placed before the Audit Committee of the Board of Directors, which reviews the adequacy and effectiveness of the internal control systems and suggests improvements for strengthening them.

Threats, Risks and Concerns

Mahindra Holidays' risk management framework consists of identification of risks, assessment of their nature, severity and potential impact, and measures to mitigate them. This framework is in place for adequate and timely reporting and monitoring. Risks are reviewed periodically and updated to reflect the business environment and change in the size and scope of the Company's operations. The Company has a Risk Management Committee consisting of four Directors.

Macroeconomic Risks

Although the pandemic related risks came down considerably during the year, one cannot rule out future outbreaks and disruptions in economic activity due to this. Global inflation remains persistently high even as major central banks acted in sync to tighten monetary policies. The global economic environment remains fragile, with growth slowing down considerably in advanced economies and risks to their banking systems. India has fared much better, but things can change if there is a full-blown global financial crisis or further decline in outlook for global trade and output. This can adversely impact India's growth prospects and also the Company's performance.

Mahindra Holidays recognises these risks. The Company has established risk mitigation measures for Covid-19 that have stood the test of time and it is fully geared to bring them back on short notice, if required. It also believes that its focus on customer acquisition through referrals, alliances and digital leads will help it to mitigate risks from economic downturns. Other initiatives to generate robust performance include a complete product portfolio across all life-stage segments, a differentiated product proposition and initiatives to augment member spends at resorts. That it is an aspirational brand and the market leader augurs well for it in tough times.

Operational Risks

Operational risks mainly relate to meeting customer expectations in terms of quality of service and maintaining a balance between the inventory of resorts and growth of customers. These assume significance given the long service duration of key products. As there are multiple choices of locations and seasons, there could be occasions where the first choice of holiday requested by the customers may not be available, which may result in dissatisfaction. Another operational risk is in the ability to consistently attract, retain and motivate managerial talent and other skilled personnel, especially in a high growth industry with unique characteristics. Further, some of the Company's resorts are in remote areas and natural calamities such as earthquake, flood, landslide etc. may affect the accessibility of the resort to members.

The Company has invested significant resources in systems and processes to mitigate these risks. Customer satisfaction continues to be favourable and on an upward trend. Regarding room inventory, the Company will continue to be judicious in the use of different options — greenfield projects, acquisitions, expanding inventory at existing locations, long term leases and inventory arrangements — to meet the expectations of its customers and at the same time maintain a balance between demand and supply. Regarding talent management and retention, management believes that its HR practices enhance employee engagement and satisfaction to effectively mitigate this risk.

Financial Risks

The Company's business operations involve significant investments in building resorts. These expose it to risks in terms of timely and adequate availability of funds at competitive rates to finance its growth. Besides, it offers its customers schemes to finance the purchase of the vacation ownership and similar products, which exposes it to credit risks. The Company is, therefore, exposed to potential risk of non-payment or delayed payment of membership instalments and/or the annual subscription fee by members resulting in higher outstanding receivables. Rising inflation could potentially increase the cost of resort operations as well as its project and renovation related costs. The Company is also exposed to foreign exchange risks due to its overseas subsidiary companies and debts on their books. However, such risk is mitigated since subsidiary's underlying assets are in respective foreign currencies and naturally hedged.

Currently, Mahindra Holidays has no long-term debt on a standalone basis and has a strong and stable capital structure to raise money for further expansion, if needed. The Company's focus on improving quality of sales by increasing down payments and lowering EMI tenures have been very effective in bringing down credit and repayment risks. Even so, it undertakes comprehensive assessment of the profile of its customers and carefully monitors its exposure to credit risk. Several improvements have also been implemented in the receivables management and collections to reduce such risks. Regarding inflation, the Company has a strong processes to mitigate these risks through a combination of cost savings measures such as centralised procurement of consumables and inputs for its projects. Suitable price increases have also been passed to the consumers in the form of F&B charges as well as membership fees. In respect of foreign currency debt, the underlying assets are also in the same currency, minimising the exposure to forex-related risks. HCR has also reduced its debt over the years. However, the risks of mark-to-market movements remain and the Company monitors the situation closely in this regard.

Regulatory and Legal Risks

Mahindra Holidays is exposed to regulatory and legal risks. These include cumbersome processes and risks relating to land acquisition, conversion of land for commercial usage and development of properties, environmental clearances, approvals and activities related to development of new resorts. There are also other regulatory and legal risks pertaining to tax proceedings, legal proceedings on properties, customer complaints, non-compliance of regulations including environmental regulations and those pertaining to the hospitality sector. Further, as the Company has investments and operations in different countries, it is also exposed to political and regulatory risks that emanate from its international presence.

Mahindra Holidays has adequate systems and controls in place to reasonably mitigate these risks and minimise instances of non-compliance. The Company also believes that its proactive stance on sustainability will hold it in good stead for future development and growth.

Outlook

India has been an outperformer in a fragile global macroeconomic environment. It has avoided runaway inflation, there are no systemic risks to its banking and financial markets and it delivered excellent economic performance in 2022-23. Even though there are downside risks, these are primarily from contagion effects of any major crisis in global financial markets, imported inflation and poor external demand. Overall, the outlook for domestic growth is positive, with the RBI projecting only a marginal deceleration in GDP growth to 6.5% in 2023-24. This means that India will continue to be the fastest growing large economy in the world.

With no Covid-related challenges, leisure travel in India gathered considerable momentum during the year. Demand for holidays increased, and so did the room rates. This meant that there were significant opportunities to drive occupancies as well as business. The inherent value proposition of the Company's products — providing a natural hedge against increase in room rents — also meant that they became much more attractive in the current environment.

Your Company had anticipated this and was fully geared to deliver on both fronts. Occupancy increased significantly during the year. At the same time, member acquisitions rebounded, and surpassed pre-Covid performance. This has been possible due to successful implementation of its strategy, committed teams and a strong service culture.

The focus on delivering immersive holidays for the entire family and building a complete experience ecosystem around it has made 'Club Mahindra' an aspirational brand.

Mahindra Holidays believes in the long-term growth potential of the leisure travel and hospitality industry in India and expects the business environment to remain robust in 2023-24. It has an attractive product for all age-groups, over 2,000+ unique experiences across its 100+ resorts for its members to choose from, and a strong balance sheet to benefit from emerging opportunities in the leisure hospitality sector.

Cautionary Statement

Certain statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include poor macroeconomic growth and consumer confidence, inability to add resorts and increase the inventory of room, cyclical demand and pricing in the Company's principal markets, changes in tastes and preferences, government regulations, tax regimes, economic development within India and other incidental factors.

Corporate Governance Report

Corporate Governance Philosophy

Mahindra Holidays & Resorts India Limited ("Mahindra Holidays" or "the Company") upholds highest standards of integrity, transparency, professionalism, business ethics and accountability. The Company's corporate governance practices reflect its value system encompassing its culture, policies and relationships with its stakeholders.

Mahindra Holidays strongly believes that corporate governance is an integral means for the existence of the Company. The Company ensures adherence to the moral and ethical values, legal and regulatory framework and adoption of good practices beyond the realms of law.

Mahindra Holidays continues to strengthen its governance principles to generate long term value for its stakeholders on a sustainable basis thus ensuring ethical and responsible leadership both at the Board and at the Management level. Integrity and transparency are key to the Company's corporate governance practices to ensure that it gains and always retains the trust of its stakeholders.

A report on compliance with the Code of Corporate Governance as prescribed by the Securities and Exchange Board of India ("SEBI") and incorporated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") is given below.

Board of Directors

Board Diversity and Composition of the Board

The Company recognizes the importance of a diverse board in its success and believes that a truly diverse board will leverage differences in perspective, knowledge, skill, industry experience, age, cultural and geographical backgrounds. In line with the same, the Company continues to have a balanced and diverse Board of Directors ("the Board"), which primarily takes care of the business needs and stakeholders' interest. The Board Diversity Policy adopted by the Board in this regard is available on Company's website at: https://www.clubmahindra.com/investors/investor-information.

The composition of the Board is in conformity with Regulation 17(1) of the SEBI Listing Regulations and with the provisions of the Companies Act, 2013 ("the Act"). The Chairman of the Board is a Non-Executive Director and more than half of the Board comprises of Independent Directors including a Woman Director.

As informed in the previous Annual Report, Mr. Sridar Iyengar ceased to be an Independent Director of the Company with effect from August 1, 2022 upon completion of his tenure as approved by the Shareholders. The Board places on record its sincere appreciation for the valuable contributions made by Mr. Sridar Iyengar during his tenure as a Director of the Company.

During the year under review, based on the recommendation of the Nomination and Remuneration Committee ("NRC"), the Board appointed Mr. Rajat Kumar Jain as an Additional Director on the Board of the Company with effect from November 3, 2022 and subsequently, his appointment as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for a period of 5 years from November 3, 2022, was approved by the Shareholders through a postal ballot on December 31, 2022.

As of March 31, 2023, the Board comprises of 9 (nine) Directors. Mr. Arun Nanda is the Non-Executive Chairman of the Company. Mr. Kavinder Singh is the Managing Director & Chief Executive Officer ("CEO") of the Company. Dr. Anish Shah and Mr. Ruzbeh Irani are the Non-Executive Non-Independent Directors of the Company. Mr. Rohit Khattar, Mr. Sanjeev Aga, Mrs. Sangeeta Talwar, Mr. Diwakar Gupta and Mr. Rajat Kumar Jain are the Independent Directors on the Board of the Company.

The Independent Directors are from diverse fields and bring to the Company a wide range of experience, knowledge and judgement as they draw on their varied proficiencies in finance, hospitality, vacation ownership, telecom, financial services, corporate strategy, law, sales & marketing, corporate governance, forex management, administration, decision making, general corporate management and other allied fields which enable them to contribute effectively to the Company in their capacity as the Directors, while participating in its decision making process. The terms and conditions of appointment of the Independent Directors are available on the Company's website.

Dr. Anish Shah, Non-Executive Non-Independent Director of the Company, is currently the Managing Director and CEO of Mahindra & Mahindra Limited, holding company of the Company. He is also a member of the Mahindra Group's supervisory board called 'Group Executive Board'.

Mr. Ruzbeh Irani, Non-Executive Non-Independent Director of the Company, is currently serving as the President - Group Human Resources of Mahindra & Mahindra Limited, holding company of the Company. He is also responsible for Corporate Social Responsibility and Corporate Services of the Mahindra Group and serves as a member of the Mahindra Group's supervisory board called 'Group Executive Board'.

Apart from receiving remuneration from Mahindra & Mahindra Limited, holding company of the Company, by Dr. Anish Shah and Mr. Ruzbeh Irani, and apart from the reimbursement of expenses incurred in discharge of their duties and the remuneration that the Non-Executive Directors and the Managing Director & CEO would be entitled to under the Act, none of the Directors have any other pecuniary relationship with the Company, its holding company, subsidiaries or associate companies or their Promoters, Directors, which in their judgement would affect their independence. The Senior Management Personnel of the Company have made disclosures to the Board confirming that there are no material, financial and/or commercial transactions between them and the Company which could have any potential conflict of interest with the Company at large.

In the opinion of the Board and based on the disclosures received, the Independent Directors fulfill the conditions specified in the SEBI Listing Regulations and are independent of the management.

Board & General Meetings and Attendance

The Board met Six (6) times during the financial year 2022-23 on: May 2, 2022, July 30, 2022, September 16, 2022, November 2, 2022, February 2, 2023 and March 29, 2023. The gap between two Meetings did not exceed 120 (one hundred and twenty) days. The 26th AGM of the Company was held on July 30, 2022 through Video Conferencing / Other Audio Visual Means in compliance with the circulars issued by the Ministry of Corporate Affairs ("MCA") and SEBI. The Chairman of the Audit Committee, the Representative of the Nomination and Remuneration Committee and the Chairman of the Stakeholders Relationship Committee were present at the AGM.

The composition of the Board along with the details of the Board meetings including the last AGM held and attended during the period April 1, 2022 to March 31, 2023 are as under:

Name of the Director	DIN	Category	Number of Board Meetings		Attendance at the last AGM (July 30, 2022)
			Held	Attended	
Mr. Arun Nanda	00010029	Non-Executive Chairman	6	6	Y
Mr. Rohit Khattar	00244040	Independent Director	6	6	N
Mr. Sridar Iyengar@	00278512	Independent Director	2	2	N
Mr. Sanjeev Aga	00022065	Independent Director	6	6	Y
Mrs. Sangeeta Talwar	00062478	Independent Director	6	6	Y
Mr. Diwakar Gupta	01274552	Independent Director	6	6	Y
Mr. Rajat Kumar Jain*	00046053	Independent Director	2	2	NA
Dr. Anish Shah^	02719429	Non-Executive Non Independent Director	6	5	N
Mr. Ruzbeh Irani	01831944	Non-Executive Non Independent Director	6	6	Y
Mr. Kavinder Singh	06994031	Managing Director & CEO	6	6	Y

@ Ceased to be an Independent Director of the Company w.e.f August 1, 2022.

* Appointed as an Independent Director of the Company w.e.f November 3, 2022.

^ Leave of Absence was granted to Dr. Anish Shah for the meeting held on July 30, 2022.

Details of other directorship(s) and committee membership(s) held:

The number of Directorships and Committee positions held by the Directors in companies as on March 31, 2023, are given below. None of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees across all the companies in which they are Directors. Further, none of the Directors on the Board is an Independent Director in more than 7 listed companies. In addition, the Managing Director of the Company or a Director who is a whole-time director in other listed company, are not Independent Directors in more than three listed companies. None of the Directors of the Company are inter se related to each other.

The number of Board and Board Committees of which a Director is a Member or Chairperson is as under:

Name of the Director	As on March 31, 2023*			
	Indian Listed Companies#	Total Directorship(s)#	Committee Membership(s)^	Committee Chairmanship(s)^
Mr. Arun Nanda	1	4	1	1
Mr. Rohit Khattar	1	1	Nil	Nil
Mr. Sanjeev Aga	4	4	4	1
Mrs. Sangeeta Talwar	4	6	10	2
Mr. Diwakar Gupta	2	2	4	3
Mr. Rajat Kumar Jain	2	2	2	Nil
Dr. Anish Shah	6	6	Nil	Nil
Mr. Ruzbeh Irani	1	4	1	Nil
Mr. Kavinder Singh	1	2	1	Nil

* Excludes private limited companies, foreign companies and companies registered under Section 8 of the Act (erstwhile Section 25 of the Companies Act, 1956).
# Excludes Alternate Directorships but includes Directorship in Mahindra Holidays.
^ Committees considered are Audit Committee and Stakeholders Relationship Committee, including that of Mahindra Holidays.

The details of directorship of listed entities held by the Directors as on March 31, 2023 are as under:

Name of the Director	Name of the Listed Companies	Category
Mr. Arun Nanda	-	-
Mr. Rohit Khattar	-	-
Mr. Sanjeev Aga	1) Larsen & Toubro Limited 2) LTIMindtree Limited 3) Pidilite Industries Limited	Independent Director Independent Director Independent Director
Mrs. Sangeeta Talwar	1) Castrol India Limited 2) TCNS Clothing Co. Limited 3) HCL Infosystems Limited	Independent Director Independent Director Independent Director
Mr. Diwakar Gupta	Mahindra & Mahindra Financial Services Limited	Independent Director
Mr. Rajat Kumar Jain	Fino Payments Bank Limited	Independent Director
Dr. Anish Shah	1) Mahindra & Mahindra Limited 2) Mahindra Logistics Limited 3) Mahindra & Mahindra Financial Services Limited 4) Mahindra Lifespace Developers Limited 5) Tech Mahindra Limited	Managing Director & CEO Chairman & Non-Executive Director Chairman & Non-Executive Director Non-Executive Director Non-Executive Director
Mr. Ruzbeh Irani	-	-
Mr. Kavinder Singh	-	-

Shares and Convertible Instruments, if any, held by the Directors

Details of ownership of any shares in the Company by the Directors either on their own or for any other person on a beneficial basis and stock options granted to Directors are given below:

Name of the Director	Shares held as on March 31, 2023	No. of Options	Options outstanding as on March 31, 2023	Date of Grant of Options	Exercise Price (₹)	Vesting Period (Note No. 1)
Mr. Arun Nanda (refer Note 2)	19,69,417	2,25,000	-	18.02.2016	246.67	Four equal installments in February 2017, 2018, 2019 and 2020
Mr. Rohit Khattar	60,075	-	-	-	-	-
Mr. Sridar Iyengar^	15,469	30,936	15,468	21.02.2012	143.55	Four equal installments in January 2013, 2014, 2015 and 2016
Mr. Sanjeev Aga	-	-	-	-		-
Mrs. Sangeeta Talwar	-	-	-	-		-
Mr. Diwakar Gupta	-	-	-	-		-
Mr. Rajat Kumar Jain	-	-	-	-		-
Dr. Anish Shah	-	-	-	-		-
Mr. Ruzbeh Irani	-	-	-	-		-
Mr. Kavinder Singh	4,10,486	6,75,000	3,97,500	22.01.2015	117.33	Four equal installments in January 2016, 2017, 2018 and 2019
		1,50,000	1,50,000	29.10.2020	10.00	Three equal installments in October 2021, 2022 and 2023
		61,395	61,395	22.10.2021	10.00	Three equal installments in October 2022, 2023 and 2024
		58,099	58,099	02.11.2022	10.00	Three equal installments in November 2023, 2024 and 2025

^ Ceased to be a Director w.e.f August 1, 2022

Notes:

1) Exercise Period:

a. MHRIL Employees' Stock Option Scheme 2006 and MHRIL Employees' Stock Option Scheme 2014 - On the date of vesting or within five years from the date of vesting or such extended period as may be determined by the NRC.

b. MHRIL Employees' Stock Option Scheme 2020 - On the date of vesting or within five years from the date of grant or such extended period as may be determined by the NRC.

2) During the year under review, Mr. Arun Nanda has exercised 2,25,000 equity shares granted under the MHRIL Employees' Stock Option Scheme 2014. In addition, 3,85,612 Equity Shares are held by relatives of Mr. Arun Nanda as on March 31, 2023.

3) During the year under review, Mr. Kavinder Singh has exercised 2,77,500 equity shares granted under the MHRIL Employees' Stock Option Scheme 2014.

Skills/Expertise/Competencies of the Board of Directors

The Board comprises of qualified members who bring in the required skills, competence and expertise that enable them to make effective contributions to the Company's working. The Board members have expertise and extensive experience in finance, hospitality, vacation ownership, telecom, financial services, corporate strategy, law, sales & marketing, corporate governance, forex management, administration, decision making and general corporate management and other allied fields. They uphold ethical standards of integrity and probity and exercise their responsibility in the best interest of the Company and all stakeholders.

The Board comprises of members of varied age groups who demonstrate competence and experience required for the Company. Their diversity of experiences has a positive impact on deliberations on various matters placed before the Board setting right direction for future strategy and plans. Sufficient time is devoted by the Board for informed and balanced decision-making.

The Managing Director & CEO of the Company has long term experience in FMCG sector, start ups and building businesses and leading transformational corporate strategy initiatives. All Directors are familiar with the Company's business, policies, culture (including the Mission, Vision and Values) and industry in which the Company operates.

In the opinion of the Board, the following is a list of core skills/expertise/competencies required in the context of the Company's business and which the individual Directors on the Board of the Company possess:

Core skills / expertise / competencies	Name of the Directors								
	Arun Nanda	Rohit Khattar	Sanjeev Aga	Sangeeta Talwar	Diwakar Gupta	Rajat Kumar Jain	Anish Shah	Ruzbeh Irani	Kavinder Singh
A. Industry knowledge / experience									
1) Experience of the vacation ownership business, hospitality and the market dynamics	√	√	√	√	√	-	√	-	√
2) Awareness of the applicable laws	√	√	√	√	√	-	√	-	√
3) International experience in managing businesses	√	√	-	√	√	-	√	√	√
4) Experience in managing risks associated with the business	√	√	√	√	√	-	√	√	√
B. Governance Skills:									
1) Practical experience in best practices pertaining to transparency, accountability and corporate governance	√	√	√	√	√	√	√	√	√
C. Technical skills/ expertise:									
1) Specialized knowledge in an area or subject such as accounts, finance, auditing, sales & marketing, legal, strategy, etc	√	√	√	√	√	√	√	√	√
2) Knowledge of the relevant Technology and Innovations	√	√	√	√	√	√	√	-	√
D. Behavioural Competencies:									
1) Values, mentoring abilities, ability to positively influence people and situations, leadership skills, communication and interpersonal skills, decision making abilities, conflict resolution, adaptability, etc.	√	√	√	√	√	√	√	√	√

Board Procedure

The Chairman of the Board and the Company Secretary, in consultation with other concerned members of the senior management, finalize the agenda for the Board and Committee meetings. A detailed agenda, setting out the business to be transacted at the meeting supported by detailed notes are sent to each Director at least seven days before the date of the Board and Committee meetings, except for the Unpublished Price Sensitive Information which are circulated separately or placed at the meetings of the Board and the Committees. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meetings. Where it is not practicable to attach any documents of the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. To enable the Board to discharge its responsibilities effectively, the Board is apprised at every meeting of the overall performance of the Company. A detailed report on the operations of the Company and quarterly compliance report are also presented at the Board meetings.

The Board meets at least once in a quarter to review financial results and other items on agenda. Additional meetings are held when necessary. The Board also, *inter-alia*, periodically reviews the strategy and business plans, annual operating and capital expenditure budgets, investment and exposure limits, compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances, if any, minutes of the Board Meetings of your Company's subsidiary companies, significant transactions and arrangements entered into by the unlisted subsidiary companies, significant labour issues, if any, transactions pertaining to purchase / disposal of property, if any, major accounting provisions and write-offs, corporate restructuring, if any, quarterly details of foreign exchange exposures, Minutes of meetings of the Audit Committee and other Committees of the Board, information on recruitment and remuneration of senior officers just below the Board level including appointment or removal of Chief Financial Officer and Company Secretary, planning and review of amount spent on Corporate Social Responsibility, borrowings, investments and issue of securities.

The Board reviews the compliance certificate issued by the Managing Director & CEO regarding compliance with the requirements of various Statutes, Regulations and Rules as may be applicable to the business of the Company.

Meetings of Independent Directors

The Company's Independent Directors meet at least once every year without the presence of Non-Executive Non-Independent Directors, Executive Director or management personnel. Such meetings are conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views. Further, the Independent Directors also review the performance of the Non-Independent Directors, Chairman (after taking into account the views of the Executive and Non-Executive Directors) and the Board as a whole, assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. During the year under review, 3 (three) meetings of the Independent Directors were held on April 25, 2022, October 28, 2022 and January 25, 2023 and the same were attended by all the Independent Directors.

Familiarisation Programme for Independent Directors

Regulation 25(7) of the SEBI Listing Regulations requires the Company to familiarise its Independent Directors through various programmes about the Company, including the nature of industry in which the Company operates, business model of the Company, roles, rights and responsibilities of Independent Directors and any other relevant information.

In terms of the above, the Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices.

The details of familiarisation programme imparted to the Independent Directors is hosted on the website of the Company and can be accessed at: https://www.clubmahindra.com/investors/investor-information

Board and Director Evaluation and Criteria for Evaluation

During the year, the Board carried out an Annual Evaluation of its own performance and the performance of individual Directors, as well as evaluation of Committees of the Board.

The NRC has defined the evaluation criteria and procedure for the Performance Evaluation process for the Board, its Committees and Directors including Independent Directors. The criteria for Board Evaluation includes *inter-alia*, composition and structure, effectiveness of board processes, information and functioning of the Board etc. The criteria for evaluation of the Committees of the Board includes mandate of the Committee and composition and effectiveness of the Committee, etc. The criteria for evaluation of individual Directors include aspects such as professional qualifications, prior experience, integrity, independence and contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the performance of the Chairman is also evaluated on key aspects of his role, including effectiveness of leadership and ability to steer meetings, impartiality, ability to keep shareholders' interests in mind and effectiveness as Chairman. The above criteria are based on the Guidance Note on Board Evaluation issued by the SEBI on January 5, 2017.

The procedure followed for the performance evaluation of the Board, Committees and Directors is detailed in later part of this Report.

Board Committees

Audit Committee

The Audit Committee's composition meets with the requirements of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. As on March 31, 2023, the Committee comprised of 4 (four) Directors: Mr. Diwakar Gupta (Chairman of the Committee), Mr. Sanjeev Aga, Mrs. Sangeeta Talwar and Mr. Ruzbeh Irani.

Mr. Sridar Iyengar ceased to be the Chairman and member of the Audit Committee with effect from July 30, 2022. Also, Mr. Rohit Khattar resigned as a member of the Audit Committee with effect from November 3, 2022 and the Board at its meeting held on November 2, 2022 had appointed Mrs. Sangeeta Talwar as a member of the Audit Committee with effect from November 3, 2022.

Mr. Diwakar Gupta, Mr. Sanjeev Aga and Mrs. Sangeeta Talwar are Independent Directors. All members of the Committee are financially literate, and the Chairman possesses financial management/accounting expertise. The Company Secretary has acted as the Secretary to the Committee.

The terms of reference of the Committee are in accordance with the requirements of Part C of Schedule II of the SEBI Listing Regulations and Section 177 of the Act.

Role of the Audit Committee, *inter-alia*, includes the following:

- oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
    - o matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
    - o changes, if any, in accounting policies and practices and reasons for the same;
    - o major accounting entries involving estimates based on the exercise of judgment by management;
    - o significant adjustments made in the financial statements arising out of audit findings;
    - o compliance with listing and other legal requirements relating to financial statements;
    - o disclosure of any related party transactions;
    - o modified opinion(s) in the draft audit report
- reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the Company with related parties;
- scrutiny of inter-corporate loans and investments;
- reviewing financial statements, in particular the investments made by the Company's unlisted subsidiaries;
- valuation of undertakings or assets of the Company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- formulating the scope, functioning, periodicity and methodology for conducting the internal audit;
- reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- discussion with internal auditors of any significant findings and follow up there on;
- reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date;
- to review the functioning of the whistle blower mechanism;
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its Shareholders.

The Committee met 6 (six) times during the financial year under review and the gap between two Meetings did not exceed 120 (one hundred and twenty) days. During the Financial Year 2022-23, the Committee met on: May 2, 2022, July 30, 2022, September 16, 2022, November 2, 2022, February 2, 2023 and March 29, 2023. All the Members of the Audit Committee have attended all the aforesaid meetings.

Invitees to the Meetings of the Audit Committee include the Chairman of the Board, the Managing Director & CEO, the Chief Financial Officer, the Statutory Auditors and the Internal Auditors. The Board accepted all recommendations made by the Audit Committee.

Nomination and Remuneration Committee (NRC)

The broad terms of reference of the NRC are to recommend to the Board about the Company's policy on appointment and remuneration package for Directors, Key Managerial Personnel and Senior Management and to advise the Board in framing the remuneration policy of the Company from time to time, to formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors, to give directions for administration of the ESOP schemes and to attend to any other responsibility as may be entrusted by the Board within the terms of reference.

As on March 31, 2023, the NRC comprised of 3 (three) Directors: Mr. Rohit Khattar (Chairman of the Committee), Mr. Sanjeev Aga and Dr. Anish Shah.

Mr. Sridar Iyengar ceased to be the member of NRC with effect from July 30, 2022. The Board at its meeting held on July 30, 2022 had appointed Mr. Sanjeev Aga as the member of the NRC with effect from July 30, 2022.

Terms of Reference of the NRC, inter alia, includes the following:

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal;
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
    a. use the services of an external agencies, if required;
    b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
    c. consider the time commitments of the candidates.
- To formulate the criteria for evaluation of Independent Directors and the Board;
- To review whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- To devise a policy on Board diversity;
- To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria;
- To recommend to the Board, all remuneration, in whatever form, payable to senior management;
- To administer, monitor and formulate detailed terms and conditions of the Employees' Stock Option Scheme;
- To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable;
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

The NRC's constitution and terms of reference are in compliance with provisions of the Act, the SEBI Listing Regulations and the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

The NRC met 3 (three) times during the financial year under review on: May 2, 2022, July 30, 2022 and November 2, 2022. All the Members of NRC have attended all the aforesaid meetings.

The Board accepted all the recommendations made by the NRC.

Performance Evaluation of the Board

The Act and the SEBI Listing Regulations stipulates the performance evaluation of the Directors including Chairman, Board and its Committees. Considering the said provisions, the Company has devised a process and the criteria for the performance evaluation which has been recommended by the NRC. The NRC evaluated the performance of individual Directors. The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The performance evaluation of the Chairman of the Company was also carried out by the Independent Directors taking into account the views of the Executive Director and Non-Executive Directors. Performance Evaluation of Independent Directors was carried out by the entire Board excluding the Director being evaluated. The Annual Performance Evaluation was carried out by the Board in respect of its own performance as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders' Relationship, Corporate Social Responsibility and Risk Management Committees. A structured questionnaire was prepared and circulated amongst the Directors, covering various aspects of the evaluation such as adequacy of the size and composition of the Board and Committee thereof with regards to skill, experience, independence, diversity, attendance and adequacy of time given by the Directors to discharge their duties, preparedness on the issues to be discussed, meaningful and constructive contributions, inputs at the meetings, Corporate Governance practices etc. The Directors expressed their satisfaction with the evaluation process.

Remuneration to Directors

Remuneration Policy

The Company has formulated a policy on remuneration of Directors and Senior Management Employees. While deciding on the remuneration for Directors, the Board and the NRC considers the performance of the Company, the current trends in the industry, the qualifications of the appointee(s), their experience, past performance and other relevant factors. The Board and the NRC regularly tracks the market trend in terms of compensation levels and practices in relevant industries through participation in structured surveys. This information is used to review the Company's remuneration policies.

Policy on appointment of Directors and Senior Management, Policy on Remuneration of Directors and Policy on Remuneration of Key Managerial Personnel and Employees are available at the link https://www.clubmahindra.com/investors/investor-information.

The Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice.

Remuneration of Non-Executive Directors

The Non-Executive Directors are entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings and commission as detailed hereunder. No sitting fee is payable in respect to Corporate Social Responsibility (CSR) Committee meetings as the same was waived by the CSR Committee Members.

The Non-Executive Directors are also entitled to receive commission on an annual basis of such sum as may be approved by the Board. The total commission payable to the Directors shall not exceed 1 (one) per cent of the net profit of the Company, calculated as per provisions of the Act.

The Independent Directors of the Company are not entitled to participate in Stock Option Schemes of the Company.

The remuneration paid to the Managing Director & CEO was fixed by the NRC which was subsequently approved by the Board of Directors. The Shareholders have approved the remuneration paid to the Managing Director & CEO.

During the financial year under review, the Non-Executive Directors were paid a commission of ₹ 184.50 lakhs (as provided in the accounts of the year ended March 31, 2022).

A commission of ₹ 201.11 lakhs is payable to the Non-Executive Directors and is provided in the accounts for the financial year under review and to be distributed amongst themselves as shown in the table below.

Detailed information of Directors' remuneration paid/payable during the year 2022-23 is given below:

(₹ in lakhs)

Name of the Director	Category of Director	Sitting Fees (Note 1)	Commission^	Salary, Performance pay and Perquisites	Superannuation, Provident Fund and National Pension Scheme (Note 2)	Total
Mr. Arun Nanda	Non-Executive Chairman	13.10	100.00	-	-	113.10
Mr. Rohit Khattar	Independent	14.50	23.10	-	-	37.60
Mr. Sridar Iyengar@	Independent	4.00	8.44	-	-	12.44
Mr. Sanjeev Aga	Independent	11.00	22.37	-	-	33.37
Mrs. Sangeeta Talwar	Independent	7.60	18.70	-	-	26.30
Mr. Diwakar Gupta	Independent	10.50	21.63	-	-	32.13
Mr. Rajat Kumar Jain*	Independent	2.00	6.87	-	-	8.87
Dr. Anish Shah	Non – Executive Non – Independent	-	-	-	-	-
Mr. Ruzbeh Irani	Non – Executive Non- Independent	-	-	-	-	-
Mr. Kavinder Singh	Managing Director & CEO	-	-	1,026.17	29.95	1,056.12
TOTAL		**62.70**	**201.11**	**1,026.17**	**29.95**	**1,319.93**

^ The Commission for the financial year ended March 31, 2023 will be paid to the Non-Executive Directors, subject to deduction of tax, after adoption of financial statements by the Members at the ensuing AGM.

@ Ceased to be the Director w.e.f August 1, 2022

* Appointed as a Director w.e.f November 3, 2022

Notes:

1. Non-Executive Directors and Independent Directors are paid sitting fees for attending meetings of the Board / Committees of the Board of Directors of the Company. The sitting fee has been fixed at ₹ 1,00,000/- per meeting for attending meetings of the Board and for all other Committee Meetings, except for Stakeholders Relationship Committee and Securities Allotment Committee, has been fixed at ₹ 50,000/- per meeting. The sitting fees for Stakeholders Relationship Committee and Securities Allotment Committee Meetings has been fixed at ₹ 30,000/- per meeting. In respect of Corporate Social Responsibility Committee, no sitting fee is paid as it has been waived by the members of the CSR Committee.
2. Aggregate of the Company's contribution to Superannuation Fund, Provident and National Pension Scheme.
3. Salary to Mr. Kavinder Singh

(₹ in lakhs)

Particulars	Kavinder Singh
Salary and Allowances	401.78
Perquisites*	510.64
Performance Pay	143.70

*Includes Perquisite value of Options exercised during the year under review.

4. The Company has not advanced loans to any of its Director/ firms or companies in which Directors are interested during the year.
5. The nature of employment of the Managing Director & CEO with the Company is contractual and can be terminated by giving 3 months' notice from either party. Mr. Kavinder Singh's appointment is for a period of 5 years. The contract does not provide for any severance fees. Remuneration paid to Mr. Kavinder Singh was approved by the shareholders at the AGM held on July 31, 2019.
6. Performance pay to the Managing Director & CEO is determined by the NRC and then approved by the Board on the basis of pre-determined performance parameters.

Stakeholders Relationship Committee (SRC)

As on March 31, 2023, the Company's SRC comprised of 3 (three) Directors: Mr. Arun Nanda (Chairman of the Committee), Mrs. Sangeeta Talwar and Mr. Kavinder Singh.

Mr. Dhanraj Mulki, General Counsel & Company Secretary, is the Compliance Officer of the Company.

Terms of Reference of the SRC, *inter-alia*, includes the following:

- to approve and register transfer and/or transmission of all classes of shares;
- to sub-divide, consolidate and issue duplicate share certificates on behalf of the Company;
- resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
- review of measures taken for effective exercise of voting rights by shareholders;
- review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;
- to do all such acts, things and deeds as may be necessary or incidental to the exercise of the above powers;
- to do such acts, things and deeds as may be prescribed by statutory and regulatory authorities from time to time.

The SRC met 2 (two) times during the financial year 2022-23 on April 28, 2022 and July 28, 2022. All the Members of SRC have attended all the aforesaid meetings.

During the financial year under review, no complaints were received from Shareholders. As of March 31, 2023, there are no pending share transfers or complaints from the Shareholders.

Corporate Social Responsibility Committee (CSR)

The role of the CSR Committee is *inter-alia* to approve the CSR activities of the Company in terms of compliance under provisions of the Act. As on March 31, 2023, the CSR Committee comprised of 3 (three) Directors: Mrs. Sangeeta Talwar (Chairperson of the Committee), Mr. Arun Nanda and Mr. Kavinder Singh.

The Committee met twice during the financial year 2022-23 on April 28, 2022 and October 29, 2022. All the members of the Committee attended the said meetings.

Inventory Approval Committee

As on March 31, 2023, the Inventory Approval Committee of the Company comprised of 3 (three) Directors: Mr. Rohit Khattar (Chairman of the Committee), Mr. Arun Nanda and Mr. Kavinder Singh.

Role of Inventory Approval Committee includes the following:

❖ To consider, evaluate and approve property acquisition(s) by way of long term lease proposals and short term inventory arrangements for the Company, subject to an overall limit not exceeding ₹ 30 crores (Rupees Thirty Crores Only).

❖ To consider, evaluate and approve property acquisition(s) by way of outright purchase proposals for the Company, subject to an overall limit not exceeding ₹ 100 crores (Rupees One Hundred Crores Only).

❖ To consider, evaluate and approve the Capital Expenditure for the Projects of the Company.

The Inventory Approval Committee met 10 (ten) times during the financial year 2022-23 on: April 27, 2022, June 23, 2022, July 20, 2022, August 4, 2022, August 20, 2022, August 25, 2022, December 14, 2022, February 16, 2023, March 4, 2023 and March 20, 2023. All the Members of Inventory Approval Committee have attended all the aforesaid meetings.

Risk Management Committee

As on March 31, 2023, the Risk Management Committee comprised of 4 (four) Directors: Mr. Sanjeev Aga (Chairman of the Committee), Mr. Arun Nanda, Mr. Diwakar Gupta and Mr. Kavinder Singh.

The Risk Management Committee's prime responsibility is to oversee the implementation of the risk management policy of the Company.

Terms of Reference of the Risk Management Committee, *inter-alia*, includes the following:

- To formulate a detailed risk management policy which shall include:
    - o A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
    - o Measures for risk mitigation including systems and processes for internal control of identified risks.
    - o Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee met thrice during the financial year 2022-23 on September 8, 2022, December 5, 2022 and March 14, 2023. All the members of the Risk Management Committee were present at the aforesaid meetings. Your Company has appropriate risk management systems in place for identification and assessment of risks, measures to mitigate them and mechanisms for their proper and timely monitoring and reporting. The risk management framework has been discussed in greater detail in the Management Discussion and Analysis Report, which forms a part of this Annual Report.

Securities Allotment Committee

The Securities Allotment Committee was formed by the Board of Directors for allotment of Bonus Equity Shares, allotment of the Company's securities pursuant to the exercise of options granted under the Company's Employees' Stock Option Schemes and allotment of securities as may be delegated by the Board / approved by the Shareholders of the Company from time to time.

As on March 31, 2023, the Securities Allotment Committee comprised of 3 (three) Directors: Mr. Arun Nanda, Mr. Ruzbeh Irani and Mr. Kavinder Singh.

During the financial year under review, Mr. Ruzbeh Irani was appointed as the member of the Securities Allotment Committee with effect from August 1, 2022.

No meeting of the Securities Allotment Committee was held during the financial year 2022-23. During the year under review, the Committee approved certain transactions through passing resolutions by way of circulation.

Other Disclosures

Code of Conduct

The Board has laid down two separate Codes of Conduct ("Codes"), one for Board Members and other for Senior Management and Employees of the Company. These Codes have been hosted on the Company's website at https://www.clubmahindra.com/investors/investor-information. All the Board Members and Senior Management personnel of the Company have affirmed compliance with these Codes. A declaration to this effect, signed by the Managing Director & CEO is attached at the end of this report.

Disclosure of Accounting Treatment

The standalone and consolidated financial statements for the financial year 2022-23 have been prepared in accordance with applicable Indian Accounting Standards (Ind AS) issued by the Institute of Chartered Accountants of India and the provisions of the Act and the Rules framed thereunder.

CEO and CFO Certification

Certificate issued by Mr. Kavinder Singh, Managing Director & CEO and Mr. Sujit Vaidya, Chief Financial Officer (CFO) of the Company, for the financial year under review, was placed before the Board of Directors at its meeting held on April 25, 2023, in terms of Regulation 17(8) of the SEBI Listing Regulations. The Managing Director & CEO and CFO have also provided quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2)(a) of the SEBI Listing Regulations.

Compliance Certificate of the Auditors

Certificate from the Company's Statutory Auditors, B S R & Co. LLP, Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under Clause E of Schedule V of the SEBI Listing Regulations, is attached to this Report.

Certificate from Practicing Company Secretary

All the Directors of the Company have submitted a declaration stating that they are not debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as Directors of Company.

Further, a Certificate from M. Damodaran & Associates LLP, Practicing Company Secretaries, confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority, is attached to this Report.

Details of remuneration to Statutory Auditors

Total fees for all services paid by the Company and its subsidiaries, on consolidated basis, to the Auditor viz. B S R & Co LLP, Chartered Accountants, Firm Registration No. 101248W/W-100022 and all entities in the network firm / network entity of which the Statutory Auditors is a part is given below:

(₹ in lakhs)

Payment to Statutory Auditors	FY 2022-23
Audit Fees & Limited Review	297.36
Other services	93.07
Reimbursement of expenses	5.05
Total	**395.48**

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are provided in the Directors' Report which forms a part of this Annual Report.

Subsidiary Companies

All subsidiary companies are Board managed with their Boards having the rights and obligations to manage such companies in the best interest of their stakeholders.

During the financial year under review, Mr. Sridar Iyengar ceased to be the Independent Director of the Company, and consequently, ceased to act as a Director on the Board of Holiday Club Resorts Oy (HCR), Finland, material unlisted subsidiary of the Company with effect from August 1, 2022. Based on the recommendations of the Board, Mr. Diwakar Gupta, Independent Director, was appointed as a Director of HCR. The Policy for Determining Material Subsidiaries as approved by the Board may be accessed on the Company's website at: https://www.clubmahindra.com/investors/investor-information

HCR, is the only material subsidiary of the Company duly incorporated on May 11, 2006 in Finland. Further, HCR has appointed KPMG Oy Ab as its Statutory Auditors with effect from August 7, 2017.

The Company monitors performance of subsidiary companies, *inter-alia*, through Financial Statements, in particular investments made by unlisted subsidiary companies, are reviewed by the Company's Audit Committee. Minutes of Board meetings of unlisted subsidiary companies are placed before the Company's Board. A statement containing all significant transactions and arrangements, if any, entered into by unlisted subsidiary companies was placed before the Company's Board.

Related Party Transactions

During the financial year 2022-23, there were no material significant transactions entered into between the Company and its Promoters, Directors or the management, holding company, subsidiaries or relatives that may have potential conflict with the interests of the Company at large, except those mentioned in the Directors' Report. Further, the details of related party transactions form part of notes to the standalone accounts of this Annual Report.

The Policy on Materiality of and Dealing with the Related Party Transactions as approved by the Audit Committee and the Board is available on the website of the Company at: https://www.clubmahindra.com/investors/investor-information

Details of non-compliance relating to Capital Markets

The Company has complied with all the requirements of regulatory authorities with respect to capital markets. There were no instances of non-compliances by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital markets during the year under review.

Code for Prevention of Insider Trading Practices

The Company has adopted a comprehensive Code of Conduct for Prevention of Insider Trading in Securities of Mahindra Holidays & Resorts India Limited ('Insider Trading Code'). The Insider Trading Code lays down guidelines, through which it advises the designated persons or directors on procedures to be followed and disclosures to be made, while dealing with securities of the Company and cautions them of the consequences of violations.

Further, in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated and adopted "Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information" ('Code of Fair Disclosure').

Dividend Distribution Policy

The Company has adopted Dividend Distribution Policy in terms of requirements of the SEBI Listing Regulations and the same is available under Company's website at: https://www.clubmahindra.com/investors/investor-information

Proceeds from Public Issues

During the year under review, the Company has not raised any funds from public issue, right issue or preferential issue.

Details of Establishment of Vigil Mechanism, Whistle Blower Policy etc.

The Company has established a vigil mechanism by adopting Whistle Blower Policy pursuant to which whistle blowers can raise concerns in a prescribed manner. Further, the mechanism adopted by the Company encourages a whistle blower to report genuine concerns or grievances and provides for adequate safeguards against victimisation of the whistle blower who avails of such mechanism as well as direct access to the Chairman of the Audit Committee. The functioning of the vigil mechanism is reviewed by the Audit Committee from time to time. None of the whistle blowers have been denied access to the Audit Committee of the Board. The Whistle Blower Policy is available on the website of the Company at: https://www.clubmahindra.com/investors/investor-information

Commodity Price Risk and Commodity hedging activity

The Company does not have any significant exposure to commodity price risk. Its exposure, in none of the individual commodities which are sourced for use as inputs in its businesses, is material in the context of its overall operations and accordingly, the disclosure requirements prescribed under the SEBI Circular dated November 15, 2018 are not applicable for the Company.

Foreign Exchange Risk and hedging activity

The Company proactively manages foreign exchange risk to protect value of exposures, if any, with an objective to manage financial statement volatility. Currently, the Company is only an importer and has in place appropriate risk hedging strategy. Foreign exchange exposures are periodically reviewed and if necessary, hedged while avoiding trading and speculative positions. The Board periodically reviews foreign exchange exposure, if any, and hedges undertaken by the Company. There were no materially uncovered exchange rate risks in the context of the Company's Foreign Exchange exposures.

Details of Unclaimed Shares

In compliance with the provisions of Regulation 39 of the SEBI Listing Regulations, the Company has a Demat account titled "Mahindra Holidays & Resorts India Limited - Unclaimed Shares Suspense Account" ("Suspense Account") for holding the unclaimed shares which were allotted pursuant to Initial Public Offer (IPO) of the Company.

As on March 31, 2023, the Company has 4 shareholders with 187 unclaimed shares lying in the Suspense Account. The voting shall remain frozen till the rightful owner of such shares claims the shares. The details as required to be disclosed in the Annual Report are given below

Particulars	No. of cases	No. of shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the financial year i.e. April 1, 2022.	4	187
Number of shareholders who approached Issuer / Registrar and Transfer Agent for transfer of shares from suspense account during the financial year 2022-23.	NIL	NIL
Number of shareholders to whom shares were transferred from suspense account during the financial year 2022-23.	NIL	NIL
Number of shares transferred to Investor Education and Protection Fund during the financial year 2022-23.	NIL	NIL
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the financial year i.e. March 31, 2023.	4	187

Investor Education and Protection Fund (IEPF)

Pursuant to Section 124 and 125 of the Act, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, is liable to be transferred to IEPF Authority. Further, according to the IEPF Rules, the shares in respect of which dividend has not been paid or claimed by the Shareholders for a period of seven consecutive years are also liable to be transferred to the demat account of the IEPF Authority.

In accordance with the IEPF Rules and the interest of the Shareholders, the Company has sent notices to all the Shareholders, whose shares were due to be transferred to the IEPF Authority, to claim their dividend in order to avoid transfer of dividend/ shares to IEPF Authority and notice in this regard was also published in the newspapers.

In view of the above, unpaid dividend amounting to ₹ 91,720/- for the financial year 2014-15 and 403 equity shares were transferred to the IEPF Authority during the financial year 2022-23.

The members who have a claim on above dividend and shares may claim the same from the IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/ shares so transferred.

The Company has uploaded the details of unclaimed dividend amounts lying with the Company as on July 30, 2022 (date of last AGM) and shareholders whose shares are liable to be transferred to the IEPF Authority on the Company's website at https://www.clubmahindra.com/corporate-governance/investor-information.

The Company has appointed a Nodal Officer under the provisions of the IEPF Rules and the details of which are available on the Company's website at https://www.clubmahindra.com/corporate-governance/investor-information.

The following table gives information relating to various outstanding dividends and the dates by which they can be claimed by the shareholders from the Company's Registrar and Transfer Agent:

For shareholders of Mahindra Holidays & Resorts India Limited:

Financial Year	Date of declaration	Last date for claiming unpaid dividend
2015-16	July 29, 2016	August 28, 2023
2016-17	August 2, 2017	September 1, 2024
2017-18	August 2, 2018	September 1, 2025

Management Discussion and Analysis Report

Management Discussion and Analysis Report has been attached as a separate section and forms part of this Annual Report.

Compliance with Regulations pertaining to Corporate Governance

The Company has complied with all the mandatory requirements of the SEBI Listing Regulations relating to Corporate Governance.

The Company has complied with the requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As regards the discretionary requirements, there is no modified audit opinion in the Company's Financial Statements. The Company continues to adopt best practices to ensure that its Financial Statements remained with unmodified audit opinion. The Company is maintaining separation in the post of the Chairperson and the Chief Executive Officer. Further, the Internal Auditors do report to the Audit Committee of the Board of Directors of the Company.

General Body Meetings

Details of AGMs held during the past three financial years and Special Resolution(s) passed:

Year	Date	Time	Venue	Special Resolution(s) Passed
2020	August 31, 2020	11.00 AM	Mahindra Towers, 2nd Floor, No. 17/18, Patullos Road, Chennai – 600 002 (Deemed Venue)	i. Approval and adoption of Mahindra Holidays & Resorts India Limited Employees Stock Option Scheme, 2020 and issue of securities. ii. Approval for the extension of benefits of Mahindra Holidays & Resorts India Limited Employees Stock Option Scheme, 2020 to the employees of holding or subsidiary company(ies).

Year	Date	Time	Venue	Special Resolution(s) Passed
2021	September 1, 2021	09.00 AM	Mahindra Towers, 2nd Floor, No. 17/18, Patullos Road, Chennai – 600 002 (Deemed Venue)	No Special Resolution was passed.
2022	July 30, 2022	03.00 PM	Mahindra Towers, 2nd Floor, No. 17/18, Patullos Road, Chennai – 600 002 (Deemed Venue)	No Special Resolution was passed.

During the year under review, no Extra-ordinary General Meeting was held. No Special Resolution is proposed to be passed through Postal Ballot.

Details of Special Resolutions passed through Postal Ballot during the Financial Year 2022-23:

Pursuant to the provisions of Section 110 of the Act, the Company vide its Postal Ballot Notice dated November 30, 2022 had sought approval of the members for the following Special Resolutions:

i. Approval for shifting of Registered Office of the Company from the State of Tamil Nadu to the State of Maharashtra.

ii. Appointment of Mr. Rajat Kumar Jain as an Independent Director of the Company.

Mr. M. Damodaran, Managing Partner, M Damodaran & Associates LLP (Membership No: FCS 5837, Certificate of Practice No. 5081), Practicing Company Secretary was appointed as the Scrutiniser for overseeing the Postal Ballot voting process.

The details of Postal Ballot are as follows:

- Date of Postal Ballot Notice: November 30, 2022
- Voting period: From Friday, December 2, 2022 (9:00 A.M. IST) to Saturday, December 31, 2022 (5.00 P.M. IST) (both days inclusive)
- Date of approval: December 31, 2022 (being the last date for the receipt of postal ballot e-voting)
- Date of Declaration of Results: January 2, 2023

Voting Results:

Resolution No. 1	Approval for shifting of Registered Office of the Company from the State of Tamil Nadu to the State of Maharashtra.
% Votes in favour of the Resolution	99.9998
% Votes against the Resolution	0.0002

Resolution No. 2	Appointment of Mr. Rajat Kumar Jain as an Independent Director of the Company.
% Votes in favour of the Resolution	99.9999
% Votes against the Resolution	0.0001

Procedure adopted for Postal Ballot:

- The Notice of the Postal Ballot dated November 30, 2022 containing the Draft Resolution and Explanatory Statement, were emailed on December 1, 2022 to those Members whose names appeared on the Register of Members/List of Beneficial Owners as received from National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") as on Friday, November 25, 2022 ("cut-off date") and were sent only in electronic mode to those Members whose e-mail addresses were registered with the Company or RTA or the Depository Participant(s). The details of E-Voting Event Number ("EVEN"), User ID and Password were emailed by RTA to those Members whose e-mail IDs were registered with the Company/Depository Participant(s). The Notice also specified the procedure for registering the email addresses and obtaining the Notice of Postal ballot and remote e-voting instructions by the Members whose email addresses were not registered with the depositories.
- The advertisement was published in the Newspapers viz. 'Business Standard' (English) and Makkal Kural (Tamil edition) on December 2, 2022 giving the requisite details as per the provisions of the Act and Secretarial Standard – 2.

- The remote e-voting period commenced on Friday, December 2, 2022 at 9:00 a.m. (IST) and ended on Saturday, December 31, 2022 at 5:00 p.m. (IST).
- The Scrutinizer submitted his Report on January 2, 2023 and the resolutions were deemed to have been passed on the last date of remote e-voting i.e. on Saturday, December 31, 2022.

General Shareholder Information: Twenty Seventh AGM – Financial Year 2022-23

Day / Date: Tuesday, July 25, 2023

Time: 3:00 P.M. (IST)

Venue: Y. B. Chavan Centre, General Jagannath Bhosale Marg, Nariman Point, Mumbai - 400 021

Financial Year

The Financial Year covers the period from April 1 to March 31.

Financial Reporting for 2023-24

First Quarter Results – June 30, 2023	By last week of July, 2023
Half Yearly Results – September 30, 2023	By last week of October, 2023
Third Quarter Results – December 31, 2023	By first week of February, 2024
Approval of Annual Accounts – March 31, 2024	By last week of April, 2024

Note: The above dates are indicative.

Means of Communication

The quarterly, half-yearly and yearly financial results are normally published in Business Standard (English editions) and Makkal Kural (Tamil edition). These are not sent individually to the Shareholders.

The Company's financial results and official news releases are displayed on the Company's website at www.clubmahindra.com and also available on the website of National Stock Exchange of India Ltd. (www.nseindia.com) and BSE Ltd (www.bseindia.com).

Presentations are also made to international and national institutional investors and analysts, which are also put up on the website of the Company.

Credit Ratings

Details of credit ratings obtained by the Company have been provided in the Directors' Report which forms a part of this Annual Report.

Listing on Stock Exchanges

The Equity Shares of the Company are listed on the following Stock Exchanges

Name and address of Stock Exchanges	Stock Code / Symbol
(1) National Stock Exchange of India Limited (NSE) Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai 400 051	MHRIL
(2) BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	533088 / MHRIL

The requisite listing fees have been paid in full to the Stock Exchanges where the Company's shares are listed.

Demat International Security Identification Number (ISIN) in NSDL and CDSL for equity shares

ISIN: INE998I01010

Stock Performance

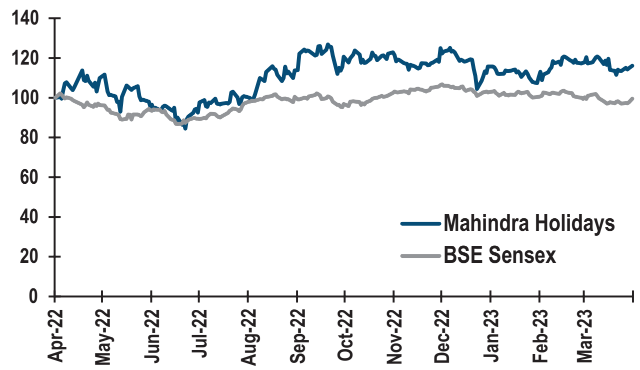
BSE and NSE – Monthly High / Low and Volumes

	National Stock Exchange of India Limited			BSE Limited		
	High (₹)	Low (₹)	Monthly Volume	High (₹)	Low (₹)	Monthly Volume
April, 2022	274.90	229.00	1,66,82,762	274.95	227.95	14,06,809
May, 2022	263.90	215.00	1,06,32,132	263.60	215.10	10,54,673
June, 2022	227.00	195.00	51,78,625	227.00	195.10	4,60,207
July, 2022	243.00	211.10	49,78,416	242.75	211.50	4,27,499
August, 2022	277.00	226.05	1,36,54,187	276.95	226.70	19,89,186
September, 2022	313.60	256.55	2,21,82,641	313.50	257.95	16,38,405
October, 2022	290.70	267.10	44,71,117	290.00	266.75	5,72,891
November, 2022	293.00	252.55	69,93,277	292.95	261.45	5,23,044
December, 2022	303.15	240.60	71,02,552	303.00	237.80	4,83,999
January, 2023	271.20	245.20	24,24,922	271.05	245.45	1,98,662
February, 2023	284.90	248.00	36,29,008	284.65	248.20	3,13,396
March, 2023	285.80	256.30	32,07,471	285.65	256.40	2,28,635

Performance in comparison to BSE – Sensex, NSE Nifty and BSE 500 Index

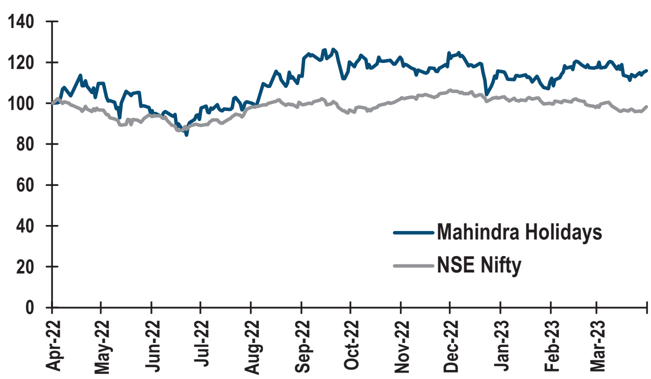
Month	MHRIL's Closing Price on NSE on the last trading day of month (₹)	BSE Sensex at the Close of last trading day of the month	NSE Nifty at the Close of last trading day of the month	BSE 500 Index at the Close of last trading day of the month
April, 2022	255.30	57,060.87	17,102.55	23,551.65
May, 2022	221.05	55,566.41	16,584.55	22,497.64
June, 2022	214.40	53,018.94	15,780.25	21,324.54
July, 2022	234.35	57,570.25	17,158.25	23,359.64
August, 2022	264.10	59,537.07	17,759.30	24,437.22
September, 2022	279.80	57,426.92	17,094.35	23,642.46
October, 2022	285.40	60,746.59	18,012.20	24,589.55
November, 2022	290.20	63,099.65	18,758.35	25,406.76
December, 2022	269.55	60,840.74	18,105.30	24,605.78
January, 2023	257.20	59,549.90	17,662.15	23,778.46
February, 2023	273.55	58,962.12	17,303.95	23,084.79
March, 2023	269.85	58,991.52	17,359.75	23,160.01

Mahindra Holidays' Share Performance versus BSE Sensex



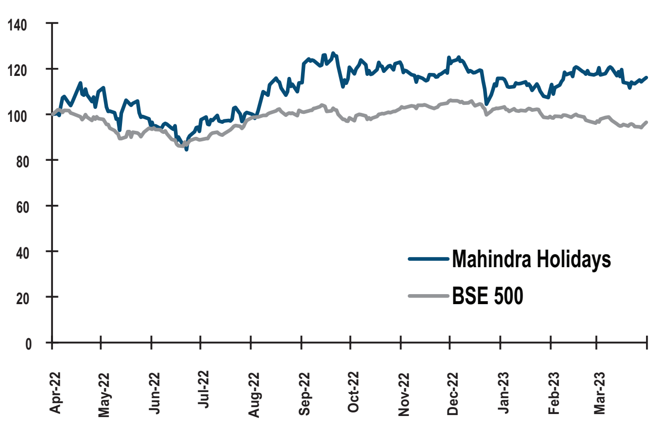
Note: Share price of Mahindra Holidays and BSE Sensex have been indexed to 100 on April 1, 2022.

Mahindra Holidays' Share Performance versus NSE NIFTY



Note: Share price of Mahindra Holidays and NSE NIFTY have been indexed to 100 on April 1, 2022.

Mahindra Holidays' Share Performance versus BSE 500



Note: Share price of Mahindra Holidays and BSE 500 have been indexed to 100 on April 1, 2022.

Share Transfer System

Trading in equity shares of the Company through recognised Stock Exchanges is permitted only in dematerialised form. During the year, no requests for transfer of shares in physical form were received by the Company.

The Stakeholders Relationship Committee meets as and when required to, *inter alia*, consider the transfer proposals and attend to Shareholders' grievances. As of March 31, 2023, there are no pending share transfers pertaining to the year under review.

SEBI vide its notification dated June 8, 2018 amended Regulation 40 of the SEBI Listing Regulations and mandated that the transfer of securities would be carried out in dematerialized form only i.e., investors mandatorily need to dematerialize their securities for any further transfer.

Distribution of Shareholding as on March 31, 2023

Category (Shares)	Number of Shareholders	% to Shareholders	Number of Shares	% to Shares
1 - 100	49,066	64.07	15,12,691	0.75
101 - 900	22,181	28.96	73,84,280	3.67
901 - 1000	884	1.15	8,61,964	0.43
1001 - 5000	3,651	4.77	73,94,745	3.67
5001 - 10000	416	0.54	30,11,116	1.50
10001 - 50000	287	0.37	56,86,291	2.83
50001 - 100000	41	0.05	29,61,724	1.47
100001 and above	60	0.08	17,24,43,829	85.68
TOTAL:	**76,586**	**100.00**	**20,12,56,640**	**100.00**

Shareholding Pattern as on March 31, 2023

Category of Shareholders	Total Holdings	Holdings in %
Promoters holdings	13,48,35,922	67.00
Foreign Portfolio Investors	1,03,05,476	05.12
Mutual Funds	1,59,07,087	07.90
Alternate Investment Fund	4,69,955	0.23
NBFC	2,604	0.00
Bodies Corporate	46,83,870	2.33
NRIs/OCBs/Foreign Nationals	12,10,868	0.60
ESOP Trust	5,59,592	0.28
IEPF	1,537	0.00
Clearing Members	6,931	0.00
Indian Public	3,32,72,798	16.54
Total	**20,12,56,640**	**100.00**

Dematerialisation of Shares

The process of conversion of shares from physical form to electronic form is known as dematerialization. For dematerializing the shares, the Shareholder has to open a demat account with a Depository Participant (DP). The Shareholder is required to fill in a Demat Request Form and submit the same along with the Share Certificate(s) to the DP. The DP will allocate a demat request number and shall forward the request physically and electronically, through NSDL / CDSL to the Registrar & Share Transfer Agent. On receipt of the demat request, both physically and electronically and after verification, the shares are dematerialized, and an electronic credit of shares is given in the account of the Shareholder.

As on March 31, 2023, 99.99% of the paid-up Equity Share Capital is held in dematerialised form with NSDL and CDSL. The market lot is one share, as trading in the Equity Shares of the Company on exchanges is permitted only in dematerialised form. Non-Promoters' holding is 33 %.

Outstanding ADRs/GDRs/ Warrants or any Convertible Instruments, conversion date and likely impact on Equity

The Company has not issued any ADRs/GDRs/Warrants or any convertible instruments.

Offices of the Company:

Registered Office & Corporate Office:
Mahindra Towers, 1st Floor,
'A' Wing, Dr. G.M. Bhosale Marg,
P.K. Kurne Chowk,
Worli, Mumbai – 400 018
Maharashtra, India
T: +91 22 6918 4722
E: investors@mahindraholidays.com
W: www.clubmahindra.com

Apart from the registered & corporate office, the Company has an extensive network of branch offices, including site offices at the resorts to carry out the business of the Company. Details of these offices can be found at the Company's website at: www.clubmahindra.com.

Registrar and Share Transfer Agent
M/s. KFin Technologies Limited (formerly KFin Technologies Private Limited)
Unit: Mahindra Holidays & Resorts India Limited
Selenium Tower B, Plot No.31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad – 500 032,
Telangana, India
Toll Free: 18003094001
E: einward.ris@kfintech.com

Address for Correspondence

Shareholders may correspond with the Company at its Corporate Office or with the Registrar and Share Transfer Agent M/s. KFin Technologies Limited at the above mentioned address in respect of all matters relating to transfer / dematerialisation of shares, payment of dividend and any other query relating to equity shares of the Company.

Company Secretary & Compliance Officer
Mahindra Towers, 1st Floor,
'A' Wing, Dr. G. M. Bhosale Marg,
P.K. Kurne Chowk,
Worli, Mumbai – 400 018
Maharashtra, India
T: +91 22 6918 4722
E: investors@mahindraholidays.com

Company's Investor E-mail ID

The Company has a designated e-mail ID investors@mahindraholidays.com for Shareholders for the purpose of registering complaints. This has also been displayed on the Company's website.

Company's website
www.clubmahindra.com

Declaration on Code of Conduct

To

The Members of Mahindra Holidays & Resorts India Limited,

I, Kavinder Singh, Managing Director & CEO of Mahindra Holidays & Resorts India Limited declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2023.

Kavinder Singh
Managing Director & CEO
DIN: 06994031

Place: Mumbai
Date: April 25, 2023

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of Mahindra Holidays & Resorts India Limited
No. 17 & 18, 2nd Floor,
Mahindra Towers, Patullos Road,
Chennai – 600 002.

I, M. Damodaran, Managing Partner of M Damodaran & Associates LLP, Practicing Company Secretaries have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Mahindra Holidays & Resorts India Limited** having CIN - L55101TN1996PLC036595 and having registered office at No. 17 & 18, 2nd Floor, Mahindra Towers, Patullos Road, Chennai – 600002 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Arun Nanda	00010029	28/01/1998
2.	Mr. Kavinder Singh	06994031	03/11/2014
3.	Mr. Sanjeev Aga	00022065	18/04/2013
4.	Mr. Rohit Khattar	00244040	12/01/2004
5.	Mrs. Sangeeta Talwar	00062478	01/02/2020
6.	Mr. Diwakar Gupta	01274552	01/12/2020
7.	Mr. Rajat Kumar Jain	00046053	03/11/2022
8.	Dr. Anish Shah	02719429	09/05/2020
9.	Mr. Ruzbeh Irani	01831944	26/01/2021

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **M DAMODARAN & ASSOCIATES LLP**

M. DAMODARAN
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TN006000; PR 1374/2021
ICSI UDIN No.: F005837E000457387

Place: Chennai
Date: 05.06.2023

Independent Auditors' certificate on compliance with the corporate governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the members of
Mahindra Holidays & Resorts India Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 12 September 2022 and addendum to the engagement letter dated 22 April 2023.

2. We have examined the compliance of conditions of Corporate Governance by Mahindra Holidays & Resorts India Limited ("the Company"), for the year ended 31 March 2023, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with the National Stock Exchange Limited and BSE limited (collectively referred to as the 'Stock Exchanges').

Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2023.

6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

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

Koosai Lehery
Partner
Membership No: 112399
UDIN: 23112399BGXWIG4383

Place: Mumbai

Date: 25 April 2023

Business Responsibility and Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details

1	Corporate Identity Number (CIN) of the Listed Entity	L55101MH1996PLC405715	
2	Name of the Listed Entity	Mahindra Holidays & Resorts India Limited (MHRIL)	
3	Year of Incorporation	1996 (Date of Incorporation: 20-09-1996)	
4	Registered office address	Mahindra Towers, 1st Floor, A-Wing, Dr. G.M. Bhosale Marg, P. K. Kurne Chowk, Worli Mumbai - 400018	
5	Corporate address	Mahindra Towers, 1st Floor, A-Wing, Dr. G.M. Bhosale Marg, P. K. Kurne Chowk, Worli Mumbai - 400018	
6	E-mail	investors@mahindraholidays.com	
7	Telephone	+91 22 6918 4722	
8	Website	www.clubmahindra.com	
9	**Date of Start of Financial Year**	**Start Date**	**End Date**
	Financial Year	01-04-2022	31-03-2023
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited	
11	Paid-up Capital	2,01,25,66,400 (As on March 31, 2023)	
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Burhanuddin S. Corporate Chief Engineer - Operations Contact Number- 022 6918 4722 E-mail ID: burhanuddin.s@mahindraholidays.com	
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures made in this report are on a standalone basis and pertain to the Company only.	

II. Products/services

14. Details of business activities (accounting for 90% of the Turnover):

S. No.	Description of main activity	Description of business activity	% of turnover
1	Vacation Ownership (VO)	Vacation Ownership and Accommodation related services	100

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of Total Turnover Contributed
1	Vacation Ownership and Accommodation related services	55101	100%

III. Operations

16. Number of locations where resorts and/or operations/offices of the entity are situated:

Location	Number of Resorts	Number of offices	Total
National	82	50	132
International	20	2	22

17. **Markets served by the entity:**

a. **Number of locations**

Location	Number
National (No. of States)	15
International (No. of Countries)	11

Note – MHRIL has resorts in 4 union territories in India.

Locations	Numbers
National	MHRIL has resorts in the following 15 Indian States Goa, Himachal Pradesh, Kerala, Maharashtra, Rajasthan, Gujarat, Karnataka, Tamil Nadu, Uttarakhand, Sikkim, West Bengal, Uttar Pradesh, Madhya Pradesh, Andhra Pradesh, Meghalaya. MHRIL has associate resorts in the following 4 Union Territories Daman, Leh-Ladakh, Andaman and Puducherry.
International	MHRIL has resorts in the following 11 international locations Thailand, UAE, Sri Lanka, Indonesia, Malaysia, Singapore, Nepal, Vietnam, Cambodia, Maldives, Bhutan.

b. **What is the contribution of exports as a percentage of the total turnover of the entity?**

Not applicable, since MHRIL is in the business of vacation ownership & providing accommodation related services.

c. **A brief on types of customers**

The idea of vacation ownership was initially started in the United States. MHRIL is the largest Vacation Ownership company and is a market leader in India with over 2.8 lakhs members. Presently, it is the sixth largest company outside the US in terms of member base with 3.4 lakh members (including MHRIL's Finnish subsidiary, Holiday Club Resorts, Finland).

Our Customer base primarily consist of members and we are in the business of providing family vacations for our members. Non-members are offered accommodation and other services, subject to availability.

Being a vacation ownership & accommodation related services provider, MHRIL aims to encourage members to explore family vacations in beaches, heritage cities, hills, wildlife, back waters etc.

Within India, MHRIL has firmly established itself as the unchallenged market leader in the realm of family holidays, offering a diverse selection of holidaying options, expanding its unique destination offerings and consistently delivering superior service to ensure utmost customer satisfaction. What sets MHRIL apart from other players in the vacation ownership and hospitality industry is its unwavering focus on creating magical moments for families, backed by a range of family-centric products and offerings. MHRIL is strategically positioned to capitalize on the diverse preferences of consumers, with a particular emphasis on families seeking enhanced holiday experiences and exceptional value. Our product portfolio has been meticulously crafted to cater to the distinct needs of our target customers across different stages of life. For instance, our longer tenure products like CMH 25 & CMH 15 cater to the age group of 30 to 50, while our product 'Bliss' specifically targets the 50+ age group. For millennials, we offer shorter tenure products such as Go-Zest, designed for young couples below the age of 30, and Resort Escapes, catering to tech-savvy millennials through an end-to-end digital sales approach. Our largest customer segment consists of those who opt for longer tenure products, primarily CMH-25, and are characterized by their desire for family bonding, proactive holiday planning, and a thirst for exploring new destinations that offer personalized and exceptional experiences. Irrespective of age group, our primary customer base comprises individuals who possess a passion for travel, an innate curiosity to explore new destinations, and a preference for indulging in immersive resort experiences.

IV. **Employees**

18. **Details as at the end of Financial Year:**

a. **Employees and workers (including differently abled):**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	4,116	3,470	84.00	646	16.00
2.	Other than Permanent (E)	1,090	891	82.00	199	18.00
3.	Total employees (D + E)	5,206	4,361	84.00	845	16.00
WORKERS						
4.	Permanent (F)	Not Applicable				
5.	Other than Permanent (G)					
6.	Total workers (F + G)					

b. **Differently abled Employees and workers:**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	49	48	97.96	1	2.04
2.	Other than Permanent (E)	7	7	100.00	0	0.00
3.	Total differently abled employees (D + E)	56	55	98.21	1	1.79
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	Not Applicable				
5.	Other than Permanent (G)					
6.	Total differently abled workers (F + G)					

19. **Participation/Inclusion/Representation of women**

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	1	11.11
Key Management Personnel	3	0	0.00

Note: MD & CEO is considered under both Board of Directors and Key Managerial Personnel

20. **Turnover rate for permanent employees and workers**

(Disclose trends for the past 3 years)

Turnover rate is updated as percentage

	FY 2022-23 (Turnover rate in current FY)				FY 2021-22 (Turnover rate in previous FY)				FY 2020-21 (Turnover rate in the year prior to the previous FY)			
	Male	Female	Others	Total	Male	Female	Others	Total	Male	Female	Others	Total
Permanent Employees	37	9	0	46	25	8	0	33	20	8	0	28
Permanent Workers	Not Applicable											

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

Sr. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Mahindra & Mahindra Limited	Holding	67	Yes
2	Gables Promoters Private Limited	Subsidiary	100	No
3	Mahindra Hotels & Residences India Limited	Subsidiary	100	No
4	Heritage Bird (M) Sdn Bhd	Subsidiary	100	No
5	Mahindra Holidays & Resorts Harihareshwar Limited	Subsidiary	100	No
6	Guestline Hospitality Management and Developement Services Limited	Subsidiary	98.39	No
7	MH Boutique Hospitality Limited	Subsidiary	49	No
8	Infinity Hospitality Group Company Limited	Subsidiary	73.99	No
9	MHR Holdings (Mauritius) Limited	Subsidiary	100	No
10	Covington S.á.r.l	Subsidiary	100	No
11	Holiday Club Resorts Oy	Subsidiary	100	No
12	Holiday Club Sweden AB	Subsidiary	100	No
13	Ownership Services Sweden AB	Subsidiary	100	No
14	Åre Villa 3 AB	Subsidiary	100	No
15	Holiday Club Sport and Spa Hotels AB	Subsidiary	100	No
16	Holiday Club Canarias Investments S.L.U	Subsidiary	100	No
17	Holiday Club Canarias Sales & Marketing S.L.U	Subsidiary	100	No
18	Holiday Club Canarias Resort Management S.L.U	Subsidiary	100	No
19	Holiday Club Canarias Vacation Club S.L.U.	Subsidiary	100	No
20	Holiday Club Resorts Rus LLC	Subsidiary	100	No
21	Kiinteistö Oy Rauhan Liikekiinteistöt 1 (Formally known as "Supermarket Capri Oy")	Subsidiary	100	No
22	Kiinteisto Oy Seniori-Saimaa	Associate	31.15	No
23	Great Rocksport Private Limited	Associate	23.42	No
24	Tropiikin Rantasauna Oy	Joint Venture	50	No
25	Kiinteistö Oy Vierumäen Kaari	Joint Venture	100	No

VI. CSR Details

22. CSR Details

Whether CSR is applicable as per section 135 of Companies Act, 2013	Yes
Turnover (in ₹ crores)	₹ 1,305.57
Net worth (in ₹ crores) *	₹ 745.75
Total amount spent on CSR for FY 2022-23 (in ₹ crores)	₹ 3.25

*Including revaluation reserve & transition difference

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	if Yes, then provide web-link for grievance redress policy	FY 2022-23			FY 2021-22		
			Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	-	-	-	-	-	-	-
Investors (other than shareholders)	No	-	-	-	-	-	-	-
Shareholders	Yes	Refer Note 1	0	0	-	7	0	-
Employees and workers	Yes	Through Intranet	111	0	NA	68	0	NA
Customers	Yes	Refer Note 2	1.5% of our member base	6	NA	0.6% of our member base	26	NA
Value Chain Partners	No	-	0	0	NA	0	0	NA

Note:

1. https://www.clubmahindra.com/investors/investor-information
2. https://www.clubmahindra.com/grievance-redressal

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk /opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Employee Well Being	Risk	- High attrition rate translates to higher cost for recruiting and training new Associates - Decreased productivity and associate morale - Loosing talent to competitors/ other industries - Loss of Brand reputation - Unsuitable/unprepared workforce for changing market demand and disruption - Impact on Customer Experience : Employees who are stressed, fatigued or dissatisfied are less likely to provide friendly, efficient and personalized service - Non-Compliance with labour laws and regulations Financial implication - Cost of Fine and Compensation	- Regular Employee training on diverse topics - Regular employee feedback - Quarterly PULSE surveys and annual M-CARES employee engagement survey - Appreciation and reward for aligning the work with the organizational core values and philosophy - Safety, Health and well-being programs for all workforce	Negative
		Opportunity	- Build human capital through trainings and skill upgradation - Attract talent		Positive
2	Economic Performance	Risk	- Unavailability of the material as well as expertise	- 100% green Portfolio - IGBC/ GRIHA certified products - Transparent and Complete public disclosures on ESG - Customer Value Proposition on the benefits of adopting green products	Negative
		Opportunity	- Changing Consumer preferences and lifestyle - Increased peer competition in emerging markets - Increased investor scrutiny on ESG parameters, etc. - Leadership in green buildings - Differentiating factor and a competitive advantage due to green portfolio		Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk /opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Supply chain Management	Risk	Environmental - Higher scope 3 emission - Disruption - Work stoppage due to unethical or illegal operation - Regulatory - Legal action due to child labour, non-compliance to mandatory statutory requirement - Inferior quality products - Inexperienced contractors and subcontractors may cause hindrance to sustainable construction - Work Delay leading to untimely delivery and cost implication	Green Supply Chain Management (GSCM) Policy - Code of Conduct for suppliers and contractors - Capacity Building/Training workshops - Raising awareness on ESG and related implications - Partnership for sustainability integration in supply chain	Negative
		Opportunity	Align with company strategy and policies and with Science Based Targets - Reduce cost of construction		Positive
4	Governance and Compliance	Risk	- Lack of knowledge, skill or capability of governance team constrains ESG risk management - Non-compliance to statutory requirements - Non-compliance to green building commitments - Financial risk: Non-compliance related to product labelling: fines and penalties - Non-compliance with the EC conditions and Water Law	- ESG risk and mitigation integrated into Enterprise Risk Management (ERM) Framework - Board and Leadership level overview of ESG risk and mitigation measures - Policy advocacy through partnerships - Financial quantification of ESG Risk	Negative
		Opportunity	- Improve current governance to Gold Standard - Comply with the required rules and regulations - Strengthen supplier relations and collaboration for socially conscious value chain		Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk /opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Environmental well being	Risk	- Regulatory Risk - Dependence on non-renewable sources of energy - Heavy Groundwater extraction - Improper Waste Disposal - Diversion to Landfill - Increase cost if carbon tax is implemented - Inefficient Energy Use - Carbon Price	- 100% Green certified portfolio Mahindra Holidays has committed and has detailed action plan to become Carbon Neutrality by 2040 - Approved Science Based Targets in line with 1.5-degree celsius - All new developments to be Net Zero by 2030 - Zero Waste to Landfill for all our developments - Environmental Monitoring and Mitigation in place for all projects	Negative
		Opportunity	- Improve environmental quality, and working conditions - Innovation in operations and regional priority (using local products) - Ease of receiving consents - Reduce Cost of Construction and Operations		Positive
6	Customer well being	Risk	- Loss of Brand Reputation - Risk to Customer health and safety (toxic elements present in the brownfield land) - Risk to business continuity - Legal risk - Customer Litigation for non-compliance to green building commitments - Loss of business opportunity - Delay in project execution - Deteriorating quality of buildings (unwanted chemical reaction due to presence of corrosive compounds)	- 72 Customer outreach through newsletter/green events and Green tour in each project - Behavioural Interventions - Make the Switch Initiatives to help make the necessary switch to adopt sustainable lifestyle for our customers - Customer feedback throughout the journey	Negative
		Opportunity	Improve Customer Health and well-being - Grow Business - Preserve natural habitat		Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk /opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Community well being	Risk	- Risk to Brand Image - Social license to operate affected due to social impacts and/or community relations not well managed (e.g., air and water pollution) - Business continuity risk - Prosecution due to non-compliance to Rehabilitation and Resettlement Act - Stoppage of work due to community unrest leading to revenue loss	CSR initiatives across projects - Nanhi Kali - Support in provision of primary education to underprivileged girl children in India - Hunar - Skill development and women empowerment program - Hariyali - Tree Plantation Program	Negative
		Opportunity	- Engage community - Create healthy competition leading to innovation - Gain peer consortium to augment benefit from Government organization for the sector - Create positive impact on climate change prevention		Positive

SECTION B: Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Question		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes										
1 a.	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1 b.	Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
1 c.	Web Link of the Policies:	P1 to P9: https://www.clubmahindra.com/investors/investor-information P3: Additional HR Policies with detailed guidelines and processes for operations, marketing, admin etc. is available on Intranet portal.								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4.	Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	MHRIL has been always aimed to work in the framework of guidelines set by various codes/ labels/ standards for continual improvement and customer satisfaction. Inline of this, MHRIL has already earned certification like **ISO 45001:2018, ISO 22000:2018, Platinum and Gold rating certification by IGBC** for several of its resorts. MHRIL also has **ISO 27001:2013 Certification**.								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	**P2 & P6**- RE100- by 2050, EP 100 by 2030, Carbon Neutrality by 2040, SBTi- 88.3% CHG reduction by 2031, Green building certification- 44 Resorts Target by FY 2025, Zero Waste to Landfill (ZWL) - 44 Target by FY 2025. **P1, P3, P4, P5, P7, P8, P9**- We are actively working and exploring opportunities to further enhance our practices and align them with industry best standards. We recognize the importance of continuous improvement and strive to evolve in other principles too and working on part of achievable deadline								
6.	Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	Steps towards achieving the specific commitments, goals, and targets, set above have been already initiated. MHRIL has already received the highest certification from IGBC i.e., platinum for 11 of its resorts and gold for 1 of its resort. MHRIL has done a considerable job in terms of GHG emission reduction with 31% reduction in Scope 1 & 2 emissions.								

Governance, leadership and oversight	
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements MHRIL strongly believes that community is an important stakeholder in business and hence, we have adopted a responsible approach towards ESG. At MHRIL, we integrate social and environmental considerations into our core strategic business decisions. Our actions are based on integrating the best practices and undertaking commitments to provide sustainable value to members, communities, employees, shareholders, and the environment. We are certain that the greatest resource available is human resources and consequently, that is a resource for which we must attempt to do the most. The challenges we faced, the targets we set and the achievements we accomplished related to BRSR in the financial year 2022-2023 are: The challenges we faced: • Regulatory compliances- Adapting to evolving regulations and ensuring compliance related to BRSR, with ESG standards emerged as an ongoing challenge. We worked diligently to stay updated and managed to align our operations accordingly. • Orientation of value chain partners for meeting BRSR compliance standards and bringing them on the same track to achieve a common goal of preparing and complying with BRSR compliances was one of the major challenges. • Data collection and compilation- Understanding the requirement of BRSR, collection and compilation of the available data and coordination of engineering and technical department with others such as finance, purchase, contacts, etc. was one of the challenges along with putting it into the said framework. The targets we have set are: • RE100- by 2050- MHRIL aims to be run 100% on renewable energy by the year 2050. Progress is being made in this regard already. • EP 100 by 2030- MHRIL targets to double their energy productivity and maximize the economic output from each unit of energy used. • Carbon Neutrality by 2040 • SBTi - 88.3% GHG reduction by 2031. • Green building certification- 44 Resorts Target by FY 2025 • ZWL - 44 resorts Target by FY 2025- MHRIL aims to have Zero waste to landfill mechanism for 44 of its resorts by FY 2025. Our objective is to foster the growth of our community, thereby placing a strong emphasis on Environmental, Social, and Governance (ESG) factors. • We have sponsored the education of 2,782 girls in FY 2023. • MHRIL has undertaken the planting of 20,817 trees in the year 2022-2023, contributing to an impressive total of 515,228 trees planted since 2010. • Our initiatives in cleanliness and hygiene have yielded substantial benefits, positively impacting a substantial number of children and surpassing 200,000 beneficiaries. This highlights our unwavering commitment to enhancing public health and well-being. • Aligned with our strategic business goals, we are proactively investing in the transformation of our resorts into sustainable practices. Our Virajpet resort in Coorg stands proudly as India's pioneering Zero Waste to Landfill resort, effectively showcasing our dedication to environmental responsibility while ensuring exceptional guest experiences. • Leveraging our extensive expertise and experience in sustainability, MHRIL is uniquely positioned to craft and execute effective strategies for long-term sustainability. We wish to continue to apply all our accumulated knowledge and skill in the sustainability paradigm which we believe, with all our conviction, to be the sole binding truth between commerce, society, and the environment.
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies). **Name- Mr. Kavinder Singh** **Designation-Managing Director & CEO of the Company.**
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details. Yes, Sustainability being a core value at MHRIL, we have a dedicated committee of Board for CSR.

10. **Details of Review of NGRBCs by the Company:**

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Yes, review was undertaken, for all policies and principles									Monthly, Quarterly, and Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	All statutory requirements are being taken care by concerned heads and so far, no non-compliance has been registered.									Monthly, Quarterly, and Annually								

11.

Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	No, Evaluation is a continuous process. All the processes are closely monitored and reviewed at required levels and by senior management.

12. **If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:**

Not Applicable.

Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/ No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Section C : Principle Wise Performance Disclosure

PRINCIPLE 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	1	Overview of business strategy, business model and way forward	100
Key Managerial Personnel	2 (excludes repetitions)	1. Code of Conduct 2. POSH for employees	100 100
Employees other than BoD and KMPs	2 (excludes repetitions)	1. Code of Conduct 2. POSH for employees	78 88
Workers	Not Applicable		

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):**

Monetary					
Type	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/ Fine	NIL	NA	NA	NA	NA
Settlement	NIL	NA	NA	NA	NA
Compounding fee	NIL	NA	NA	NA	NA

Non-Monetary				
Type	**NGRBC Principle**	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Imprisonment	Nil	NA	NA	NA
Punishment	Nil	NA	NA	NA

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Not Applicable.

4. **Does the entity have an anti-corruption or anti-bribery policy?**

Yes.

If yes, provide details in brief:

The Company has defined a Code of Conduct for Directors as well as all employees of the Company that covers issues, inter alia, related to ethics, bribery, and corruption. It also covers all dealings with suppliers, customers, business partners and other stakeholders. The Code of Conduct for Senior Management and Employees forms an integral part of the induction of new employees.

If available, provide a web-link to the policy.

https://www.clubmahindra.com/investors/investor-information

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	NA	

6. **Details of complaints with regard to conflict of interest:**

	FY 2022-23		FY 2021-22	
	Number	**Remarks**	**Number**	**Remarks**
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	NA	Nil	NA

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

   There have been no cases of corruption and conflict of interest and associated penalties by regulators/law enforcement agencies/judicial institutions against any of our KMPs and directors. Code of Conduct trainings of new joinees and refresher trainings for everyone helps in communicating the strict adherence to code of conduct and related consequences in case of non-compliance.

PRINCIPLE 2

Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	Not Applicable		
Capex	44%	37%	Solar Power & Battery backup system installation, BLDC Fans, Thermodynamic heating/heat pump occupancy sensors, EV etc.

2 a **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

   Yes.

   b. **If yes, what percentage of inputs were sourced sustainably?**

   65% based on value of the products.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for**

   (a) **Plastics (including packaging)**

   All plastic waste is being handed over to authorized third-party recyclers.

   (b) **E-waste**

   All E-waste is being handed over to authorized third-party recyclers.

   (c) **Hazardous waste**

   All Hazardous waste is being handed over to authorized third-party recyclers.

   (d) **other waste.**

   All food waste is recycled inhouse and other with authorized third-party recyclers.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).**

   No.

   If not, provide steps taken to address the same.

   EPR clause is being added with the renewal of contracts.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

   No, However, MHRIL intends to do the full LCA of upcoming new resorts.

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

   Not Applicable.

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 23 Current Financial Year	FY 22 Previous Financial Year
Sand (use of manufactured sand instead of river sand)	48%	27%
Cement (Use of alternate Material in lieu of raw material)	19%	15%
Plywood (Importance to use of sustainable timber sourcing & use of waste wood in manufacturing)	27%	24%
Use of Recycled gypsum boards for False ceiling & others	22%	16%

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY 2022-23			FY 2021-22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	0	45.9	0	0	36.72	0
E-waste + Battery waste	0	6.43	0	0	6.11	0
Hazardous waste	0	5.44	2.76	0	5.86	3.03
Other waste						
Other waste	705.20	292.83	2.76	595.19	247.08	3.03

MHRIL is involved in the development, construction and operation of resort properties. Hence, there is no packaging involved in the delivery of its services.

The waste generated from the Construction phase is being handled as per EMP with the principles of Reuse, Recycle and safely disposed of by the Govt authorized waste handlers / Recyclers. It has resulted in the take-back of packaging materials such as cardboard/foam and plastic by the material suppliers who recycle them through authorized vendors, thus ensuring circularity with the construction value chain.

At the time of operation and maintenance phase, MHRIL monitors and measures the waste generated and its safe disposal through the Govt authorized waste handlers / Recyclers, thus ensuring circularity within the Eco - value chain.

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	Nil

PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1 a. **Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	3,470	3,470	100.00	3,470	100.00	-	-	-	-	0	0
Female	646	646	100.00	646	100.00	646	100.00	-	-	0	0
Total	4,116	4,116	100.00	4,116	100.00	646	16.00	0	0.00	0	0.00
Other than Permanent employees											
Male	891	891	100.00	891	100.00	-	-	-	-	0	0
Female	199	199	100.00	199	100.00	199	100.00	-	-	0	0
Total	1,090	1,090	100.00	1,090	100.00	199	18.00	0	0	0	0

b. **Details of measures for the well-being of workers:**

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	Not Applicable										
Female											
Total											
Other than Permanent employees											
Male	Not Applicable										
Female											
Total											

2. **Details of retirement benefits, for Current FY and Previous Financial Year.**

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	92	NA	Y	90	NA	Y
Gratuity	80	NA	Y	76	NA	Y
ESI	40	NA	Y	40	NA	Y

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016?**

Yes.

If so, provide a web-link to the policy.

https://www.clubmahindra.com/storage/app/media/360%20videos/new/MHRIL%20Code%20of%20Conduct_Final_221021.pdf

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

<table>
<tr><th></th><th colspan="2">Permanent employees</th><th colspan="2">Permanent workers</th></tr>
<tr><th>Gender</th><th>Return to work rate</th><th>Retention rate</th><th>Return to work rate</th><th>Retention rate</th></tr>
<tr><td>Male</td><td>-</td><td>-</td><td colspan="2" rowspan="3">Not Applicable</td></tr>
<tr><td>Female</td><td>100</td><td>100</td></tr>
<tr><td>Total</td><td>100</td><td>100</td></tr>
</table>

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker?**

For Employees, Yes.

If yes, give details of the mechanism in brief.

<table>
<tr><th></th><th>Yes/No (If Yes, then give details of the mechanism in brief)</th><th>Remark</th></tr>
<tr><td>Permanent Workers</td><td>Not Applicable</td><td>Not Applicable</td></tr>
<tr><td>Other than Permanent Workers</td><td>Not Applicable</td><td>Not Applicable</td></tr>
<tr><td>Permanent Employees</td><td>Yes</td><td rowspan="2">MHRIL has launched an Ethics Helpline to provide a third-party enabled grievance reception and redressal mechanism for employees. Any unethical behavior or violations can be reported on this helpline.
MHRIL also conducts skip-level meetings to seek additional insight into the workings of the organization by providing an open environment where employees can register their honest and sincere feedback/grievance. In a skip-level meeting, the leader bypasses first-level management and speaks directly to second-level managerial employees, or lower employees. The primary purpose of the skip-level meeting is to determine the organization's effectiveness, by getting an honest assessment from employees at all levels. These skip level meetings are recorded for further enhancement.
We are Listening:
MHRIL has launched a WhatsApp number which is monitored by the Chief Human Resources Officer (CHRO). Employees are encouraged to reach out to the Company with ideas, suggestions, thoughts, queries, and concerns. The CHRO shares messages with the appropriate stakeholders depending on the nature of the message. This initiative enables employees to share creative ideas, feedback, suggestions, regular enquiries, testimonials or just an appreciation for something. Posters displaying intent and construct of this program are displayed across branches, resorts and corporate.</td></tr>
<tr><td>Other than Permanent Employees</td><td>Yes</td></tr>
</table>

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

	FY 2022-23			FY 2021-22		
Total	**Total employees / workers in respective category (A)**	**No. of employees / workers in respective category, who are part of association(s) or Union (B)**	**% (B / A)**	**Total employees/ Workers in respective category ©**	**No. of employees / workers in respective category, who are part of association(s) or Union(D)**	**% (D /C)**
Permanent Employees	4,116	269	6.54	3,615	304	8.41
Male	3,470	228	6.57	3,004	257	8.56
Female	646	41	6.35	611	47	7.69

8. **Details of training given to employees and workers:**

Category	**FY 2022-23**					**FY 2021-22**				
	Total (A)	**On Health and safety measures**		**On Skill upgradation**		**Total (D)**	**On Health and safety measures**		**On Skill upgradation**	
		No. (B)	**% (B / A)**	**No. (C)**	**% (C / A)**		**No. (E)**	**% (E / D)**	**No. (F)**	**% (F / D)**
Employees										
Male	4,361	2,042	46.82	2,049	46.98	3,861	1,012	26.21	1,673	43.33
Female	845	370	43.79	667	78.93	782	339	43.35	616	78.77
Others	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	5,206	2,412	46.33	2,716	52.17	4,643	1,351	29.10	2,289	49.30
WORKERS										
Male	Not Applicable									
Female										
Others										
Total										

9. **Details of performance and career development reviews of employees and worker:**

Category	**FY 2022-23**			**FY 2021-22**		
	Total (A)	**No. (B)**	**% (B / A)**	**Total (C)**	**No. (D)**	**% (D / C)**
Employees						
Male	4,361	3,368	77.00	3,861	3,142	81.00
Female	845	680	80.00	782	634	81.00
Others	0.00	0.00	0.00	0.00	0.00	0.00
Total	5,206	4,048	78.00	4,643	3,776	81.00
WORKERS						
Male	Not Applicable					
Female						
Others						
Total						

10. **Health and safety management system:**

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No).**

Yes, MHRIL has implemented 'The Mahindra Safety Way' (TMSW) for managing workplace health and safety in accordance with the Mahindra Group's safety management framework. We have a clear policy and set of procedures for occupational health and safety management systems (OHSMS) to ensure the safety and well-being of all employees, members and visitors. The company has always prioritized health and safety in all its resorts, offices and workplaces. One of our resorts located in Puducherry has the certification for ISO 45001:2018. MHRIL has highlighted the Business Risk Management framework as a crucial stage in the development of a solid safety management system. This framework includes a series of processes for continuous risk detection, assessment and mitigation, with active employee participation at each of its managed resorts. In this context, resort methods include hazard identification, recommendation systems, daily briefings, and employee participation in periodic resort safety committee meetings. In addition, all MHRIL-managed resorts undertake periodic operational and corporate OHSMS audits to ensure compliance with industry standards.

The establishment of a resort-specific safety committee and the monthly discussion of potential areas for improvement further enhances the OHSMS implementation. Annual events such as Mock Fire Drills, National Safety Month, and Road Safety Awareness Programs are held at each resort. To strengthen its safety procedures, the company continues to focus on theme-based safety subjects, such as behavior-based safety (BBS) Level 2. These approaches have significantly improved workplace safety and reduce likelihood of potential injuries, while enhancing the overall safety culture of the organization. In order to keep its safety rules and procedures effective and up to date, the organization conducts frequent reviews and revisions.

If yes, the coverage such system?

In our managed resorts, we have implemented our safety management system, which is designed to detect and reduce risk, establish workplace safety standards, offer engagement opportunities for resort employees, provide pertinent safety training and meet legal requirements. MHRIL has developed a fundamental safety management system and risk management best practices to promote a secure work environment. They include, but are not limited to, hazard communication, FSSAI-compliant food safety and hygiene standards, safety training, accident reporting and investigation, hazard identification and control procedures, chemical safety, and clearly defined managerial responsibilities and employee expectations. MHRIL works to guarantee that all of the resorts it operates adhere to OHS standards that exceed all applicable laws, regulations, standards and codes. Both internal Mahindra Group company standards and industry-wide best practices are compared to these standards. In order to certify compliance with TMSW process standards, all MHRIL resorts undergo periodic corporate and business occupational health and safety audits. Several Mahindra Rise awards and external certifications, such as ISO 22000:2018 acknowledge MHRIL's commitment and efforts to ensure a safe and healthy workplace for all employees and its members.

The OHSMS applies to all employees, contractors, visitors and club members, as well as any other stakeholders whose activities may be affected by the organization's operations. The OHSMS includes identifying and assessing potential workplace hazards and risks, adopting appropriate controls and procedures to eliminate or minimize these risks, and monitoring and reviewing the effectiveness of these controls over time. In addition, the OHSMS comprises incident reporting using a digital mobile app called as i2i App and investigation, emergency response planning, personnel training and awareness initiatives and ongoing improvement of the OHSMS.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

As a part of Occupational Health and Safety Management System, MHRIL has a well-defined documented procedure SOPRA (Safe operating Procedure and Risk Assessment) to carry out assessment of work-related hazards and risks for all routine and non-routine activities carried out at any location within the premises. Hazard and risk identification is carried out by the process owners in consultation with the safety experts. Every resort develops a risk register based on this assessment. The process owners are responsible to ensure adequate controls are identified and implemented to control the identified OHS risks.

Every SOPRA document is prepared by teams who are well qualified and competent for ongoing activities on ground. The SOPRA is updated based on learnings from good practices, incidents & accidents across resorts. Every staff member has the freedom to stop anyone if unsafe act is observed on the resort. This right to refuse or stop unsafe or unhealthy work in communicated through the safety briefings. We have well-defined

SOPs for reporting, investigating and analyzing incidents.

Some of the mitigation measures to prevent or mitigate significant occupational health & safety impacts include.

Provision and maintenance of fire detection, alarm and suppression systems.

Regular site review, inspections, and audits to assess safety preparedness.

Regular mock drills for fire as well as medical emergencies.

Wherever applicable, Provision of PPE, Work Permit, Lock-out and Tag Out (LOTO) and other administrative controls.

Electrical circuits of all the Rooms are protected by Earth Leakage Circuit Breaker (ELCB), and proper grounding, insulation of all equipment is ensured.

Regular training on occupational health & safety training to sensitize employees on OHS aspects to inculcate a culture of safety.

Employee engagement campaigns on health & safety topics such as fire safety, road safety, emergency evacuation, food safety among others.

MHRIL resort locations are subject to safety inspections and reviews periodically by internal health & safety team with the perspective of checking any health, hygiene and safety hazards and mitigating them. As a part of ISO 22000:2018, certification MHRIL resort locations undergo a site review and assessment to check deployment of operational controls.

There are several processes that are applied in MHRIL to identify work-related hazards and assess risks on a routine and non-routine basis. Here are some of them.

Workplace inspections: Regular inspections of the workplace help identify potential hazards and risks. Inspections are conducted by trained personnel who are familiar with the workplace and its operations.

Job hazard analysis (JHA) & Risk Assessments: JHA involves breaking down a job into its component tasks and identifying potential hazards associated with each task. This helps in identify hazards that may not be apparent during a general workplace inspection. MHRIL followed a well-defined & MHRIL customized SOPRA (Safe Operating Procedure and Risk Assessment) procedure framework derived from HIRA (Hazard Identification and Risk Assessment) process as defined by under Mahindra TMSW framework.

Incident investigation: Incidents such as first aid cases, near-misses and occupational illness provides valuable information about hazards and risks in the workplace. Investigating incidents helps identify the root causes of the incident and any underlying hazards that may have contributed to it.

Safety audits: Safety audits are a systematic review of an organization's safety management system. They help identify gaps and weaknesses in the system that may be contributing to hazards and risks in the workplace. MHRIL has appointed expert third party organizations such as Bureau Veritas, National safety Council for risk specific resort audits.

Consultation with colleagues: Resort staff are often the best source of information about hazards and risks in the workplace. Consulting with staff helps identify hazards that may be overlooked by others and can also help build a safety culture within the organization. On our i2i app anyone can report unsafe conditions, unsafe behaviors identified, and actions taken for addressing those observations.

It is important to note that these processes are used in combination and are tailored to the specific needs and risks of the organization. Regular and ongoing hazard identification and risk assessment are essential for maintaining a safe and healthy workplace. We conduct in-depth analysis of any incidents that may occur at our sites, with learnings being communicated throughout the resorts using existing mechanisms (safety alerts) for sharing information. This is done as an effort to ensuring that similar incidents do not repeat. The overall outcome of the efforts are zero reportable accidents, drop in first aid cases, and suitable awareness among operatives at all levels paving the way for good safety culture in the organization.

c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)**

Not Applicable.

d. **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes,

It has always been MHRIL's priority that our employees stay fit, healthy and happy. To bring us a little closer to our goal prioritizing Employees well-being we have partnered with our Employee Wellness partner MFine.

MFINE: MFine is our health partner and applicable to all employees of MHRIL. It provides unlimited consultations with a General Physician for Club Mahindra Employees + 4 Family Members. It also provides our employees up to 10 Physical follow-ups based on doctor's advice within a period of the subscription year. Their key feature is that they provide Health Trackers and Self-Checks: In-app self-assessment for COVID / PCOD / Thyroid / Heart / Diabetes (Symptom based assessment).

11. Details of safety related incidents, in the following format:

Safety Incident/ Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
Total recordable work-related injuries	Employees	0	0
No. of fatalities	Employees	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

MHRIL is committed to maintain best in class Occupational health & safety management practices through implementation of TMSW framework. MHRIL senior management reviews and monitors the safety, health and environmental policies and activities of the resort operations to ensure that it is in compliance with appropriate laws and legislation. M&M Central Safety Council provides valuable direction and guidance to the management to ensure that occupational health and safety implications are duly addressed in strategic initiatives, budgets, audit actions and improvement plans.

To ensure steady improvement in the OHSMS performance, the Company is adopting TMSW process standards as well as voluntarily undertakes food safety certifications such as ISO 22000:2018 for its resorts. MHRIL's commitment to its safety management programs follows a top-down approach with the senior management persistently working towards establishing, demonstrating, sustaining and improving the safety culture and incorporating the Company's core value of safety in their daily responsibilities. MHRIL undertakes various measures to prevent or mitigate any significant negative health and safety impact directly linked with our operations and to ensure a safe and healthy workplace of our employees. Here are some of the most common measures taken across all managed resorts:

a) Hazard identification and risk assessment: MHRIL follows SOPRA framework to identify and assess workplace hazards and risks to determine the appropriate controls and measures to eliminate or mitigate them.

b) Implementation of safety policies and procedures: MHRIL has established occupational health and safety policy and follow TMSW procedures that promote safe and healthy work practices and ensure compliance with applicable laws and regulations.

c) Training and education: We provide employees with training and education on workplace safety, including hazard identification, risk assessment, and safe work practices.

d) Personal protective equipment (PPE): We provide employees with appropriate PPE, such as safety helmet, gloves, and other relevant PPEs to protect them from workplace hazards.

e) Health and wellness programs: MHRIL provide employees with programs that promote health and wellness.

f) Incident reporting and investigation: We have established a i2i app and procedures for employees to report incidents, accidents, near-misses, and conduct investigations to determine the root causes and prevent recurrence.

g) Regular safety inspections and audits: We conduct regular safety inspections and audits to identify hazards and ensure compliance with safety policies and procedures.

h) Employee involvement and participation: We involve employees in resort safety committees, safety training and safety program development to ensure their active participation in promoting a safe and healthy workplace.

i) Safety Kaizens: MHRIL encourages employees to report safety kaizens. These are appreciated for the best kaizen recognitions conferred to the individuals. The business excellence teams promote reporting of these kaizens to improve safety culture and continual improvements.

j) Mental health support: The company has prioritized the mental well-being of employees by offering resources and support services and by a third-party managed calling system. This includes access to counseling services, promoting work-life balance and providing information on stress management techniques.

k) Communication and signage: Clear communication channels has been established to keep employees informed about health and safety protocols, updates and any changes. Signage are being displayed prominently throughout the workplace wherever required, to remind employees of proper hygiene practices and physical distancing guidelines.

l) Documentation and checklist: The MHRIL has a culture of recording and maintaining the documentation and checklist related to all aspect and thus safe working environment and healthy work place to ensure every small activities and steps are being addressed.

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	Nil	Nil	Nil	Nil
Health & Safety	Nil	Nil	Nil	Nil	Nil	Nil

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	- 100% Fire safety self-assessment of corporate, branch offices, M&M FLS-compliant. (42 - Corporate + branch offices). - One resort located in Puducherry is also ISO 45001:2018 certified. - 65% of resorts are ISO 22000:2018-certified.
Working Conditions	100% Platinum-level BV (Bureau Veritas) Hygiene & Safety Audits for Covid compliance surveillance audit.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

As per the M&M CSC office fire safety guidelines and self-assessment, a detailed review of all the corporate and branch offices was carried out to ensure that those offices meet the mandatory fire safety standards as per the recommendations.

In view of improving the near miss reporting, reporting of unsafe conditions and acts, as a proactive measure for safety culture, MHRIL has introduced safety reporting in its i2i app, a mobile digital application-based reporting. This reporting tool is available with all MHRIL employees across resorts and offices to report near miss and other incidents. It also has a provision for raising a notification to the leadership, CRO for any serious incident or accident reported from the app. This has helped to improve the near miss reporting from the resorts and proactively performing resort level corrective actions to avoid the incident or to reduce the potential risk.

Other safety initiatives based on Risk management Committee & Corporate safety committee recommendations. These were initiated to proactively evaluate the potential risks and mitigate potential safety concerns.

1. Electrical Safety Assessments: We have appointed an electrical safety expert to conduct an electrical audit in the resorts, identify areas of improvements and suggest remedial actions. This is a proactive step initiated to secure electrical risks and potential safety related concerns.

2. Adventure sport audits – Based on internal assessments we have identified 12 vendors having safety related potential risks and who are providing rope course and soft adventure services in the resorts. These vendors were subjected to an independent third-party safety assessment. We had appointed National safety council and Bureau Veritas to conduct a safety survey and assessment of these set up and provide recommendations to improve the safety of adventure sport activities. We shall pursue the implementation of these recommended actions with respective vendors.

Structural stability audits- We had identified some of our existing managed resorts based on our internal evaluation and conducted a structural stability audit of 10 resort premises as a proactive step to identify structural improvement areas and conditional assessment of these resorts by a competent structural audit firm. The recommendations from these audits would be implemented by the projects and resort engineering teams.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of

a. Employees (Y/N)

Yes.

b. **Workers (Y/N).**

Not Applicable.

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

Compliances like ESI and PF are deposited by the value chain partners on state government portal online and a document is generated out of the same. These compliances are verified by us and uploaded on our internal compliance portal (M-Compliance) which is reviewed Quarterly.

3. **Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	0	0	Nil	Nil
Workers	Not Applicable			

4. **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

No, we do extensions but no transition assistance program.

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	We do only internal assessment through Vendor site audits and we have not done it through external agencies Vendor site audits are done for 76 vendors and 25% of the vendors covered.
Working Conditions	Nil

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

Nil.

PRINCIPLE 4

Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

At MHRIL, we have an unwavering intent to deliver long-term stakeholder value through a customer-centric and people first approach. Our stakeholders include customers, employees, vendors, shareholders, business partners, the communities in which we operate and the larger society.

Stakeholder identification is carried out through evaluation based on how any individual, group or organization may be affected or have an impact on business decisions, activities, and outcomes. In particular, stakeholders are identified based on factors such as their importance and ability to influence, physical proximity and dependency on the business.

The Company has also implemented mechanisms to facilitate effective dialogues with all stakeholders across businesses, identify material concerns and provide resolution in an equitable and transparent manner. Engagement responsibility for each stakeholder group is entrusted with specific teams in the Company.

2. **List of stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employee	No	Notice Board, Town halls, Training calendar, Daily meetings (briefings)	Ongoing	Share business updates, understand pulse of employees, Address Queries & Concerns, Drive creative restlessness
Community	Yes	Community Meetings, CSR partnership	As and when required such as at the time of CSR activities /programs/ events.	The CSR policy states the commitment and approach taken towards corporate social responsibility. The policy outlines the objectives, target areas, yearly plan and principles guiding the selection, execution and evaluation of CSR initiatives, as well as how stakeholders are engaged. Our CSR activities empower the local communities and ensure that our business has no negative impact on the environment. Through our CSR endeavors, we support and strengthen the surrounding communities while prioritizing environmental sustainability, preventing any detrimental effects from our business operations.
Customers	No	Email, SMS, Newspaper, Pamphlets, Advertisement, Website	Ongoing	Active engagement with the customers helps MHRIL understand their expectations and experience with our services.
Shareholders	No	Quarterly investor calls, annual investor meets, Annual General Meetings, public and media announcements press releases, Stock Exchange intimations, Company website, ongoing meetings/ communication through electronic/ social media	Quarterly & Annually	MHRIL maintains transparency with its shareholders and investors by publishing quarterly financial and business results on its website.

Leadership Indicators

1 **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

We maintain a constant and proactive engagement with our key stakeholders that enables us to communicate our strategy and performance. We practice continuous communication and engagement to align expectations. The Board is regularly aligned on various developments and feedback on the same is sought from them.

2. **Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes / No).**

Yes.

If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, stakeholder consultations help provide support in the identification and management of environmental and social aspects. MHRIL in collaboration with IGBC, Climate Group, and SBTi has committed to decarbonizing the resort operations and its related stakeholders. MHRIL is committed to prioritize actions aligned with Net Zero Design Resorts, adopt science-based target initiative, Improve operational efficiency, develop and mainstream climate-aligned building codes and standards, enable monitoring and tracking performance. These commitments further enhanced our efforts to integrate sustainability into the value chain. Our Green Supply Chain Management (GSCM) policy, commitment to SBTi, Carbon Neutrality, and developing Net Zero Resort's align with the commitments defined in the business charter. Another example of stakeholder consultation resulted in MHRIL becoming the founding member of IGBC to build cleaner and greener resorts for all the stakeholders. Climate Responsive Design (CRD) and energy Demand Reduction and Biodiversity preservation under the guidance of IBBI (Indian Business and Biodiversity Initiative) has ensured in eco-balanced resorts. Regular consultation with contractors and suppliers helped us understand the need to support each other in integrating ESG aspects across the value chain. This culminated in the creation of a Code of Conduct for our Suppliers and Contractors. So, stakeholder consultation has helped MHRIL integrate sustainability (build a strong ESG base) across the value chain.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

The Company focuses on creating long-term benefits to the society through various CSR initiatives by identifying disadvantaged/underprivileged sections of the demography residing in the peripheral areas of the company by conducting on-ground need assessments from time to time. The Corporate Social Responsibility ("CSR") Policy of the Company makes it a point to focus attention on the disadvantaged segments of the society and directs CSR efforts to uplift them. The Company's social development projects are aimed at empowering the underprivileged sections of the society such as children, women, youth, etc. The programmes implemented are aimed at improving living standards of the community and generating employment and livelihood opportunities. The Company addresses the concerns of vulnerable/marginalised stakeholder groups by rolling out interventions in the areas of -

- Women Empowerment
- Environmental Sustainability
- Education and Skill Development

For eg. the Company supports the education of girls from socially and economically marginalised families, support is provided to women by enhancing their skills to enable employment opportunities, encourage entrepreneurship, and improve the financial independence of women in the community. The Company has also rolled out multiple programmes for sustainable fuelwood management.

PRINCIPLE 5

Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees						
Permanent	4,116	3,375	82.00	3,615	3,577	99.00
Other than permanent	1,090	912	84.00	1,028	862	84.00
Total Employees	5,206	4,287	82.00	4,643	4,439	96.00
Workers						
Permanent	Not Applicable					
Other than permanent						
Total Workers						

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	4,116	0	0.00	4,116	100.00	3,615	0	0.00	3,615	100.00
Male	3,470	0	0.00	3,470	100.00	3,004	0	0.00	3,004	100.00
Female	646	0	0.00	646	100.00	611	0	0.00	611	100.00
Others	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Other than Permanent Employees										
Other than Permanent	1,090	0	0	1,090	100.00	1,028	0	0.00	1,028	100.00
Male	891	0	0	891	100.00	857	0	0.00	857	100.00
Female	199	0	0	199	100.00	171	0	0.00	171	100.00
Others	0	0	0.00	0	0.00	0	0	0.00	0	0.00
Workers										
Permanent	Not Applicable									
Male										
Female										
Others										
Other than permanent										
Male										
Female										
Others										

3. **Details of remuneration/salary/wages, in the following format:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	6	32,75,000	1	26,30,000
Key Managerial Personnel	3	2,08,06,512	0	0
Employees other than BoD and KMP	3,549	3,56,664	667	3,29,340
Workers	Not Applicable			

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Yes.

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The Business Responsibility (BR) Policy of the Company covers the Human Rights aspects. Human Rights aspects are a part of the supplier selection process and are also included in the contracts drawn up with them. Code of Conduct, Prevention of Sexual Harassment and the Whistle blower Policies along with the BR Policy cover all aspects on Human Rights for the Company and extend to all stakeholders of the Company. The various aspects of Human Rights are followed in the same spirit within as well as outside the organisation when engaging with different stakeholders. The Company plays a positive role in building awareness on human rights for its stakeholders and encourages respect for human rights of the local communities with specific focus on vulnerable and marginalised groups.

6. **Number of Complaints on the following made by employees and workers:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	1	0	All Resolved	0	0	NA
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child Labour	Nil	Nil	NA	Nil	Nil	NA
Forced Labour/Involuntary Labour	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA
Other human rights related issues	Nil	Nil	NA	Nil	Nil	NA

7. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

It is our endeavor to keep our workplace at MHRIL as safe, transparent, and friendly for people to work in. Understanding employees and giving them the confidence that their workplace is fair, transparent, and safe has been a core philosophy and to that effect we had a Policy on Prevention of Sexual Harassment. MHRIL has zero tolerance for any unacceptable conduct. MHRIL encourages reporting of any harassment concerns and is responsive to complaints about harassment or other unwelcome or offensive conduct. Committees have been constituted across locations to enquire into complaints of sexual harassment and to recommend appropriate action, wherever required. Necessary disclosures in relation to the sexual harassment complaints received and redressal thereof are provided in Annual Report 2023. Regular awareness and training sessions are conducted to ensure that the employees are fully aware of the aspects of sexual harassment and of the redressal mechanism.

8. **Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes.

9. **Assessments for the year:**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages for employees	100%
Others - please specify	NA

10. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

Not Applicable.

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

Apart from the internal committee to address sexual harassment cases, and BEGC cell to resolve code of conduct violations, MHRIL has introduced an independent and third-party enabled grievance reception & redressal mechanism – 'Ethics helpline' for all employees to address all types of issues or violations.

2. **Details of the scope and coverage of any Human rights due diligence conducted.**

MHRIL covers all the human rights aspects which include the right to life and liberty, freedom from slavery, freedom of opinion and expression, the right to work and education, equal opportunity and prevention of sexual harassment.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes, MHRIL office in Worli is accessible to differently abled employees as per the requirements of the Rights of Persons with Disabilities Act, 2016, and IGBC Platinum certified. So, it complies with all the requirements and beyond as required in IGBC certification. MHRIL adheres to all the accessibility requirements for differently abled people at the resorts by way of Ramps to ensure accessibility & having Differently abled washrooms.

PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	Please specify unit	FY 2022-23	FY 2021-22
Total electricity consumption (A)	GJ	1,31,721	1,02,526
Total fuel consumption (B) (DG UNIT)	GJ	5,983	5,168
Energy consumption through other sources (C) (Solar)	GJ	15,543	8,036
Total energy consumption (A+B+C)	GJ	1,53,247	1,15,730
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees crore)	GJ	117.37	120.47
Energy intensity (optional) - the relevant metric may be selected by the entity	GJ	0.14	0.12

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes.

If yes, name of the external agency.

Klynveld Peat Marwick Goerdeler (KPMG) (as part of group sustainability team)/GRI (Global Reporting Initiative)

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N)**

If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any

Not Applicable.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	Please specify unit	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)			
(i) Surface water	Kilolitres	-	-
(ii) Groundwater	Kilolitres	6,15,523	4,39,786
(iii) Third party water (Tanker)	kilolitres	1,20,556	1,03,109
(iv) Seawater / desalinated water	Kilolitres	-	-
(v) Others (Municipal)	kilolitres	3,87,834	2,80,882
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	Kilolitres	11,23,913	8,23,777
Total volume of water consumption (in kilolitres)	kilolitres	11,23,913	8,23,777
Water intensity per rupee of turnover (Water consumed / turnover)	Kl/Crore ₹	860.86	857.49
Water intensity (optional) - the relevant metric may be selected by the entity	Kl/ occ room	0.94	1.12

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes.

If yes, name of the external agency.

GRI/KPMG as part of group Sustainability Review.

4. **Has the entity implemented a mechanism for Zero Liquid Discharge?**

Yes.

If yes, provide details of its coverage and implementation.

Recycled water is used in gardening, flushing, cooling towers, washing of floors, etc.

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	Âµg/m3	0.096	0.10
SOx	Âµg/m3	0.054	0.068
Particulate matter (PM)	Âµg/m3	0.038	0.032
Persistent organic pollutants (POP)	-	0	0
Volatile organic compounds (VOC)	-	0	0
Hazardous air pollutants (HAP)	-	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes.

If yes, name of the external agency.

State Pollution Control Board.

6. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	5,907	4,329
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	2,8876	2,1097
Total Scope 1 and Scope 2 emissions per rupee of turnover	tCOe/rupees crores	26.64	26.47
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity (per occupied room night)	tCO2e/ occupied room night	0.033	0.035

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes.

If yes, name of the external agency.

GRI/SBTi (Science Based Target Initiative).

7. **Does the entity have any project related to reducing Green House Gas emission?**

Yes.

If Yes, then provide details.

MHRIL is very much focused to adopt new technologies related to renewable energy sources, available in the market to generate the electricity as well as reduce the greenhouse gas emission. We are successfully achieving the desired percentage with respect to overall electricity requirements and reduction in greenhouse gas emission through Solar Power & Battery backup system installation, BLDC Fans, Thermodynamic heating/heat pump occupancy sensors, etc. As a part of our internal planning related to produce more electricity though renewable energy sources and reducing greenhouse gas emissions, we have been encouraging our employees to use Electric vehicles, by installing EV charging points. The availability of EV charging points has been already welcomed by our customers at respective resorts. We are aims to adopt all these technologies and systems in all our resorts very soon and contribute in the overall greenhouse gas reduction of the region.

8. **Provide details related to waste management by the entity, in the following format:**

Parameter	Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)			
Plastic waste (A)	metric tonnes	45.9	36.72
E-waste (B)	metric tonnes	4.82	4.58
Bio-medical waste (C)	metric tonnes	2.76	3.03
Construction and demolition waste (D)	metric tonnes	0	0
Battery waste (E)	metric tonnes	1.61	1.53
Radioactive waste (F)	metric tonnes	0	0
Other Hazardous waste. (G)	metric tonnes	5.44	5.86
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	metric tonnes	940.26	793.58
Total (A+B + C + D + E + F + G + H)	metric tonnes	1,000.79	845.30
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)			
Category of waste			
(i) Recycled	metric tonnes	292.83	247.08
(ii) Re-used	metric tonnes	705.20	595.19

Parameter	Parameter	FY 2022-23	FY 2021-22
(iii) Other recovery operations	metric tonnes	-	-
Total	metric tonnes	998.03	842.27
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)			
Category of waste			
(i) Incineration	metric tonnes	2.76	3.03
(ii) Landfilling	metric tonnes	0	0
(iii) Other disposal operations	metric tonnes	0	0
Total	metric tonnes	2.76	3.03

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes.

If yes, name of the external agency.

GRI/TUV (Technischer Uberwachungs Verein)

9. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

We are conscious of the need to use alternative materials for construction that curtail the use of virgin materials in order to reduce the environmental footprint in terms of energy consumption, pollution and waste disposal. To minimize the impact of these materials, we have incorporated principles of circularity in our operations and aligned our material procurement strategy with Green Supply Chain Management MHRIL employs innovative techniques to manage waste generated during three stages of a project namely - design, construction and occupancy. We minimize waste production by reusing, recycling, and safe disposal at designated sites. Being a 100% green-certified portfolio, we prepare a detailed plan right from the design stage to accommodate waste management during the construction and use phase. Detailed plans are executed on the ground by the projects. Our resorts are provisioned with 100% composting of organic waste on-site and treatment of recyclables and other waste through partnerships with authorized vendors. Each of the projects is designed to include a resource recovery center (RRC) for secondary waste segregation to derive value out of waste. During the construction stages, most of the construction and demolition waste such as waste blocks, tiles, etc. are reused within the project for roof tiling, kitchen block work, etc. which increases diversion away from landfill and saves cost too. Scrap material such as steel, iron, aluminum, etc. is sold to authorized handlers to generate recyclable materials. Our primary objective has been to avoid wastage and reuse materials through innovative interventions. We have on-site composting and other organic waste treatment mechanisms such as the use of food waste in biogas plants in various resorts, We have eliminated single-use plastic in our Resorts. All other waste is recycled with the help of authorized vendors, our waste data is reported on the GRI portal, and third-party audits to ensure zero waste to landfill. MHRIL is committed to getting all the resorts as zero waste to landfill certified by FY 2025.

10. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N)	If no, the reasons there of and corrective action taken, if any.
None				

MHRIL has resorts across 15 Indian states, none of the projects are in ecologically sensitive areas. Our land selection process ensures screening out of areas near ecologically sensitive zones.

We do undertake environmental clearances for our projects aligned with the regulatory requirements. Though none of our projects are in sensitive zones, we do undertake biodiversity studies through external partners for projects rich in biodiversity and conserve the natural ecosystem (during construction too through our sustainable construction practices and regular biodiversity assessment for such areas). In FY 2022, we did a biodiversity study for one of our projects in Goa rich in flora and fauna and conservation of the same is part of our customer value proposition which will be maintained through our sustainable construction practices and design interventions.

11. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Environmental impact assessment (EIA) is conducted for our resorts. We do conduct hydrology and hydrogeological studies, soil testing and other environmental tests for projects based on preliminary due diligence and make necessary interventions aligned with our sustainability commitments (on Net Zero Water, Net Zero Energy, etc.). In our locations either developed or currently under development, EIA were conducted before the commencement of development.

12. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N).**

Yes.

Leadership Indicators

1. **Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:**

Parameter	Please specify unit	FY 2022-23	FY 2021-22
From renewable sources			
Total electricity consumption (A)	GJ	15,543	8,036
Total fuel consumption (B)	GJ		
Energy consumption through other sources (C)	GJ		
Other sources			
Total energy consumed from renewable sources (A+B+C)	Joules or multiples	15,543	8,036
From non-renewable sources			
Total electricity consumption (D)	GJ	1,31,721	1,02,526
Total fuel consumption (E)	GJ	5983	5168
Energy consumption through other sources (F)	GJ		
Other sources			
Total energy consumed from non-renewable sources (D+E+F)	Joules or multiples	1,37,704	1,07,694

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, GRI

2. **Provide the following details related to water discharged:**

Water discharge by destination and level of treatment (in kilolitres)			
(i) To Surface water	kilolitres	0.00	0.00
- No treatment	kilolitres		
- With treatment - please specify level of treatment	kilolitres		
(ii) To Groundwater	kilolitres	0.00	0.00
- No treatment)	kilolitres		
- With treatment - please specify level of treatment	kilolitres		
(iii) To Seawater	kilolitres	0.00	0.00
- No treatment	kilolitres		
- With treatment - please specify level of treatment	kilolitres		
(iv) Sent to third-parties	kilolitres	0.00	0.00
- No treatment	kilolitres		
- With treatment - please specify level of treatment	kilolitres		
(v) Others	kilolitres	0.00	0.00
- No treatment	kilolitres		
- With treatment - please specify level of treatment	kilolitres		
Total water discharged (in kilolitres)	kilolitres	0.00	0.00

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes.

If yes, name of the external agency.

GRI / IGBC (Indian Green Building Counsel)

3. **Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):**

Not Applicable.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

If yes, name of the external agency.

Not Applicable.

4. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	tCO2e	0.048	0.052
Total Scope 3 emissions per rupee of turnover	tCOe/rupees crores	0	0

Note: Indicate if any, independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes.

If yes, name of the external agency.

Greenvironment.

5. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not Applicable.

6. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Creating a green team, encouraging guests to be green, starting composting, saving water, planting through Hariyali initiative, supporting local, sustainable businesse, implementing alternative energy sources	Sustainability_ report_2022.pdf (clubmahindra.com)	The outcome of such initiatives is that it reduces the environmental impact by MHRIL. For example, exploring and installing energy-saving technologies reduced energy consumption. Creating a green team helped promoting environmental awareness and encourage employees to take action. Encouraging guests to be green helped to reduce waste and promote sustainable practices. Starting composting helped to reduce food waste and create nutrient-rich soil. Saving water helped to conserve this precious resource. Planting a garden helped to provide fresh produce for guests and employees. Supporting local, sustainable businesses helped to reduce the carbon footprint of MHRIL. Implementing alternative energy sources helped to reduce reliance on fossil fuels and promote and adopt renewable energy in MHRIL

7. **Does the entity have a business continuity and disaster management plan?**

MHRIL has a business continuity plan that involves policies and procedures to ensure essential business functions and processes are available during and after a disaster as well as a disaster recovery plan that enables the restoration of operations after a major disruption. The company follows the guidelines of ISO 22301:2019 which is the international standard for business continuity management. We follow the following elements in the plan-

1. Business impact analysis
2. Risk assessment
3. Business continuity strategies
4. Emergency response and operations
5. Plan development and maintenance
6. Awareness and training programs

8. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

As we are very responsible and conscious toward environment, there is no adverse impact to the environment arising from our value chain. Even though the control on scope 3 is still a challenge and hence we prioritize value chain emission reductions ahead of actions or investments to mitigate emissions outside their value chains to achieve net-zero.

Our initiatives for water conservation and reuse, EP 100 and RE100 initiatives, reduction of material consumption and solid waste mitigation by Zero waste to landfill, Eliminating single-use plastics and food waste and setting Science based target (long term and short term) are few of the many measures we have taken in MHRIL.

9. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

MHRIL trained and evaluated 294 of 300 key vendors (above 90% of them) for environmental impact during FY 2022–2023.

PRINCIPLE 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations.**

MHRIL has affiliations with three trade and industry chambers/ associations.

b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Bombay Chamber of Commerce and Industry (BCCI)	State
2	Confederation of Indian Industry (CII)	National
3	All India Resort Development Association (AIRDA)	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Not Applicable.

Leadership Indicators

1. Details of public policy positions advocated by the entity:

MHRIL does not engage in direct public advocacy.

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others - please specify)	Web Link, if available
1	yes	Through Online and Offline Trainings	yes	yearly	https://www.clubmahindra.com/sites/default/files/Sustainability%20Policy_Mar2017.pdf

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes / No)	Relevant Web Link
Not Applicable					

As per applicable laws, SIA is not applicable for any of the projects undertaken by the Company.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Since MHRIL deals with the development and operations of a holiday resort in remote, tourist destinations and unexplored areas, rehabilitation and resettlement of communities are not applicable to our business model.

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has implemented mechanisms to facilitate effective dialogues with all stakeholders across businesses, identify material concerns and provide resolution in an equitable and transparent manner. Engagement responsibility for each stakeholder group is entrusted with specific teams in our Company. In Community based CSR projects, the Company representative at each location facilitates the interaction between the beneficiary groups to address concerns and resolve issues if any. Process followed is as under: the stakeholder reaches out to the management at the location and shares concerns. Their request is reviewed to assess the need and the proposed outcome. An implementing agency is reviewed for the implementation of the project with domain expertise in the area of intervention and location geography. Regular interactions with community are rolled out. This is done by physical visits, feedbacks review of outcomes, photos, etc. In case there is a grievance and can be resolved by the Company, necessary approvals are taken and action is implemented.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	19	17
Sourced directly from within the district and neighbouring districts	52	48

MHRIL integrates sustainability in all processes including the supply chain driven by the Green supply chain management policy (GSCM) which ensures minimal/zero environmental and social impacts on its products. MHRIL gives priority to the purchase of locally available material to minimize environmental impact and gives preference to green-certified products. Most of the day-to-day operating of the item is procured from local vendors as aligned with our GSCM Policy.

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

   Not applicable.

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational District	Amount spent (In INR)
1	Rajasthan	Jaisalmer	1,15,000

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

   Yes.

   (b) **From which marginalized /vulnerable groups do you procure?**

   Small time Vendors from Local Village & Female Vendors.

   (c) **What percentage of total procurement (by value) does it constitute?**

   1.55%.

   We speak to all vendors and inform them to promote employment of atleast 25% of their workforce to be women, we also promote to buying items from women entrepreneurs. We ensure we buy most of our operational items from local villages.

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

   Nil.

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

   Not applicable.

6. **Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Nanhi Kalli - Provide all rounded support in education to underprivileged girl children in India	2,782	100
2	Smokeless Stoves - promoting sustainable and cleaner form of cooking with Sarala cookstoves.	200	100
3	Access to potable water in communities	10,200	0
4	Solar Lantern Distribution	745	95
5	Saksham-Skill Building for Women and Entrepreneurship for women	61	100
6	Building Livelihoods of Women Artisans	100	100
7	Project Udaan: Enhancing livelihood opportunities for women	40	80
8	Sustainable Fuelwood management: Distribution of energy efficient cookstoves	350	100
9	Imparting employability/livelihood skills to the family members of head loaders community.	480	95

PRINCIPLE 9

Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   To guarantee timely and effective resolution of customer, grievances redressal policy is adopted by MHRIL which prioritizes customer satisfaction and values their inputs. Our organization is equipped with a robust system to address customer complaints and gather feedback. We recognize the significance of customer feedback in delivering exceptional services. We engage with our customers through multiple channels, including voice calls, emails, website, mobile app, social media, and more, to actively listen to their feedback and concerns. Additionally, we organize member engagement meets in various cities, enabling us to have face-to-face interactions with our customers. These regular interactions serve as platforms for discussions on resolving issues and implementing measures for improvement. Customer feedback may fall into two categories: service requests and complaints. Service requests are instances where customers seek a specific service, while complaints arise when customers express dissatisfaction with a provided service. To ensure efficient handling of complaints, we follow structured Standard Operating Procedures (SOPs) within defined timelines. We also offer multiple levels of escalation if a customer remains unsatisfied with the initial resolution. This structured approach not only helps us address customer concerns effectively, but also presents opportunities for us to enhance our processes and leverage new technologies, ultimately leading to greater customer satisfaction.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	We at MHRIL are committed to achieve the 100% target for recycling and safe disposal by 2025.

3. **Number of consumer complaints in respect of the following:**

	FY 2022-23 (Current Financial Year)		Remarks	FY 2021-22 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	There have been no consumer complaints received in respect of these practices.					
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other	1.5% of our member base	6	NA	0.6% of our member base	26	NA

4. **Details of instances of product recalls on account of safety issues:**

   Not applicable since MHRIL does not have any products that can entail safety issues, as it is a vacation ownership and accommodation related services.

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No)**

   Yes.

   If available, provide a web-link of the policy.

   MHRIL's Policies related to cyber security and data privacy are publicly available on the website. Weblink for the policy:

   https://www.clubmahindra.com/privacy-policy

In additions to this, all the employees at MHRIL are being made aware about the importance of data security & risk related data privacy through various internal policies and awareness program.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   Not applicable, as no issues have been raised at MHRIL related to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/ action taken by regulatory authorities on safety of products/ services.

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   The website offers comprehensive access to all details concerning MHRIL services. This includes an array of information such as resort details, the latest schemes and offers, communications and more—all readily available in the public domain.

   Link to access the website https://www.clubmahindra.com/

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   At MHRIL, we strive to ensure that our customers are well-informed about the safe and responsible usage of our services. We achieve this by providing comprehensive information on our website and through regular communications. Our dedicated team members at branches and resorts also play an essential role in educating our valued members about these practices, enabling them to enjoy our services safely. In addition, we reinforce the message of safe and responsible service usage through strategically placed signage at our resorts. Also, digital signages, fire emergency exit are displayed in key locations such as lobbies, elevators, or common areas to inform guests about any potential disruptions. These displays can provide updates in real-time and can be easily updated as the situation evolves.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   Our comprehensive resort management entails overseeing all aspects of maintenance, including daily upkeep and housekeeping tasks, as well as addressing resident concerns and grievances. We ensure effective communication of any resort disruptions, closures or access restrictions well in advance through various proactive channels. Additionally, our dedicated staff at the resorts promptly informs all resident members about any disruptions in essential services on the property. By prioritizing staff training, staff is able to effectively notify customers about potential risks of service disruptions based on their geographical location. This enables staff members to confidently deliver precise and prompt information, ensuring guests are fully informed and capable of making the necessary arrangements to ensure a seamless stay experience.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

   MHRIL's Prospect & Member Website & Mobile app serves as a comprehensive platform where you can access all the necessary resort and booking information. Additionally, during the onboarding process for new members, we ensure to provide a thorough explanation of important details such as the Guidelines for holidays, Product/membership specifics, and the Terms & conditions associated with our membership.

   The Company actively engages in consumer research, encompassing both members and prospects, to gain insights into their travel aspirations, identify areas of improvement, and understand the motivations driving their travel choices. By doing so, the brand strives to align itself with the ever-changing needs of consumers. Additionally, the Company conducts periodic Brand Track studies with customers to measure the efficiency, effectiveness, and brand awareness of our brand campaigns. Furthermore, at the resort level, a comprehensive Post-Holiday Feedback Survey, which includes Net Promoter Score (NPS) and Customer Satisfaction (CSAT) surveys, is conducted after members check out. This survey aims to capture the members' overall experience from check-in to check-out, covering various aspects such as accommodations, dining experiences, and the unique offerings available at the Happy Hub and Spa.

5. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches along with impact**

      None.

   b. **Percentage of data breaches involving personally identifiable information of customers**

      In FY 2023, the Company has maintained a strong track record of data security with zero instances of data breaches. This accomplishment is attributed to the robust cyber security policy and processes implemented to effectively address and mitigate any potential security incidents.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MAHINDRA HOLIDAYS & RESORTS INDIA LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Mahindra Holidays & Resorts India Limited (the "Company") which comprise the standalone balance sheet as at March 31, 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone 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 financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters'

I) Revenue from Contracts from Customers under Ind AS 115 **See Note 36 and 52 standalone financial statements**	
The key audit matter	**How the matter was addressed in our audit**
The Company has a unique business model and its revenue comprises of numerous individual transactions and also multiple streams of revenue with its members / customers. In accordance with Ind AS 115 (a) the membership fees and (b) incremental costs to obtain a contract with a customer, are recognized over the effective membership period. The application of the accounting standard on revenue recognition, involves certain judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations and the appropriateness of the basis used to recognize revenue over a period. The Company has identified expenses which are classified as deferred costs and recognised over the effective membership period.	Our procedures included the following: • Evaluating the appropriateness of accounting policy in accordance with Ind AS 115 for membership contracts entered with customers. • Evaluating the design, testing the implementation and operating effectiveness of the Company's internal controls over recognition of revenue. • Evaluting and testing the identification of expenses incurred by the Company, which can get classified as deferred costs and recognised over the effective membership period. • Perform substantive testing throughout the period, by selecting samples of membership contracts entered during the year and verifying the underlying documents, which include membership agreement forms signed by members, receipt of initial down payment tranche of membership fees, invoices for membership, resort revenue and annual subscription fees. • Evaluating the process followed by the Company for the purpose of determining the effective membership period after considering breakage i.e., customer's unexercised rights. • Evaluating the process followed by the Company and the data used for the purpose of deferral of revenue due to uncertainty of collection based on historical trends and considering factors impacting future collections.

<table>
<tr><td></td><td>• Assessing the adequacy of Company’s disclosures in accordance with the requirements of Ind AS 115</td></tr>
<tr><td colspan="2">II) Contingent liabilities
See Note 43 to standalone financial statements</td></tr>
<tr><td>The key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>The Company has significant tax litigations for both direct and indirect taxes.
There is a high level of judgement required in estimating the level of provisioning and appropriateness of disclosure of those litigations in the financial statements.
The value of the litigations together with the level of judgement involved make it a significant matter for our audit.</td><td>Our procedures included the following:
• Examining the list of outstanding litigations against the Company.
• Inquiring and obtaining explanations for movement during the year.
• Reading the latest correspondences between the Company and the regulatory authorities for significant matters.
• Discussing the status of significant litigation with the Company’s senior management personnel and assessing their responses.
• Examining opinions obtained by the Company from external advisors.
• Involving our tax specialists, and discussing with the Company’s tax officers, their views and strategies on significant cases, as well as the related techinical grounds relating to their conclusions based on applicable tax laws.
• Assessing the decisions and rationale for provisions made or for decisions not to record provisions or make disclosures.</td></tr>
<tr><td colspan="2">III) Directions by the Regulator
See Note 56 to standalone financial statements</td></tr>
<tr><td>The key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>Pursuant to a complaint made by a customer against the Company, National Financial Reporting Authority (‘NFRA’) passed an order dated March 29, 2023 (‘the Order’) providing directions to the Company. As per the order, NFRA has made certain observations in respect of:
• the identification and discloure of segments by the Company; and
• Company’s accounting policy for recognition of revenue on a straight-line basis over the period for the membership fees and annual subscription fees.
As per the Order, the Company is required to carry out review of policies and practices in certain areas. These areas are in respect of operating segments and timing of revenue recognition of revenue from customers. The review is required to be completed by June 30, 2023.
Given the significance of the findings of NFRA on the policies and practices adopted by the Company, this has been considered as a key audit matter.</td><td>Our procedures included the following:
• Reading the Order received by the Company and us from NFRA;
• Evaluating the findings in the Order with reference to segment reporting under Ind AS 108 and revenue recognition under Ind AS 115;
• Communicating the findings of the Order with those charged with governance;
• Inquiring and assessing the Company’s existing practices and policies followed by the Company in respect of the findings made by NFRA.
Segment Reporting
• Inquiring with the Chief Operating Decision Maker (CODM) on the current process of identification of segments.
• Obtaining and inspecting the operating results regularly reviewed by Company’s CODM.
• Assessing the adequacy of disclosures of operating segments in accordance with Ind AS 108.
Revenue Recognition
• Evaluating the accounting policy for recognition of revenue for contracts entered with members against requirements of Ind AS 115 with reference to fulfillment of performance obligations by the Company.
• Inspecting and testing, on sample basis, relevant customer contracts and assessing revenue is recognised on satisfaction of performance obligation.
• Assessing the adequacy of disclosures in accordance with Ind AS 115.</td></tr>
</table>

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

    f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

    a) The Company has disclosed the impact of pending litigations as at March 31, 2023 on its financial position in its standalone financial statements - Refer Note 43 to the standalone financial statements.

    b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

    c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

    d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 55 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

        - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or

        - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

       (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 55 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e) The Company have neither declared nor paid any dividend during the year.

f) As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration payable to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Koosai Lehery
Partner
Membership No. 112399
ICAI UDIN:23112399BGXWIC9017

Place: Mumbai
Date : April 25, 2023

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Mahindra Holidays & Resorts India Limited for the year ended March 31, 2023
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

<table>
<tr><th>Description of property</th><th>Gross carrying value (₹ in lakhs)</th><th>Held in the name of</th><th>Whether promoter, director or their relative or employee</th><th>Period held- indicate range, where appropriate</th><th>Reason for not being held in the name of the Company. Also indicate if in dispute</th></tr>
<tr><td>Freehold Land Manali</td><td>1,243.05</td><td>Competent Hotels Private Limited - Manali</td><td>No</td><td>Merger date February 9, 2016 effective from April 1, 2015</td><td rowspan="4">Received on merger of the erstwhile Companies.
Company has submitted relevant documents with necessary charges & fees and awaiting closure from the respective government authorities.</td></tr>
<tr><td>Freehold land - Jaisalmer</td><td>1,944.00</td><td>Divine Heritage Hotels Private Limited - Jaisalmer</td><td>No</td><td>Merger date February 29, 2016 effective from April 1, 2015</td></tr>
<tr><td>Building – Manali</td><td>629.12</td><td>Competent Hotels Private Limited - Manali</td><td>No</td><td>Merger date February 9, 2016 effective from April 1, 2015</td></tr>
<tr><td>Building - Jaisalmer</td><td>1,211.15</td><td>Divine Heritage Hotels Private Limited - Jaisalmer</td><td>No</td><td>Merger date February 29, 2016 effective from April 1, 2015</td></tr>
</table>

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of the examination of the records of the Company, the Company has made investments in mutual funds during the year. The Company has also provided guarantee and has granted loans to companies during the year, in respect of which the requisite information is below. The Company has not provided any guarantee or security, granted any loans or advances in the nature of loans, secured or unsecured, to limited liability partnership or other parties during the year.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans and guarantee as below:

(₹ in lakhs)

Particulars	Guarantees	Loans (including interest accrued)
Aggregate amount during the year		
Subsidiaries*		
- MHR Holdings (Mauritius) Limited	2,689	22,882
- MH Boutique Hospitality Limited	Nil	1,066
- Gables Promoters Private Limited	Nil	7,504
- Mahindra Hotels and Residences India Limited	Nil	2,025
- Heritage Bird (M) Sdn Bhd	Nil	728
- Infinity Hospitality Group Company Limited	Nil	4,307
Balance outstanding as at balance sheet date		
Subsidiaries*		
- MHR Holdings (Mauritius) Limited	69,022	22,882
- MH Boutique Hospitality Limited	Nil	1,066
- Gables Promoters Private Limited	Nil	7,504
- Mahindra Hotels and Residences India Limited	Nil	2,025
- Heritage Bird (M) Sdn Bhd.	Nil	728
- Infinity Hospitality Group Company Limited	Nil	4,307

As per the Companies Act, 2013

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided, security given during the year and the terms and conditions of the grant of loans and advances in the nature of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated. These loans are renewed during the year on expiry of their prior agreed term. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the following instances of loans falling due during the year were renewed:

(₹ in lakhs)

Name of the parties	Aggregate amount dues (including interest accrued) renewed
– MHR Holdings (Mauritius) Limited	109
– MH Boutique Hospitality Limited	1,066
– Gables Promoters Private Limited	5,114
– Mahindra Hotels and Residences India Limited	21
– Heritage Bird (M) Sdn Bhd	728
– Infinity Hospitality Group Company Limited	1,107
Total	**38,511**
Percentage of the aggregate to the total loans granted during the year	**21%**

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

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

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

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

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

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the Statute	Nature of the Dues	Amount* (₹ in lakhs)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax, interest and penalty	**31,251**	AY 1999 to 2011	In process of appeal in High Court
Income Tax Act, 1961	Income tax, interest and ienalty	**42,212**	AY 2010 AY 2012 to 2016	ITAT
Income Tax Act, 1961	Income tax, interest and penalty	**12,613**	AY 2017	Commissioner of Income Tax- Appeals
Finance Act, 1994	Service Tax, interest and penalty	**47,664**	FY 2007 to 2017	Appellate Authorities

Name of the Statute	Nature of the Dues	Amount* (₹ in lakhs)	Period to which amount relates	Forum where dispute is pending
Tamil Nadu Luxury Tax Act	Luxury tax	**64**	FY 2003 to 2006	Deputy Commissioner
		17	FY 2011 to 2012	Commissioner- Appeals
Kerala Luxury Tax Act	Luxury tax	**659**	FY 2009 to 2011	Intelligence officer-Debikulam
		3,230	FY 2010 to 2016	Appellate Commissioner
		1,706	FY 2012 to 2015	High Court
Uttarakhand Luxury Tax Act	Luxury tax	**34**	FY 2013	Appellate Commissioner
Maharashtra Luxury Tax Act	Luxury tax	**42**	FY 2013 to 2014	Commissioner of Commercial taxes
Rajasthan Luxury Tax Act	Luxury tax	**1,763**	FY 2011 to 2017	High Court
Rajasthan Value Added Tax Act	Value added tax	**15**	FY 2015 to 2017	High Court
Kerala Value Added Tax Act	Value Added Tax	**23**	FY 2015 to 2017	Assistant Commissioner

* Net of amounts paid under protest.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

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

(c) According to the information and explanations given to us by the management, the Company has not obtained any terms loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has four CICs as part of the Group

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

Koosai Lehery
Partner
Membership No. 112399
ICAI UDIN:23112399BGXWIC9017

Place: Mumbai
Date : April 25, 2023

Annexure B to the Independent Auditor's Report on the standalone financial statements of Mahindra Holidays & Resorts India Limited for the year ended March 31, 2023

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

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

Opinion

We have audited the internal financial controls with reference to financial statements of Mahindra Holidays & Resorts India Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

Koosai Lehery
Partner
Membership No. 112399
ICAI UDIN:23112399BGXWIC9017

Place: Mumbai
Date : April 25, 2023

STANDALONE BALANCE SHEET AS AT MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	Note No.	As At March 31, 2023	As At March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	4	**219,748.16**	216,263.32
Right of Use Asset	5	**38,092.87**	26,781.17
Capital work-in-progress	48	**12,834.87**	10,744.48
Other intangible assets	6	**1,536.73**	1,480.98
Intangible assets under development		**834.50**	714.14
Financial assets			
Investments			
Investments in subsidiaries and associates	7	**11,601.74**	9,532.75
Other investments	7	**-**	580.49
Trade receivables	8	**22,026.25**	22,120.23
Loans	9	**36,793.62**	-
Other financial assets	10	**32,403.66**	56,264.61
Deferred tax assets (Net)	11 (a)	**41,556.33**	40,316.39
Other non-current tax assets (Net)	12	**3,228.94**	10,205.41
Deferred acquisition cost	13	**70,988.05**	67,035.95
Other non-current assets	14	**5,571.43**	4,113.90
		497,217.15	466,153.82
Current assets			
Inventories	15	**556.87**	633.00
Financial assets			
Investments	16	**53,366.39**	27,943.07
Trade receivables	17	**94,007.13**	90,696.58
Cash and cash equivalents	18	**1,685.43**	5,648.46
Other bank balances	19	**9,710.65**	32,610.82
Loans	20	**71.03**	6,850.45
Other financial assets	21	**31,791.67**	8,265.88
Deferred acquisition cost	22	**5,738.88**	5,306.39
Other current assets	23	**7,284.97**	6,292.86
		204,213.02	184,247.51
		701,430.17	650,401.33
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	24	**20,069.70**	19,984.81
Share application money pending allotment		**117.33**	-
Other equity	25		
Reserves & surplus		**110,230.67**	92,935.53
Revaluation reserve		**84,557.53**	84,007.33
Other comprehensive income		**(127.72)**	(215.74)
Transition difference		**(140,272.59)**	(140,272.59)
		54,387.89	36,454.53
		74,574.92	56,439.34
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	26	**34,102.84**	23,689.52
Other financial liabilities	27	**580.01**	850.69
Provisions	28	**832.22**	845.35
Deferred tax liabilities	11 (b)	**20,451.98**	21,002.18
Other non-current liabilities			
Contract liability-deferred revenue	29	**468,303.38**	450,805.44
		524,270.43	497,193.18
Current liabilities			
Financial liabilities			
Lease liabilities	30	**6,036.90**	4,472.22
Trade payables	31		
Total outstanding dues of micro enterprises and small enterprises; and		**82.20**	445.88
Total outstanding dues of creditors other than micro enterprises and small enterprises		**21,416.76**	21,327.10
Other financial liabilities	32	**7,423.68**	9,443.72
Provisions	33	**681.61**	849.48
Other current liabilities			
Contract liability-deferred revenue	34	**64,342.90**	57,469.04
Others	35	**2,600.77**	2,761.37
		102,584.82	96,768.81
		701,430.17	650,401.33

See accompanying notes to the financial statements

As per our report of even date attached

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

Koosai Lehery
Partner
Membership Number: 112399
Place: Mumbai
Date : April 25, 2023

For and on behalf of the Board of Directors

Arun Nanda
Chairman
DIN: 00010029

Kavinder Singh
Managing Director & CEO
DIN: 06994031

Sujit Vaidya
Chief Financial Officer

Dhanraj Mulki
Company Secretary

Place: Mumbai
Date : April 25, 2023

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
Income			
Revenue from operations	36	**119,618.18**	96,068.43
Other income	37	**10,938.42**	11,003.80
Total Income		**130,556.60**	107,072.23
Expenses			
Employee benefits expense	38	**30,192.79**	24,861.81
Finance costs	39	**2,913.00**	2,115.85
Depreciation and amortisation expense	4, 5 & 6	**13,908.54**	11,988.56
Other expenses	40	**62,136.02**	47,753.44
Total Expenses		**109,150.35**	86,719.66
Profit before tax		**21,406.25**	20,352.57
Tax expense			
Current tax	41	**6,788.40**	2,665.76
Deferred tax	41	**(1,239.93)**	2,556.35
Total tax expense		**5,548.47**	5,222.11
Profit after tax		**15,857.78**	15,130.46
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of the defined benefit (asset) / liability		**117.62**	(70.58)
Freehold land revaluation		**-**	8,848.36
Income taxes related to items that will not be reclassified to profit or loss		**520.59**	(1,748.98)
Net other comprehensive income not to be reclassified subsequently to profit or loss		**638.21**	7,028.80
Total comprehensive income for the year		**16,495.99**	22,159.26
Earnings per equity share :			
(face value of ₹ 10 per share)			
Basic (in ₹)	42	**7.92**	7.58
Diluted (in ₹)	42	**7.89**	7.55

See accompanying notes to the financial statements

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Koosai Lehery
Partner
Membership Number: 112399
Place: Mumbai
Date : April 25, 2023

For and on behalf of the Board of Directors

Arun Nanda
Chairman
DIN: 00010029

Kavinder Singh
Managing Director & CEO
DIN: 06994031

Sujit Vaidya
Chief Financial Officer

Dhanraj Mulki
Company Secretary

Place: Mumbai
Date : April 25, 2023

Statement of Changes in Equity

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	Share Capital	Other Equity									Total
		Reserves & Surplus									
	Equity Share Capital	Capital Reserve	Securities Premium	General Reserve	Share Options Outstanding Account	Capital Redemption Reserve	Retained Earnings	Revaluation Reserve	Other Comprehensive Income Actuarial (Loss)	Transition Difference	Share Application Money Pending Allotment	
Balance at the beginning of the reporting year - April 1, 2022	**19,984.81**	**44.75**	**4,209.39**	**10,381.68**	**1,872.37**	**145.80**	**76,281.54**	**84,007.33**	**(215.74)**	**(140,272.59)**	**-**	**56,439.34**
Profit for the year	-	-	-	-	-	-	15,857.78	-	-	-	-	15,857.78
Effect of change in tax base	-	-	-	-	-	-	-	550.20	-	-	-	550.20
Additions during the year	-	-	-	-	315.20	-	-	-	-	-	-	315.20
Share application money pending allotment	-	-	-	-	-	-	-	-	-	-	117.33	117.33
Fresh issue of shares	84.89	-	1,122.16	-	-	-	-	-	-	-	-	1,207.05
OCI component of actuarial gains/(losses) (Net of taxes)	-	-	-	-	-	-	-	-	88.02	-	-	88.02
Balance at the end of the reporting period - March 31, 2023	**20,069.70**	**44.75**	**5,331.55**	**10,381.68**	**2,187.57**	**145.80**	**92,139.32**	**84,557.53**	**(127.72)**	**(140,272.59)**	**117.33**	**74,574.92**

Particulars	Share Capital	Other Equity									Total
		Reserves & Surplus									
	Equity Share Capital	Capital Reserve	Securities Premium	General Reserve	Share Options Outstanding Account	Capital Redemption Reserve	Retained Earnings	Revaluation Reserve	Other Comprehensive Income Actuarial (Loss)	Transition Difference	Share Application Money Pending Allotment	
Balance at the beginning of the reporting year - April 1, 2021	13,292.38	44.75	10,361.67	10,381.68	1,603.47	145.80	61,151.08	76,925.70	(162.92)	(140,272.59)	-	33,471.02
Profit for the year	-	-	-	-	-	-	15,130.46	-	-	-	-	15,130.46
Additions during the year	-	-	-	-	268.90	-	-	7,081.63	-	-	-	7,350.53
Bonus Issue	6,653.25	-	(6,653.25)	-	-	-	-	-	-	-	-	-
Capitalisation of share issue expenses	-	-	(112.50)	-	-	-	-	-	-	-	-	(112.50)
Fresh issue of shares	39.18	-	613.47	-	-	-	-	-	-	-	-	652.65
OCI component of actuarial gains / (losses) (Net of taxes)	-	-	-	-	-	-	-	-	(52.82)	-	-	(52.82)
Balance at the end of the reporting period - March 31, 2022	19,984.81	44.75	4,209.39	10,381.68	1,872.37	145.80	76,281.54	84,007.33	(215.74)	(140,272.59)	-	56,439.34

See accompanying notes to the financial statements
As per our report of even date attached

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

Koosai Lehery
Partner
Membership Number: 112399
Place: Mumbai
Date : April 25, 2023

For and on behalf of the Board of Directors

Arun Nanda
Chairman
DIN: 00010029

Kavinder Singh
Managing Director & CEO
DIN: 06994031

Sujit Vaidya
Chief Financial Officer

Dhanraj Mulki
Company Secretary

Place: Mumbai
Date : April 25, 2023

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before tax for the year	**21,406.25**	20,352.57
Adjustments for:		
Finance costs	**2,913.00**	2,115.85
Interest income	**(5,441.72)**	(5,432.85)
Depreciation and amortisation of non-current assets	**13,908.54**	11,988.56
Net Loss on disposal of property, plant and equipment	**127.75**	222.16
Gain due to change in lease arrangements	**(173.39)**	(1,247.46)
Net foreign exchange (Gain)/ Loss	**(2,784.27)**	164.00
Net Gain on sale of investment	**(1,774.27)**	(2,773.46)
Net Gain on investments carried at FVTPL	**(316.33)**	(738.86)
Equity-settled share-based payments	**315.20**	268.90
	6,774.51	4,566.84
Operating profit before working capital changes	**28,180.76**	24,919.41
Movements in working capital:		
(Increase) / Decrease in trade, other receivables and deferred acquisition cost	**(9,765.48)**	3,423.50
Decrease/ (Increase) in inventories	**76.13**	(179.25)
(Decrease)/ Increase in trade payables	**(212.74)**	2,218.25
(Decrease)/ Increase in provisions	**(63.38)**	131.18
Increase in contract liability-deferred revenue	**24,371.80**	147.84
Decrease in other liabilities	**(1,479.73)**	(868.32)
	12,926.60	4,873.20
Cash generated from operations	**41,107.36**	29,792.61
Income taxes refund / (paid) [Net]	**158.47**	5,802.96
NET CASH GENERATED FROM OPERATING ACTIVITIES	**41,265.83**	35,595.57
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Interest received	**3,026.38**	4,636.90
ICD given to related parties	**(27,322.15)**	(1,880.00)
ICD repayments by related parties	**-**	42.95
Placement of fixed deposits and other deposits	**(13,936.31)**	(86,701.22)
Proceeds from maturity of fixed deposits and other deposits	**40,748.39**	88,811.84
Payments for property, plant and equipment and intangibles including CWIP	**(15,634.88)**	(12,733.81)
Proceeds from disposal of property, plant and equipment	**43.89**	49.59
Proceeds from disposal of investment	**69,983.78**	21,731.36
Purchase of equity investment	**(1,205.00)**	-
Purchase of investment	**(93,600.00)**	(40,098.00)
NET CASH USED IN INVESTING ACTIVITIES	**(37,895.90)**	(26,140.39)

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from issue of equity share capital	**1,207.05**	652.65
Share issue expenses	**-**	(112.50)
Share application money pending allotment	**117.33**	-
Proceeds from borrowings	**8,503.43**	749.24
Repayment of borrowings	**(8,503.43)**	(749.24)
Payment of lease liabilities	**(5,743.43)**	(4,193.80)
Dividend paid	**(0.92)**	-
Interest paid on borrowings	**(2.75)**	(0.22)
Interest paid on lease liabilities	**(2,910.24)**	(2,115.63)
NET CASH USED IN FINANCING ACTIVITIES	**(7,332.96)**	(5,769.50)
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**(3,963.03)**	3,685.68
Cash and cash equivalents at the beginning of the year	**5,648.46**	1,962.78
Cash and cash equivalents at the end of the year (Refer note no. 18)	**1,685.43**	5,648.46

See accompanying notes to the financial statements

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Koosai Lehery
Partner
Membership Number: 112399
Place: Mumbai
Date : April 25, 2023

For and on behalf of the Board of Directors

Arun Nanda
Chairman
DIN: 00010029

Kavinder Singh
Managing Director & CEO
DIN: 06994031

Sujit Vaidya
Chief Financial Officer

Dhanraj Mulki
Company Secretary

Place: Mumbai
Date : April 25, 2023

1 Corporate Information

Mahindra Holidays & Resorts India Limited ('the Company') was incorporated on September 20, 1996, and is in the business of selling vacation ownership and providing holiday facilities.

2(a) Significant accounting policies

(i) Statement of compliance

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

(ii) Basis of preparation and presentation

The standalone financial statements of the Company have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

All amounts have been rounded off to the nearest lakhs, unless stated otherwise.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these standalone financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

The significant accounting policies are set out below.

(iii) Revenue recognition

a. Revenue from sale of vacation ownership

The Company's business is to sell vacation ownership and provide holiday facilities to members for a specified period each year, over a number of years, for which membership fee is collected either in full upfront, or on a deferred payment basis.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation.

Revenue from Membership fees

The Company recognises the membership fees over the tenure of membership as the performance obligation is fulfilled over the tenure of membership (33 years / 25 years / 10 years or any other tenure applicable to the respective member). The Company will recognise revenue on a straight line basis over the tenure of membership after considering the expected customer unexercised rights from date of admission of each member. The revenue which will be recognised in future periods are disclosed under other liabilities – contract liability - deferred revenue-vacation ownership. Revenue from consumer offers and other benefits provided on membership are recognized as and when such benefits are provided to members at its respective fair value.

Discounts and other incentives provided to the customer's are reduced from the overall contract value.

Deferred acquisition cost

Incremental costs of acquisition of the members are deferred over the period of effective membership in line with revenue deferral. Incremental costs are those that would not have been incurred if the contract was not obtained. Such cost which will be amortised in the future period are disclosed under deferred acquisition cost.

Revenue from annual subscription fees

Annual subscription fee dues from members are recognized as income on accrual basis and fees pertaining to the period beyond the date of the Balance Sheet is grouped under Other liabilities - Deferred revenue – Annual subscription fee.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Interest income on deferred payment plans

Interest revenue is recognised only to the extent that a contract asset (or receivable) or a contract liability is recognised in accounting for a contract with the customer. Also refer accounting policy for financial instruments (note no xv).

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the Company. Revenue with respect to instalments/contracts where there is an uncertainty about collectability, is deferred (even though the membership is not cancelled). The estimation of such revenues where there is uncertainity in collection has been made by the Company based on past trends of year-wise cancellation of memberships and considering factors impacting future collections.

b. Income from resorts include income from room rentals, food and beverages, etc. and is recognized when services are rendered.

(iv) Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the present value of future lease liability. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the period of lease term. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rates in the country of domicile of these leases.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(v) Foreign currencies

The standalone financial statements of the Company are presented in Indian Rupees (INR), which is the Company's functional currency. In preparing the standalone financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

(vi) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in the statement of profit or loss in the period in which they are incurred.

(vii) Employee benefits

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund and compensated absences.

Defined contribution plans

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are recognized as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out by an independent actuary at the end of each reporting period. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments; settlements);
- Net interest expense or income; and
- Re-measurement

The Company presents the first two components of defined benefit costs in the statement of profit and loss in the line item 'Employee benefits expense'. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Curtailment gains and losses are accounted for as past service costs. Past service cost is recognized in profit or loss in the period of a plan amendment.

The obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Short-term and other long-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflow expected to be made by the Company in respect of services provided by employees upto the reporting date.

(viii) Share based payment arrangements

Equity-settled share based payments to employees are measured at the fair value of the equity instruments at the grant date.

Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 24.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in the statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share options outstanding account in Reserves & Surplus.

(ix) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred taxes are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on the tax rates and the tax laws enacted or substantively enacted as at the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognized in the statement of profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

(x) Property, plant and equipment (PPE)

Buildings held for use in the supply or production of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

Freehold land is valued at Fair value based on valuations by external independent valuers at sufficient regularity between 3-5 years.

Any revaluation surplus is recognised in other comprehensive income and accumulated in equity under revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in the statement of profit and loss, in which case the increase is recognised in profit or loss. A revaluation deficit is recognised in the statement of profit and loss, except to the extent that it offsets an existing surplus on the same asset carried in the revaluation reserve.

Furniture and fixtures and office equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Plant and Equipment in the course of construction for supply, production or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees, other directly attributable expenses and, for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Category of Asset	Estimated useful lives
Leasehold Building	Period of lease
Buildings (other than those mentioned below)	30 - 60 years
Floating cottages (grouped under buildings)	25 years
Plant & equipment	5 - 15 years
Furniture and Fixtures (other than those mentioned below)	5 - 10 years
Furniture and Fixtures (in Club Mahindra Holiday World)	3 years
Vehicles (other than those mentioned below)	8 years
Motor vehicles/other assets provided to employees	4 - 5 years
Office equipment	5 years

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Items of property, plant and equipment are derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

(xi) Intangible assets

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Category of Asset	Estimated useful lives
Computer software and website development cost	3 years

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in statement of profit and loss when the asset is derecognized.

(xii) Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in statement of profit and loss.

(xiii) Inventories

Inventories are carried at the lower of cost and net realizable value. Costs of inventories are determined on moving weighted average basis. Cost includes the purchase price, non-refundable taxes and delivery handling cost. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(xiv) Provisions

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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(xv) Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in statement of profit and loss.

All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through the statement of profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Interest income from other financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognized when the shareholder's right to receive payment has been established, provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Effective interest method

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(xvi) Financial assets

A financial asset is any asset that is:

(a) cash;

(b) an equity instrument of another entity;

(c) a contractual right:

(i) to receive cash or another financial asset from another entity; or

(ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially favorable to the Company; or

(d) a contract that will or may be settled in the Company's own equity instruments and is:

(i) a non-derivative for which the Company is or may be obliged to receive a variable number of the entity's own equity instruments; or

(ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments.

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

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

Classification of financial assets

Debt

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at "fair value through profit or loss (FVTPL)" on initial recognition):

the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments (except for debt instruments that are designated as at FVTPL on initial recognition) that meet the following conditions are subsequently measured at "fair value through other comprehensive income (FVTOCI)":

the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and

the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Interest income is recognized in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortized cost are recognized in the statement of profit and loss and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to the statement of profit and loss.

A debt instrument that meets the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Debt instruments classified as FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss. The Company has not designated any debt instrument as at FVTPL.

Equity

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Equity instruments at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit and loss. The net gain or loss recognized in profit and loss incorporates any dividend earned on the financial asset and is included under 'Other income'. Dividend on financial assets at FVTPL is recognized when the Company's right to receive the dividends is established and the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Investments in equity instruments of subsidiaries, joint ventures and associates are measured at cost.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables, and other contractual rights to receive cash or other financial asset not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses considering the nature of industry and the deferred payment schemes operated.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in the statement of profit and loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognized in other comprehensive income is allocated between the part that continues to be recognized and the part that is no longer recognized on the basis of the relative fair values of those parts.

Foreign exchange gains and losses on financial assets

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognized in statement of profit and loss.

Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognized in other comprehensive income.

For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortized cost are recognized in the statement of profit and loss and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive income.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(xvii) Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

A financial liability is any liability that is:

(a) a contractual obligation :

  (i) to deliver cash or another financial asset to another entity; or

  (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Company; or

(b) a contract that will or may be settled in the Company's own equity instruments and is:

  (i) a non-derivative for which the Company is or may be obliged to deliver a variable number of the Company's own equity instruments; or

  (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments. For this purpose, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the Company offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. Apart from the aforesaid, the equity conversion option embedded in a convertible bond denominated in foreign currency to acquire a fixed number of the Company's own equity instruments is an equity instrument if the exercise price is fixed in any currency.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognized by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

a) it has been incurred principally for the purpose of repurchasing it in the near term; or

b) on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

c) it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognized by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

a) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

b) the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Company is provided internally on that basis; or

c) it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognized in profit and loss. The net gain or loss recognized in profit and loss incorporates any interest paid on the financial liability and is included in the 'Other income' / 'Other expenses' line item as appropriate.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognized in the statement of profit and loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included under 'Finance costs'.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized.

Foreign exchange gains and losses on financial liabilities

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains are determined based on the amortised cost of the instruments and are recognized in "Other income" and losses are recognised in "Finance Cost" to the extent it is related to borrowings.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognized in statement of profit and loss.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in statement of profit and loss.

(xviii) Cash flow statements

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flows from operating activities are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the Company are segregated based on the available information.

(xix) Earnings per share

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

(xx) Insurance Claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(xxi) Operating cycle

Based on the nature of services / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2(b) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described above, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below :

a. Share based payments

The entity initially measures the cost of equity settled transactions with employees using the Black Scholes model to determine the fair value of the options granted. Estimating the fair value of the share options granted require determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating the fair value for the share based payment transactions are disclosed in Note 24.

b. Defined benefit plans (gratuity)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Further details about the gratuity obligation are disclosed in Note 44.

c. Intangible assets under development

The Company capitalizes intangibles under development in accordance with the accounting policy. Initial capitalization of costs is based on management's judgement that technological and economic feasibility is confirmed.

d. Estimation towards revenue deferred due to uncertainity of collection

The quantum of revenue deferred due to uncertainity of collection is computed based on past trends of year-wise cancellation of memberships and considering factors impacting future collections.

e. Significant financing component

Given the nature of vacation ownership business, the Company has determined that membership fee does not include a significant financing component. Where the payment is received in installments, the Company charges appropriate interest to the members.

f. Customer unexercised rights

The Company considers the expected customers unexercised rights, while determining the effective membership period over which the membership fee needs to be recognised. This customer unexercised right is computed based on past trend of utilisation of membership by the customer.

g. Litigation for taxation matters

The Company is subject to tax litigation, the outcome of which is subject to many uncertainities inherent in litigation such as interpretation of legislation, outcome of appeals etc. Litigation provisions are reviewed at each accounting period and revisions made for the change in facts and circumstances.

h. Fair valuation of Freehold land

Freehold land is measured at Fair value based on valuations by external independent valuers using the market approach at sufficient regularity between 3-5 years.

i. Leases

The Company makes an assessment on the expected lease term on a lease-by-lease basis as per the contract period. Further, discount rate is based on the incremental borrowing rate of the Company at the time of commencement of lease.

3 **Recent pronouncements:**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

(i) Ind AS 1 - Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Group does not expect this amendment to have any significant impact in its financial statements.

(ii) IND AS 12 - Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group is evaluating the impact, if any, in its financial statements.

(iii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Group does not expect this amendment to have any significant impact in its financial statements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 4 - Property, plant and equipment

Description of Assets	Land - Freehold	Buildings - Freehold	Buildings - Leasehold	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total
I. Gross Block								
Balance as at April 1, 2022	123,347.85	85,963.42	156.09	31,982.11	3,350.08	23,374.42	1,504.92	269,678.89
Additions	172.41	3,561.75	-	3,603.12	455.49	2,261.00	113.05	10,166.82
Disposals	-	(384.21)	-	(207.86)	(8.55)	(58.49)	(21.67)	(680.78)
Balance as at March 31, 2023	**123,520.26**	**89,140.96**	**156.09**	**35,377.37**	**3,797.02**	**25,576.93**	**1,596.30**	**279,164.93**
II. Accumulated depreciation								
Balance as at April 1, 2022	-	14,137.78	156.09	19,786.59	2,528.96	15,847.89	958.26	53,415.57
Depreciation for the year	-	1,622.31	-	2,737.94	358.31	1,657.55	134.12	6,510.23
Eliminated on disposal of assets	-	(249.18)	-	(193.27)	(7.42)	(37.63)	(21.54)	(509.04)
Balance as at March 31, 2023	**-**	**15,510.91**	**156.09**	**22,331.27**	**2,879.85**	**17,467.81**	**1,070.84**	**59,416.76**
Net block (I-II)								
Balance as at March 31, 2023	**123,520.26**	**73,630.05**	**-**	**13,046.10**	**917.17**	**8,109.12**	**525.46**	**219,748.16**
Balance as at March 31, 2022	123,347.85	71,825.64	-	12,195.52	821.12	7,526.53	546.66	216,263.32

Description of Assets	Land - Freehold	Buildings - Freehold	Buildings - Leasehold	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total
I. Gross Block								
Balance as at April 1, 2021	114,484.49	81,317.60	156.09	30,116.49	2,748.83	20,514.38	1,348.88	250,686.76
Additions	15.00	4,910.11	-	3,160.46	659.81	2,925.80	207.08	11,878.26
Disposals	-	(264.29)	-	(1,294.84)	(58.56)	(65.76)	(51.04)	(1,734.49)
Revaluation	8,848.36	-	-	-	-	-	-	8,848.36
Balance as at March 31, 2022	123,347.85	85,963.42	156.09	31,982.11	3,350.08	23,374.42	1,504.92	269,678.89
II. Accumulated depreciation								
Balance as at April 1, 2021	-	12,699.35	156.09	18,590.10	2,288.13	14,500.54	880.12	49,114.33
Depreciation for the year	-	1,478.06	-	2,451.06	298.23	1,408.13	128.58	5,764.06
Eliminated on disposal of assets	-	(39.63)	-	(1,254.57)	(57.40)	(60.78)	(50.44)	(1,462.82)
Balance as at March 31, 2022	-	14,137.78	156.09	19,786.59	2,528.96	15,847.89	958.26	53,415.57
Net block (I-II)								
Balance as at March 31, 2022	123,347.85	71,825.64	-	12,195.52	821.12	7,526.53	546.66	216,263.32
Balance as at March 31, 2021	114,484.49	68,618.25	-	11,526.39	460.70	6,013.84	468.76	201,572.43

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 4 - Property, plant and equipment (Contd.)

Details of Title deeds of Immovable Properties not held in name of the Company

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value as at March 31, 23	Gross carrying value as at March 31, 22	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company
Freehold land	Manali - Resort	1,243.05	1,243.05	Competent Hotels Private Limited - Manali	No	Merger effective from 1/4/2015	Received on merger of the erstwhile Companies. Company has submitted relevant documents with necessary charges & fees and awaiting closure from the respective government authorities.
Freehold land	Jaisalmer Divine - Resort	1,944.00	1,944.00	Divine Heritage Hotels Private Limited - Jaisalmer	No	Merger effective from 1/4/2015	Received on merger of the erstwhile Companies. Company has submitted relevant documents with necessary charges & fees and awaiting closure from the respective government authorities.
Building	Manali - Resort	629.19	629.19	Competent Hotels Private Limited - Manali	No	Merger effective from 1/4/2015	Received on merger of the erstwhile Companies. Company has submitted relevant documents with necessary charges & fees and awaiting closure from the respective government authorities.
Building	Jaisalmer Divine - Resort	1,211.15	1,211.15	Divine Heritage Hotels Private Limited - Jaisalmer	No	Merger effective from 1/4/2015	Received on merger of the erstwhile Companies. Company has submitted relevant documents with necessary charges & fees and awaiting closure from the respective government authorities.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 5 - Right of use asset

Description of Assets	Right of Use Asset
I. Gross Block	
Balance as at April 1, 2022	**42,046.28**
Additions	**18,553.82**
Deletions	**(2,014.72)**
Balance as at March 31, 2023*	**58,585.38**
II. Accumulated depreciation	
Balance as at April 1, 2022	**15,265.11**
Depreciation expense for the year	**6,583.12**
Eliminated on disposal of assets	**(1,355.72)**
Balance as at March 31, 2023*	**20,492.51**
Net block (I-II)	
Balance as at March 31, 2023 (refer note 53)	**38,092.87**
Balance as at March 31, 2022	26,781.17

* Pertains to lease of resorts and office properties

Description of Assets	Right of Use Asset
I. Gross Block	
Balance as at April 1, 2021	25,740.06
Additions	17,292.99
Deletions	(986.77)
Balance as at March 31, 2022*	42,046.28
II. Accumulated depreciation	
Balance as at April 1, 2021	10,328.03
Depreciation expense for the year	5,763.31
Eliminated on disposal of assets	(826.23)
Balance as at March 31, 2022*	15,265.11
Net block (I-II)	
Balance as at March 31, 2022 (refer note 53)	26,781.17
Balance as at March 31, 2021	15,412.03

* Pertains to lease of resorts and office properties

Note No. 6 - Other intangible assets

Description of Assets	Computer Software (including Website development cost)
I. Gross Block	
Balance as at April 1, 2022	9,260.31
Additions	870.85
Disposals	-
Balance as at March 31, 2023	**10,131.16**
II. Accumulated amortization	
Balance as at April 1, 2022	7,779.33
Amortisation expense for the year	815.10
Eliminated on disposal of assets	-
Balance as at March 31, 2023	**8,594.43**
Net block (I-II)	
Balance as at March 31, 2023	**1,536.73**
Balance as at March 31, 2022	1,480.98

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 6 - Other intangible assets (Contd.)

Description of Assets	Computer Software (including Website development cost)
I. Gross Block	
Balance as at April 1, 2021	7,920.10
Additions	1,353.86
Disposals	(13.65)
Balance as at March 31, 2022	9,260.31
II. Accumulated amortization	
Balance as at April 1, 2021	7,331.79
Amortisation expense for the year	461.19
Eliminated on disposal of assets	(13.65)
Balance as at March 31, 2022	7,779.33
Net block (I-II)	
Balance as at March 31, 2022	1,480.98
Balance as at March 31, 2021	588.31

Note No. 7 - Non-current investments (Refer Note 51)

Particulars	Face value	Currency	As at March 31, 2023		As at March 31, 2022	
			Quantity	Amount	Quantity	Amount
Unquoted Investments at Cost (fully paid)						
In Equity Instruments of Subsidiaries						
Heritage Bird (M) Sdn. Bhd.	1	MYR	300,002	40.27	300,002	40.27
Mahindra Hotels and Residences India Limited	10	INR	49,994	5.00	49,994	5.00
Gables Promoters Private Limited	10	INR	65,000,000	6,543.78	65,000,000	6,543.78
MH Boutique Hospitality Limited	100	THB	49,000	95.38	49,000	95.38
Infinity Hospitality Group Company Limited	100	THB	734,850	2,681.11	734,850	2,681.11
MHR Holdings (Mauritius) Limited	1	EUR	145,000	115.10	145,000	115.10
Arabian Dreams Hotel Apartments LLC	1000	AED	147	52.11	147	52.11
Guestline Hospitality Management and Development Services Limited	10	INR	25,000	497.98	-	-
Mahindra Holidays & Resorts Harihareshwar Limited	10	INR	50,000	5.00	-	-
				10,035.73		9,532.75
In equity instruments of associates						
Great Rocksport Private Limited	1	INR	637,263	1,566.01	-	-
				1,566.01		-
				11,601.74		9,532.75
Unquoted Investments at FVTPL (fully paid)						
In Equity Instruments of other entities						
Mahindra World City Developers Ltd.	10	INR	1	-	1	-
Mahindra Hotels and Resorts Limited (cost of investment INR 1/-)	10	INR	-	-	20,011	-
Nreach Online Services Private Limited	10	INR	-	-	-	-
Great Rocksport Private Limited	1	INR	-	-	148,942	366.01
In Preference Instruments of other entities						
Guestline Hospitality Management and Development Services Limited (25,000 7% non-cumulative redeemable participating optionally convertible preference shares of ₹ 10/- each)	10	INR	-	-	25,000	214.48
		-		-		580.49
Aggregate book value of unquoted investments				11,601.74		10,113.24

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 7 - Non-current investments (Contd.)

Name of Subsidiaries	Place Of Business	As at March 31, 2023 % of holding	As at March 31, 2022 % of holding
Heritage Bird (M) Sdn. Bhd.	Malaysia	**100**	100
Mahindra Hotels and Residences India Ltd.	Mumbai	**100**	100
Gables Promoters Private Limited	Chandigarh	**100**	100
MH Boutique Hospitality Limited	Thailand	**49**	49
Infinity Hospitality Group Company Limited	Thailand	**73.99**	73.99
MHR Holdings (Mauritius) Limited	Mauritius	**100**	100
Arabian Dreams Hotel Apartments LLC	Dubai	**49**	49
Guestline Hospitality Management and Development Services Limited	India	**98.39**	-
Mahindra Holidays & Resorts Harihareshwar Limited	India	**100**	-

Note No. 8 - Non-current trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good	**22,026.25**	22,120.23
	22,026.25	22,120.23

Note No. 9 - Non-current loans (Unsecured, considered good)

Particulars	As at March 31, 2023	As at March 31, 2022
Loans to related parties (refer note no 51)	**36,793.62**	-
	36,793.62	-

Note No. 10 - Other non-current financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets at amortised cost		
Guarantee commission receivable **	**810.45**	3,085.70
Bank deposit with more than twelve months original maturity	**12,995.92**	10,908.76
Security deposits	**5,097.29**	4,570.15
Other deposits*	**13,500.00**	37,700.00
	32,403.66	56,264.61

*out of the total amount, ₹ 9,500 lakhs (Previous year ₹23,500 lakhs) pertains to deposit with related parties.

**includes receivable from related parties ₹ 240.94 Lakhs (Previous year ₹ 2,252.21 lakhs). Refer note no 51

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 11 (a) - Deferred tax assets (Net)

Particulars	As at March 31, 2023	As at March 31, 2022
Tax effect of items constituting deferred tax liabilities		
Property, plant and equipment (excluding land)	**7,585.17**	7,134.49
Deferred acquisition cost	**19,310.63**	18,207.12
Fair valuation of financial assets	**1,781.96**	1,688.72
Tax effect of items constituting deferred tax assets		
Employee benefits	**373.76**	370.90
Deferred revenue	**67,434.22**	64,832.33
Receivables / Revenue derecognition	**645.20**	645.20
Lease arrangements	**1,733.31**	1,450.59
Provisions	**47.60**	47.70
Net Deferred Tax Assets	**41,556.33**	40,316.39

Note No. 11 (b) - Deferred tax liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Fair valuation of land	**20,451.98**	21,002.18
	20,451.98	21,002.18

Note No. 12 - Other non-current tax assets

Particulars	As at March 31, 2023	As at March 31, 2022
Other non-current tax assets (Net of provisions up to the reporting date)	**3,228.94**	10,205.41
	3,228.94	10,205.41

Note No. 13 - Non-current deferred acquisition cost

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred acquisition cost (refer note 2(a)(iii))	**70,988.05**	67,035.95
	70,988.05	67,035.95

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 14 - Other non-current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Capital advances	**3,914.04**	2,499.18
Prepayments	**524.86**	552.23
Duty paid under protests	**310.22**	310.22
With government authorities (excluding income taxes)	**822.31**	752.27
	5,571.43	4,113.90

Note No. 15 - Inventories (At lower of cost and net realisable value)

Particulars	As at March 31, 2023	As at March 31, 2022
Food and beverages	**187.22**	175.26
Operating supplies	**369.65**	457.74
	556.87	633.00
Cost of food and beverages recognised as an expense during the year (Refer Note 40)	**4,741.10**	3,118.32

Note No. 16 - Current investments

Particulars	As at March 31, 2023		As at March 31, 2022	
	Units	Amount	Units	Amount
Unquoted Investments at FVTPL (all fully paid)				
Investments in Mutual Funds				
Axis Banking & PSU Debt Fund -Direct - Growth	**235,746**	**5,395.22**	235,746	5,155.91
Axis Liquid Fund-Direct Growth	**62,813**	**1,570.89**	-	-
Axis Money Market Fund-Direct Growth	**247,520**	**3,013.83**	-	-
Bandhan Bond Fund-Short Term Plan-Direct Growth	**11,723,872**	**5,980.41**	-	-
IDFC Bond Fund-Short Term Plan-Direct Growth	**-**	**-**	11,723,872	5,744.32
ICICI Prudential Liquid Fund-Direct Growth	**566,461**	**1,887.37**	-	-
ICICI Prudential Nifty SDL Sep 2027 Index Fund– Direct Growth	**58,192,452**	**6,035.02**	-	-
ICICI Prudential Money Market – Direct Growth	**1,115,661**	**3,618.19**	-	-
HDFC Corporate Bond Fund-Regular Plan-Growth	**-**	**-**	395,034	103.23
HDFC Corporate Bond Fund-Direct Plan-Growth	**-**	**-**	22,066,862	5,843.61
Mahindra Liquid Fund - Direct - Growth	**-**	**-**	408,343	5,652.22
Mahindra Manulife Overnight Direct-Growth	**-**	**-**	1,241	13.65
Kotak-Corporate Bond -Direct Growth	**160,461**	**5,257.07**	160,461	5,027.04
Nippon India Money Market - Direct Growth	**107,593**	**3,816.87**	-	-
Nippon India AAA CPSE Bond plus SDL-April 2027 (60:40) Index Fund – Direct Growth	**36,991,560**	**3,811.57**	-	-
Nippon India Liquid Fund-Direct Plan Growth	**61,433**	**3,383.07**	7,740	403.09
Tata Mutual Fund - Money Market Fund	**9,890**	**400.37**	-	-
UTI Money Market - Direct Growth	**129,624**	**3,415.41**	-	-
UTI Liquid Cash Plan - Direct Growth	**156,699**	**5,781.10**	-	-
Aggregate book value of unquoted investments	**109,761,785**	**53,366.39**	34,999,299	27,943.07

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 17 - Current trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good	**94,007.13**	90,696.58
	94,007.13	90,696.58

Note No. 18 - Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks on current account	**1,611.07**	2,255.59
Cash on hand	**74.36**	92.87
Deposits with original maturity less than three months	**-**	3,300.00
	1,685.43	5,648.46

Note No. 19 - Other bank balances

Particulars	As at March 31, 2023	As at March 31, 2022
Earmarked balances with banks (unpaid dividend)	**4.56**	5.48
Bank Deposits with original maturity greater than three months and less than twelve months	**9,706.09**	32,605.34
	9,710.65	32,610.82

Note No. 20 - Current loans (unsecured, considered good)

Particulars	As at March 31, 2023	As at March 31, 2022
Loans to related parties (refer note no 51)	**-**	6,787.66
Loans and advances to employees	**71.03**	62.79
	71.03	6,850.45

Note No. 21 - Other current financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets at amortised cost		
Other receivables from related parties (refer note no 51)	**-**	111.97
Interest accrued but not due**	**5,591.67**	3,453.92
Other deposits*	**26,200.00**	4,699.99
	31,791.67	8,265.88

*out of the total amount ₹ 14,000 lakhs (Previous year Nil) pertains to deposit with related parties.

**includes receivable from related parties ₹ 3,769.58 Lakhs (Previous year ₹ 1,956.34 lakhs). Refer note no 51

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 22 - Deferred acquisition cost

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred acquisition cost (refer note 2(a)(iii))	**5,738.88**	5,306.39
	5,738.88	5,306.39

Note No. 23 - Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
With government authorities (excluding income taxes)	**5,120.02**	4,550.88
Prepayments	**552.74**	688.44
Advance to suppliers:		
Considered good	**1,612.21**	1,053.54
Considered doubtful *	**250.00**	250.00
Less: Provision for doubtful advances	**(250.00)**	(250.00)
	7,284.97	6,292.86

* includes advances given to related parties - ₹ 250 lakhs

Note No. 24 - Equity share capital

Particulars	As at March 31, 2023 No. of shares	As at March 31, 2023 Amount	As at March 31, 2022 No. of shares	As at March 31, 2022 Amount
Authorised:				
Equity shares of ₹ 10 each with voting rights	**300,000,000**	**30,000.00**	300,000,000	30,000.00
Issued, Subscribed and Fully Paid:				
Equity shares of ₹ 10 each with voting rights	**201,256,640**	**20,125.66**	200,598,176	20,059.82
Treasury Shares (par value)	**(559,592)**	**(55.96)**	(750,060)	(75.01)
	200,697,048	**20,069.70**	199,848,116	19,984.81

Treasury shares represents equity shares of ₹ 10/- each fully paid up, allotted to Mahindra Holidays & Resorts India Limited Employees' Stock Option Trust ('ESOP Trust') but not exercised by employees.

24 a) Terms / rights attached to equity shares:

i) The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity share is entitled to one vote per share.

ii) Repayment of capital will be in proportion to the number of equity shares held.

iii) With the adoption of new revenue recognition policy in accordance with Ind AS 115, the Company had to change its revenue recognition policy. Consequently, the Deferred Revenue and Deferred Costs had to be recomputed and that resulted in a Transition Difference. The Company is profitable and has healthy cash flows and has declared dividends every year since 2006. The Company is seeking a clarification from Ministry of Corporate Affairs (MCA) that this Transition Difference ought not to be considered for the purpose of calculation of dividend, under section 123(1) of the Companies Act, 2013. The declaration of dividend, if any shall be subject to clarification from MCA.

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 24 - Equity Share Capital (Contd.)

24 b) Shares in the company held by holding company

Name of shareholder	No. of shares	% held as at March 31, 2023		No. of shares	% held as at March 31, 2022
Mahindra & Mahindra Limited (Holding Company)	**134,835,922**	**67.00%**		134,835,922	67.22%

24 c) Shares in the company held by promoters

Shares held by promoters at the end of the year				% Change during the year
Promoter name	Year ended	No. of Shares	% of Total Shares	
Mahindra & Mahindra Limited	**March 31 ,2023**	**134,835,922**	**67.00%**	**(0.22%)**
Mahindra & Mahindra Limited	March 31 ,2022	134,835,922	67.22%	

Shares held by promoters at the end of the year				% Change during the year
Promoter name	Year ended	No. of Shares	% of Total Shares	
Mahindra & Mahindra Limited	March 31 ,2022	134,835,922	67.22%	(0.09%)
Mahindra & Mahindra Limited	March 31 ,2021	89,890,615	67.31%	

24 d) Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	No. of shares	% held as at March 31, 2023		No. of shares	% held as at March 31, 2022
Mahindra & Mahindra Limited	**134,835,922**	**67.00%**		134,835,922	67.22%
HDFC Trustee Company Limited	**15,834,805**	**7.87%**		18,275,853	9.11%

24 e) The reconciliation of the number of shares outstanding as at March 31, 2023 and March 31, 2022 is set out below:-

Particulars	As at March 31, 2023			As at March 31, 2022	
	No. of Shares	In ₹ Lakhs		No. of Shares	In ₹ lakhs
Number of shares at the beginning	**199,848,116**	**19,984.81**		132,923,744	13,292.38
Add: Bonus Shares issued during the year	-	-		66,816,892	6,681.69
Add: Shares issued on exercise of employee stock options	**848,932**	**84.89**		391,875	39.18
Less: Shares issued to ESOP Trust as bonus shares	-	-		(284,395)	(28.44)
Number of shares at the end	**200,697,048**	**20,069.70**		199,848,116	19,984.81

In the previous year, the Board of Directors at its meeting held on July 29, 2021 had approved issue of bonus shares in the proportion of 1:2, i.e. 1(one) bonus equity share of ₹ 10/- each for 2(two) fully paid up equity shares which was allotted on September 13, 2021 on approval being received in the shareholder's meeting.

24 f) i) Under the Employee Stock Option Scheme ("ESOS 2006") equity shares are allotted to the ESOP Trust set up by the Company. The ESOP Trust holds these shares for the benefit of the eligible employees/directors as defined under the scheme and transfers these shares to them as per the recommendation of the remuneration committee.

ii) The Company formulated the Employee Stock Option Scheme ("ESOS 2014"), under which the Company has the option to issue and allot the shares either directly to the eligible employees/directors or through the ESOP Trust. To the extent allotted, ESOP Trust would hold these shares for the benefit of the eligible Employees/Directors as defined under the scheme and would transfer the shares to them as per the recommendation of the remuneration committee.

iii) The Company formulated the Employee Stock Option Scheme ("ESOS 2020"), under which the Company has the option to issue and allot the shares directly to the eligible employees/directors as per the recommendation of the remuneration committee.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 24 - Equity Share Capital (Contd.)

iv) The details of the Employees' Stock Option Schemes are as under:

Type of Arrangement	ESOS 2006 - Equity settled option plan administered through Employee Stock Option Trust. ESOS 2014 - Equity settled option plan issued directly/administered through Employee Stock Option Trust. ESOS 2020 - Equity settled option plan issued directly
Method of Settlement	By issue of shares at Exercise Price.

Particulars	Date of Grant	Original Exercise price (in ₹)	Adjusted Exercise Price upon issue of Bonus shares	Average Exercise Price (in ₹)	Vesting period (in years)	No. of options granted	Contractual life	Vesting condition	No. of options exercisable in each tranche
Grant I (ESOS 2006)	15/07/2006	16.00	N.A.	6.00	5	759,325	6 years from the date of grant	refer note (a) below	Minimum of 25 and a maximum of all the options vested but not exercised till that date.
Grant II (ESOS 2006)	30/03/2007	52.00	N.A.	19.50	4	122,235	5 years from the date of each vesting	25% each on expiry of 12,24,36 and 48 months from the date of grant.	
Grant III (ESOS 2006)	11/01/2007	52.00	N.A.	19.50	4	56,700			
Grant V (ESOS 2006)	11/01/2008	52.00	34.67	52.00	4	261,590			
Grant VI (ESOS 2006)	21/02/2012	370.00	N.A.	370.00	4	400,000			
Grant VII (ESOS 2006)	21/02/2012	323.00	143.55	215.33	4	186,500			
Grant VIII (ESOS 2006)	31/01/2013	323.00	143.55	215.33	4	130,000			
Grant IX (ESOS 2006)	29/01/2014	253.00	N.A.	253.00	4	35,000			
Grant I (ESOS 2014)	22/01/2015	264.00	117.33	176.00	4	620,000			refer note (b) below
Grant II (ESOS 2014)	27/10/2015	365.00	162.22	243.33	4	110,000			
Grant III (ESOS 2014)	18/02/2016	370.00	164.45	246.67	4	200,000			
Grant IV (ESOS 2014)	31/01/2017	406.00	180.45	270.67	4	80,000			
Grant V (ESOS 2014)	02/08/2017	410.00	273.33	410.00	4	60,000			
Grant VI (ESOS 2014)	15/05/2019	234.00	156.00	234.00	4	145,000			
Grant VII (ESOS 2014)	31/07/2019	226.00	N.A.	226.00	4	45,000			
Grant VIII (ESOS 2014)	04/11/2019	215.00	143.33	215.00	4	60,000			
Grant IX (ESOS 2014)	04/11/2019	215.00	N.A.	215.00	4	300,000			
Grant X (ESOS 2014)	01/02/2020	238.00	158.67	238.00	4	300,000			
Grant I (ESOS 2020)	29/10/2020	10.00	N.A.	10.00	3	100,000	5 years from the date of grant	33% each on expiry of 12,24 and 36 months from the date of grant.	
Grant II (ESOS 2020)	29/07/2021	10.00	N.A.	10.00	3	58,366			
Grant III (ESOS 2020)	22/10/2021	10.00	N.A.	10.00	3	61,395			
Grant IV (ESOS 2020)	02/11/2022	10.00	N.A.	10.00	3	156,701			

Note (a) 35%,30%,15%,10% and 10% on expiry of 12,24,36,48 and 60 months from the date of grant respectively.

Note (b) Minimum of 100 and a maximum of all the options vested but not exercised till that date.

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 24 - Equity Share Capital (Contd.)

v) Summary of Stock options (including bonus shares)

Particulars	Date of Grant	Options outstanding as on April 1, 2022	Options granted during the year	Options augmented upon issue of Bonus shares	Options vested during the year	Options exercised during the year	Options lapsed during the year	Options outstanding as on March 31,2023	Options vested but not exercised
Grant I (ESOS 2006)	15/07/2006	Closed							
Grant II (ESOS 2006)	30/03/2007	Closed							
Grant III (ESOS 2006)	11/01/2007	Closed							
Grant V (ESOS 2006)	11/01/2008	Closed							
Grant VI (ESOS 2006)	21/02/2012	Closed							
Grant VII (ESOS 2006)	21/02/2012	30,936	-	-	-	15,468	-	15,468	15,468
Grant VIII (ESOS 2006)	31/01/2013	35,000	-	-	-	35,000	-	-	-
Grant IX (ESOS 2006)	29/01/2014	Closed							
Grant I (ESOS 2014)	22/01/2015	675,000	-	-	-	277,500	-	397,500	397,500
Grant II (ESOS 2014)	27/10/2015	127,500	-	-	-	60,000	22,500	45,000	45,000
Grant III (ESOS 2014)	18/02/2016	225,000	-	-	-	225,000	-	-	-
Grant IV (ESOS 2014)	31/01/2017	Closed							
Grant V (ESOS 2014)	02/08/2017	45,000	-	-	-	-	-	45,000	45,000
Grant VI (ESOS 2014)	15/05/2019	197,500	-	-	38,125	60,000	-	137,500	66,875
Grant VII (ESOS 2014)	31/07/2019	Closed							
Grant VIII (ESOS 2014)	04/11/2019	90,000	-	-	22,500	20,000	-	70,000	47,500
Grant IX (ESOS 2014)	04/11/2019	Closed							
Grant X (ESOS 2014)	01/02/2020	257,500	-	-	75,000	137,500	-	120,000	45,000
Grant I (ESOS 2020)	29/10/2020	150,000	-	-	49,999	-	-	150,000	99,998
Grant II (ESOS 2020)	29/07/2021	87,546	-	-	23,916	18,464	15,778	53,304	5,452
Grant III (ESOS 2020)	22/10/2021	61,395	-	-	20,465	-	-	61,395	20,465
Grant IV (ESOS 2020)	02/11/2022	-	156,701	-	-	-	-	156,701	-
Total		**1,982,377**	**156,701**	**-**	**230,005**	**848,932**	**38,278**	**1,251,868**	**788,258**

The fair value of options as certified by independent valuer as of the respective dates of grant i.e. February 21, 2012 is ₹.129.93 for Grant VII (ESOS 2006), January 31, 2013 is ₹ 94.43 for Grant VIII (ESOS 2006), January 22, 2015 is ₹ 97.24 for Grant I (ESOS 2014), October 27, 2015 is ₹ 158.85 for Grant II (ESOS 2014), February 18, 2016 is ₹ 126.91 for Grant III (ESOS 2014), January 31, 2017 is ₹ 150.35 for Grant IV (ESOS 2014), August 02, 2017 is ₹ 161.83 for Grant V (ESOS 2014), May 15, 2019 is ₹ 82.36 for Grant VI (ESOS 2014), July 31, 2019 is ₹ 84.92 for Grant VII (ESOS 2014), November 04, 2019 is ₹ 85.97 for Grant VIII (ESOS 2014), November 04, 2019 is ₹ 85.97 for Grant IX (ESOS 2014), February 01, 2020 is ₹ 85.97 for Grant X (ESOS 2014) and October 29, 2020 is ₹ 157.53 for Grant I (ESOS 2020) , July 29, 2021 is ₹ 311.84 for Grant II (ESOS 2020), October 22, 2021 is ₹ 234.67 for Grant III (ESOS 2020) and November 02, 2022 is ₹ 275.63 for Grant IV (ESOS 2020).

The fair value has been calculated using the Black Scholes Options Pricing Model and the significant assumptions made in this regard are as follows:

Grant details	Grant Date	Risk free interest rate	Expected life	Expected volatility	Expected dividend yield
Grant VI & VII (ESOS 2006)	21/02/2012	8.00%	6.00	33%	4%
Grant VIII(ESOS 2006)	31/01/2013	7.78%	3.50	31%	1.38%
Grant IX (ESOS 2006)	29/01/2014	8.81%	3.50	29%	1.66%
Grant I (ESOS 2014)	22/01/2015	7.74%	3.50	29%	1.48%
Grant II (ESOS 2014)	27/10/2015	7.52%	3.50	30%	1.01%
Grant III (ESOS 2014)	18/02/2016	7.51%	3.50	34%	1.15%
Grant IV (ESOS 2014)	31/01/2017	6.40%	3.50	35%	1.22%
Grant V (ESOS 2014)	02/08/2017	6.31%	3.00	45%	0.42%
Grant VI (ESOS 2014)	15/05/2019	6.83%	3.00	38%	0%
Grant VII (ESOS 2014)	31/07/2019	6.05%	3.00	38%	0%
Grant VIII (ESOS 2014)	04/11/2019	5.74%	3.00	38%	0%
Grant IX (ESOS 2014)	04/11/2019	5.74%	3.00	38%	0%
Grant X (ESOS 2014)	01/02/2020	5.74%	3.00	38%	0%
Grant I (ESOS 2020)	29/10/2020	4.63%	3.00	38%	0%
Grant II (ESOS 2020)	29/07/2021	5.25%	3.50	39%	0%
Grant III (ESOS 2020)	22/10/2021	5.19%	3.50	39%	0%
Grant IV (ESOS 2020)	02/11/2022	7.16%	3.51	42.52%	0%

The weighted average share price at the date of exercise for options was ₹ 249.55 per share (March 31, 2022 ₹ 251.07 per share) and weighted average remaining contractual life for the share options outstanding as at March 31, 2023 was 2.22 years (March 31, 2022 3.73 years).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 25 - Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
General reserve	**10,381.68**	10,381.68
Securities premium	**5,331.55**	4,209.39
Share options outstanding account	**2,187.57**	1,872.37
Retained earnings	**92,139.32**	76,281.54
Capital reserve	**44.75**	44.75
Capital redemption reserve	**145.80**	145.80
Reserves & surplus	**110,230.67**	92,935.53
Revaluation Reserve	**84,557.53**	84,007.33
Other comprehensive income-actuarial loss	**(127.72)**	(215.74)
Transition difference	**(140,272.59)**	(140,272.59)
	54,387.89	36,454.53

Notes :

a) **General reserve:** The general reserve is used from time to time to transfer net profits from retained earnings for appropriation purposes.

b) **Securities Premium:** Securities premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, utilise equity related expenses like share issue expenses, etc.

c) **Share option outstanding account:** The Company has share option schemes under which options to subscribe the shares of the Company have been granted to certain eligible employees. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

d) **Capital reserve:** Capital Reserves are mainly the reserves created during business combination for the gain on bargain purchase and common control mergers. It is not available for distribution as dividend.

e) **Capital redemption reserve:** The capital redemption reserve is used towards issue of fully paid bonus shares of the Company.

f) **Revaluation reserve:** The revaluation reserve is credited on account of revaluation of freehold land. It is not available for distribution as dividend.

g) **Transition difference:** The Cumulative effect of applying Ind AS 115 Revenue from Contract with Customers, Ind AS 116 Leases (net of deferred tax) is recognised as an adjustment to other equity, by seperately disclosing it in Transition Difference. Subsequent impact of unwinding of transition adjustments of Ind AS 115 and Ind AS 116 is included in retained earnings.

Note No. 26 - Non-current lease liabilities (At amortised cost)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liabilities (Refer Note 53)	**34,102.84**	23,689.52
	34,102.84	23,689.52

Note No. 27 - Other non-current financial liabilities (At amortised cost)

Particulars	As at March 31, 2023	As at March 31, 2022
Retention Money	**580.01**	850.69
	580.01	850.69

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 28 - Non-current provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits - Compensated absences	**832.22**	845.35
	832.22	845.35

Note No. 29 - Other non-current liabilities - contract liability - deferred revenue

Particulars	As at March 31, 2023	As at March 31, 2022
Contract liability - deferred revenue - vacation ownership (Refer Note 52)	**468,303.38**	450,805.44
	468,303.38	450,805.44

Note No. 30 - Current lease liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liabilities (Refer Note 53)	**6,036.90**	4,472.22
	6,036.90	4,472.22

Note No. 31 - Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises (Refer Note No. 49)	**82.20**	445.88
Total outstanding dues of creditors other than micro enterprises and small enterprises	**21,416.76**	21,327.10
	21,498.96	21,772.98

Micro and small enterprises have been identified by the Company on the basis of the information available with the Company.

Note No. 32 - Other current financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Creditors for capital supplies/services	**776.22**	1,477.15
Guarantee liability	**569.51**	833.50
Commission payable to non-whole time directors	**201.11**	184.50
Unpaid dividends *	**4.56**	5.49
Employee benefits payable	**4,457.81**	4,530.43
Other payables	**1,414.47**	2,412.65
	7,423.68	9,443.72

* There are no amounts due and outstanding to be transferred to Investor Education and Protection Fund as at March 31, 2023

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 33 - Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
- Gratuity (refer note 44)	**28.70**	221.13
- Compensated absences	**652.91**	628.35
	681.61	849.48

Note No. 34 - Other current liabilities - contract liability - deferred revenue

Particulars	As at March 31, 2023	As at March 31, 2022
Contract liability - Deferred revenue - Vacation ownership	**46,651.02**	41,560.15
Contract liability - Deferred revenue - Annual subscription fee	**17,691.88**	15,908.89
	64,342.90	57,469.04

Note No. 35 - Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Taxes (excluding income taxes) and other statutory dues	**2,600.77**	2,761.37
	2,600.77	2,761.37

Note No. 36 - Revenue from operations

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from contract with customers		
Vacation ownership income	**45,452.43**	39,337.57
Income from resorts :		
Room rentals	**6,215.82**	2,773.88
Food and beverages	**19,989.35**	12,889.05
Wine and liquor	**677.53**	379.02
Others	**5,370.09**	3,228.76
Annual subscription fee	**34,018.58**	30,787.93
	111,723.80	89,396.21
Other operating revenue		
Interest income on installment sales	**5,672.28**	5,800.65
Miscellaneous income	**2,222.10**	871.57
	7,894.38	6,672.22
	119,618.18	96,068.43

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 37 - Other income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest income on financial assets at amortised cost		
On deposits with bank	**1,760.96**	1,927.83
On other deposits	**1,088.43**	677.98
On loans/deposits with related parties (refer Note No. 51)	**2,339.15**	2,527.74
Others	**282.50**	743.64
Net foreign exchange gain	**2,881.48**	-
Net gain arising on financial assets designated as at FVTPL	**2,090.60**	3,512.32
Gain due to change in lease arrangements	**173.39**	1,247.46
Guarantee commission from related parties (refer Note No. 51)	**321.91**	366.83
	10,938.42	11,003.80

Note No. 38 - Employee benefits expense

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages, including bonus	**26,196.73**	21,753.19
Contribution to provident and other funds	**1,802.55**	1,624.96
Equity-settled share-based payments	**315.20**	268.90
Staff welfare expenses	**1,878.31**	1,214.76
	30,192.79	24,861.81

Note No. 39 - Finance costs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest on lease liabilities (Refer Note 53)	**2,910.25**	2,115.63
Interest on short-term borrowings	**2.75**	0.22
	2,913.00	2,115.85

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 40 - Other expenses

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
Cost of food and beverages consumed				
Opening stock	**175.26**		127.65	
Add: Purchases	**4,753.06**		3,165.93	
Less: Closing stock	**187.22**		175.26	
		4,741.10		3,118.32
Operating supplies		**5,619.11**		3,384.00
Power & fuel		**4,673.86**		3,068.05
Rent including lease rentals (Refer Note 53)		**7,732.43**		4,821.61
Rates and taxes		**1,050.62**		996.65
Insurance		**599.84**		539.93
Repairs and maintenance				
Buildings		**592.63**		783.64
Plant & equipment		**754.31**		575.52
Others		**1,988.22**		1,417.93
Advertisement and sales promotion		**15,913.12**		13,136.80
Travelling and conveyance		**2,709.77**		1,776.98
Commission and other customer offers		**5,571.51**		4,777.40
Net loss on foreign currency transactions		**-**		193.49
Auditor's remuneration and out-of-pocket expenses				
For statutory audit		**102.00**		102.00
For other services		**50.38**		6.05
For reimbursement of expenses		**5.05**		1.50
Directors' fees		**62.70**		69.80
Commission to non whole time directors		**201.11**		184.50
Legal and other professional costs		**3,526.53**		3,745.63
Communication		**770.08**		508.20
Software charges		**255.52**		161.99
Service charges		**1,856.11**		1,372.47
Bank charges		**586.77**		503.32
Corporate social responsibility (CSR) expenditure (refer note no 47)		**325.42**		272.11
Loss on sale of property, plant and equipment (net)		**127.75**		222.16
Miscellaneous expenses		**2,320.09**		2,013.39
		62,136.02		47,753.44

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 41 - Current Tax and Deferred Tax

(a) Income Tax recognised in profit or loss

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current Tax:		
In respect of current year	**6,788.40**	2,665.76
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	**(1,239.93)**	2,556.35
Total income tax expense	**5,548.47**	5,222.11

The Special Bench of the Income Tax Appellate Tribunal (ITAT) has, after considering the relevant facts pertaining to the Company, by its order dated May 26, 2010 upheld the contention of the Company that in the Company's case 60% of the membership fees should be considered chargeable to tax in the year of enrolment of a member whereas the balance 40% should be charged on pro rata basis over the period of membership. The Department's appeal against the said order is pending before Madras High Court. Consequently, the Company has continued to provide for income tax by computing income by applying the order of the ITAT.

The Company has been advised that after the introduction of Section 43CB with effect from April 1, 2017 the revenue from membership fees is chargeable as per ICDS IV. The Company is further advised that as per the said ICDS the revenue from membership fees is chargeable to tax by spreading the entire fees over the membership period. The Company has, accordingly, filed its Return of Income from Assessment Year 2017-18 onwards as per ICDS IV. However in the books of accounts, the Company has continued to make its provision for tax on the basis of the order of the ITAT. If the tax liability is computed applying ICDS IV the liability for current tax will be significantly lower with a corresponding impact in Deferred Tax.

(b) Income tax recognised in other comprehensive income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current / Deferred tax		
Remeasurement of defined benefit obligations and freehold land revaluation	**520.59**	(1,748.98)
	520.59	(1,748.98)
Classification of income tax recognised in other comprehensive income		
Income taxes related to items that will not be reclassified to profit or loss	**(520.59)**	1,748.98
	(520.59)	1,748.98

(c) Reconciliation of income tax expense and the accounting profit multiplied by company's domestic tax rate:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit before tax	**21,406.25**	20,352.57
Income tax expense calculated at 25.168%	**5,387.53**	5,122.33
Income taxed at different rate	**-**	(53.95)
Effect of expenses that is non-deductible in determining taxable profit	**160.94**	153.73
Income tax expense recognised in statement of profit and loss	**5,548.47**	5,222.11

The tax rate used for the March 31, 2023 and March 31, 2022 reconciliations above is at the corporate tax rate plus surcharges and cess at applicable rate of 25.168% payable by company on taxable profits under Indian Income Tax Laws.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 41 - Current tax and deferred tax (Contd.)

(i) Movement in deferred tax balances

Particulars	For the Year ended March 31, 2023			
	Opening Balance	**Recognised in Profit and Loss**	**Recognised in OCI**	**Closing Balance**
Tax effect of items constituting deferred tax liabilities				
Property, plant and equipment	**(28,136.67)**	**(450.68)**	**550.20**	**(28,037.15)**
Deferred cost	**(18,207.12)**	**(1,103.51)**	**-**	**(19,310.63)**
Fair valuation of financial assets	**(1,688.72)**	**(93.25)**	**-**	**(1,781.96)**
	(48,032.51)	**(1,647.44)**	**550.20**	**(49,129.74)**
Tax effect of items constituting deferred tax assets				
Employee benefits	**370.88**	**2.88**	**-**	**373.76**
Receivables / Revenue derecognition	**645.20**	**-**	**-**	**645.20**
Deferred revenue	**64,832.32**	**2,601.90**	**-**	**67,434.22**
Provisions	**47.73**	**(0.13)**	**-**	**47.60**
Lease arrangements	**1,450.59**	**282.72**	**-**	**1,733.31**
	67,346.72	**2,887.37**	**-**	**70,234.09**
Net tax assets / (liabilities)	**19,314.21**	**1,239.93**	**550.20**	**21,104.35**

Particulars	For the Year ended March 31, 2022			
	Opening Balance	Recognised in profit and Loss	Recognised in OCI	Closing Balance
Tax effect of items constituting deferred tax liabilities				
Property, plant and equipment	(25,858.88)	(511.05)	(1,766.74)	(28,136.67)
Deferred cost	(17,713.49)	(493.63)	-	(18,207.12)
Fair valuation of financial assets	(1,466.06)	(222.66)	-	(1,688.72)
	(45,038.43)	(1,227.34)	(1,766.74)	(48,032.51)
Tax effect of items constituting deferred tax assets				
Employee benefits	311.07	59.81	-	370.88
Receivables / Revenue derecognition	645.20	-	-	645.20
Deferred Revenue	65,335.87	(503.55)	-	64,832.32
Income tax loss	961.19	(961.19)	-	-
Provisions	47.73	-	-	47.73
Leases	1,374.67	75.92	-	1,450.59
	68,675.73	(1,329.01)	-	67,346.72
Net tax assets / (liabilities)	23,637.30	(2,556.35)	(1,766.74)	19,314.21

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 42 - Earnings per Share

Basic earnings per share

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit for the year after tax	**15,857.78**	15,130.46
Weighted average number of equity shares (in lakhs)	**2,003.04**	1,996.44
Earnings per share - basic (in ₹)	**7.92**	7.58

Diluted earnings per share

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit for the year after tax	**15,857.78**	15,130.46
Weighted average number of equity shares (in lakhs)	**2,009.43**	2,004.71
Earnings per share - diluted (in ₹)	**7.89**	7.55

The weighted average number of ordinary shares for the purpose of diluted earnings per share reconciles to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Weighted average number of equity shares used in the calculation of basic EPS (in lakhs)	**2,003.04**	1,996.44
Add: Effect of ESOPs (in lakhs)	**6.39**	8.27
Weighted average number of equity shares used in the calculation of diluted EPS (in lakhs)	**2,009.43**	2,004.71

Note No. 43 - Contingent liabilities and commitments

Contingent liabilities (to the extent not provided for)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Income tax matters:		
Claims against the Company not acknowledged as debt (for matters disputed by the Company)		
pertaining to Revenue Recognition (timing difference *) pending before the CIT(A)/ITAT (Company appeal)	**53,711.17**	53,711.17
interest included in the above till the date of order	**14,124.67**	14,124.67
pertaining to other matters (mainly timing differences *), pending before the CIT(A)/ITAT (Company appeal)	**6,778.79**	6,778.79
interest included in the above till the date of order	**1,419.92**	1,419.92
Matters decided in favour of the Company, (but under appeal by the department)		
pertaining to Revenue Recognition (timing difference *) pending before the Madras High Court (Department appeal) excluding interest	**27,140.61**	27,140.61
(b) Service tax matters:		
(i) Service tax demand on the enrollment of member as against service tax paid on receipt basis (timing differences *) (inclusive of penalty where quantified in demand) (Refer note 2 below)	**43,105.47**	43,105.47
(ii) Other items (inclusive of penalty where quantified in demand)	**3,468.63**	3,468.63

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 43 - Contingent liabilities and commitments (Contd.)

Particulars	As at March 31, 2023	As at March 31, 2022
(c) Luxury tax matters:		
In respect of certain States, the Company has received demands for payment of luxury tax for member stay at resorts as summarised below:		
Demands raised (inclusive of penalty)	**6,833.00**	6,895.37
The Company has challenged the above demands before various appellate authorities / high Court, the outcome of which is pending.		

* For matters pertaining to timing differences, if liability were to crystallise, there would be future tax benefits, except to the extent of tax rate differences and interest, if any which currently is not determinable.

Notes:

1) The above amounts are based on demands raised, which the Company is contesting with the concerned authorities. Outflows, if any, arising out of these claims would depend on the outcome of the decision of the appellate authorities and the Company's rights for future appeals. No reimbursements are expected.

2) The Company had received show cause notices from service tax authorities of ₹ 21,991.33 lakhs.The Company had received an Order in original from the principal commissioner of CGST and Central Excise confirming the demand amounting to ₹ 43,105.47 lakhs including interest and penalty and the same has been disclosed as Contingent liability in above table.

   The Company filed rectification application against the said order before Principal Commissioner on January 18, 2022 for rectification of mistake apparent from the record as department has incorrectly interpreted the financial statement to determine service tax demand. However Principal Commissioner rejected rectification application on February 7, 2022 without giving any opportunity for personal hearing. Thereafter Company filed Writ Application before Madras High Court on February 22, 2022 against rejection of rectification application order. The Madras High Court on March 8, 2023 accepted the Company's request to provide an opportunity for hearing and set aside the Order passed by Principal Commissioner. On March 29, 2023, the Principal Commissioner reaffirmed the Original Order dated February 7, 2022 and rejected the Company's rectification application. The Company is contemplating to file a Writ Application before the Madras High Court against the said Order of Principal Commissioner. Company is confident that no payment is expected to be made for this matter.

3) The Company has accounted for service tax receivable of ₹ 822.30 lakhs (Previous year ₹ 752.27 lakhs) in relation to the service tax paid on ASF and Membership fee invoices for contracts which have been cancelled post GST implementation. The Company has received an unfavorable order against the refund claim and has filed an appeal against the order. Commissioner of GST and Central Excise (Appeals) has allowed the appeal and remanded back the matter to lower authorities for verification of documents.

Particulars	As at March 31, 2023	As at March 31, 2022
(d) Guarantees given for its subsidiaries:		
Amount of guarantees given (Euro)	**770.00**	991.00
Outstanding amount against guarantees (Euro)	**680.48**	838.98
Amount of guarantees given (₹) (Refer Note 51)	**69,022.03**	83,739.50
Outstanding amount against guarantees (₹) (Refer Note 51)	**60,997.10**	70,892.97

(e) Other matters under appeal (Property related)

(i) The Government of Kerala through the Sub Collector, district of devikulam issued an Order dated July 3, 2007 cancelling the assignment of land underlying the Munnar resort and directed repossession of land on the ground that it is agricultural land and cannot be used for commercial purposes. The Company had filed an appeal before the Commissioner of Land Revenue, Trivandrum against the said Order stating that the Patta issued does not specify that

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 43 - Contingent liabilities and commitments (Contd.)

the land should be used only for agricultural purpose. The Commissioner of land revenue, Trivandrum vide his Order dated November 22, 2007 dismissed the appeal filed by the Company and cancelled the assignment of land underlying the munnar resort (Total Gross Value ₹ 605.12 Lakhs) and further directed repossession of land on the ground that it is agricultural land and cannot be used for commercial purposes. The Company had filed a writ petition before the Kerala High Court against the said Order. The writ Petition has been disposed off by an Order dated May 21, 2019. Against the said Order, the company has filed a Writ Appeal and by an order dated June 19, 2019, the Court granted an interim stay of all further proceedings. The Writ Appeal has been dismissed by a Judgement dated May 25, 2022. The Company has filed review petition before the Kerala High Court. The same is pending.

(ii) With respect to certain claims of neighbouring property owners, the Company filed a suit in the Civil Court, Pune seeking inter-alia permanent injunction against them disturbing the possession of the Company's resort property at Lonavala, Maharashtra and obtained an interim stay. In another development, notwithstanding these proceedings, the neighbouring property owner obtained an order from the local Mamlatdar's Court for alleged access to his property through the resort property. The Company obtained a stay against the said order of the Mamlatdar. All matters with respect to the neighbouring property owner are currently pending before the Civil Court, Pune. Further, on account of the cancellation of the Non-Agricultural land conversion order by the Collector, Pune on the basis of complaint made by the said neighbouring owner and subsequently confirmed by the Additional Divisional Commissioner, Pune, the Company has also filed another Civil Suit at Civil Court, Pune against State of Maharashtra and Others, *inter alia*, seeking declaration that the proceedings and Orders in respect of cancellation of the NA status of the land underlying the resort property at Lonavala (Total Gross Value ₹ 1,545.01 Lakhs) are not enforceable and also sought other reliefs. Ad-interim stay has been granted against State of Maharashtra and the Collector, Pune not to give effect to the Orders of NA cancellation and the matter is pending for further hearing.

(f) Other matters:

The Company engaged a building contractor for construction of a resort. As the construction did not proceed as per agreed timelines the Company terminated the contract. The contractor has claimed ₹ 1,256.15 lakhs as damages for termination of the Contract. The Company has made a counter claim of ₹ 2,003.56 lakhs towards liquidated damages and other losses. The matter has been heard by the Arbitrator and is reserved for Orders.

(g) With respect to member complaints pending before various consumer forum and other matters:

Estimated amount of claims ₹ 795.91 lakhs (As at March 31, 2022: ₹ 579.39 lakhs). In addition, there are claims by some members seeking certain reliefs which are not agreed by the company, the financial impact of these claims are currently not ascertainable and hence not captured in above.

(h) Capital commitment:

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on Property, plant & equipment and not provided for (net of advances)	**3,166.30**	3,605.47

Note No. 44 - Employee benefits

(a) Defined contribution plan

The Company's contribution to provident fund and superannuation fund aggregating ₹ 1,473.10 lakhs (2022: ₹ 1,312.77 lakhs) has been recognised in the Statement of Profit and Loss under the head employee benefits expense.

(b) Defined Benefit Plans (Gratuity)

The Company has a funded gratuity scheme for its employees and gratuity liability has been provided based on the actuarial valuation done at the year end. The gratuity scheme of the Company is funded with the Life Insurance Corporation of India.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 44 - Employee benefits (Contd.)

Defined benefit plans – as per actuarial valuation on March 31, 2023 and March 31, 2022:

	Particulars	Funded Plan	
		Gratuity	
		2023	2022
Ia.	**Expense recognised in the Statement of Profit and Loss for the year ended March 31:**		
	Current service cost	**191.22**	184.23
	Net Interest cost	**11.05**	12.07
	Components of defined benefit costs recognised in profit & loss	**202.27**	196.30
Ib.	**Included in other Comprehensive Income:**		
	Difference between actual and expected return on plan assets	**(15.96)**	1.17
	Actuarial (Gain)/Loss on account of :		
	Demographic Assumptions	**3.85**	(10.49)
	Financial Assumptions	**(88.57)**	8.62
	Experience Adjustments	**(16.93)**	71.28
	Components of defined benefit costs recognised in other comprehensive income	**(117.62)**	70.58
I.	**Net Liability recognised in the Balance Sheet as at March 31:**		
	1. Present value of defined benefit obligation as at March 31	**1,211.58**	1,213.55
	2. Fair value of plan assets as at March 31	**1,182.88**	992.42
	3. Deficit	**(28.70)**	(221.13)
II.	**Change in the obligation during the year ended March 31:**		
	Present value of defined benefit obligation at the beginning of the year	**1,213.55**	1,020.04
	Expenses Recognised in the Statement of profit and loss		
	Current service cost	**191.22**	184.23
	Interest expense	**60.63**	47.91
	Recognised in Other Comprehensive Income		
	Actuarial gain/ (loss) arising from:		
	Change in demographic assumptions	**3.85**	(10.49)
	Financial assumptions	**(88.57)**	8.62
	Experience Adjustments	**(16.93)**	71.28
	Benefit payments	**(152.16)**	(108.04)
	Present value of defined benefit obligation at the end of the year	**1,211.58**	1,213.55
III.	**Change in fair value of assets during the year ended March 31:**		
	Fair value of plan assets at the beginning of the year	**992.42**	763.03
	Expenses Recognised in the Statement of Profit and Loss:		
	Expected return on plan assets	**49.59**	35.84
	Recognised in Other Comprehensive income		
	Remeasurement gains/ (losses)		
	Difference between actual and expected return on plan assets	**15.96**	(1.17)
	Contributions by employer (including benefit payments recoverable)	**277.08**	302.76
	Benefit payments	**(152.16)**	(108.04)
	Fair value of plan assets at the end of the year	**1,182.88**	992.42
IV.	**Major categories of plan assets :**		
	Deposits with Insurance companies	**1,182.88**	992.42

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 44 - Employee benefits (Contd.)

The significant actuarial assumptions (estimated for adequate coverage of the obligation on a prudent basis), are as under:

Particulars	Valuation as at	
	March 31, 2023	March 31, 2022
Discount rate(s)	**7.15%**	5.00%
Expected rate(s) of salary increase	**5.50%**	5.50%
Expected rate of return on plan assets	**5.50%**	5.00%
Attrition	**18%-56%**	18%-68%
Mortality table	**IALM 2012-14**	IALM 2012-14

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption	Financial Year	Changes in assumption	Impact on defined benefit obligation	
			Decrease in assumption	Increase in assumption
Discount rate	**2022-2023**	**0.50%**	**19.41**	**(18.78)**
	2021-2022	0.50%	20.17	(20.89)
Salary growth rate	**2022-2023**	**0.50%**	**(18.78)**	**19.41**
	2021-2022	0.50%	(20.89)	20.17
Attrition rate	**2022-2023**	**0.50%**	**10.73**	**(15.32)**
	2021-2022	0.50%	43.58	(63.89)
Mortality rate	**2022-2023**	**0.50%**	**(0.11)**	**0.13**
	2021-2022	0.50%	(0.01)	0.01

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance sheet.

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous period.

The Company expects to contribute ₹ 182.86 lakhs (Previous year : ₹ 368.90 lakhs) to the gratuity trust during the next financial year of 2023-24.

V. Maturity profile of defined benefit obligation:

Particulars	2023	2022
Within 1 year	**413.70**	379.12
1 - 2 year	**262.53**	260.24
2 - 3 year	**201.05**	189.73
3 - 4 year	**154.90**	143.79
4 - 5 year	**141.03**	109.01
> 5 years	**278.31**	275.25

Plan Assets.

The fair value of Company's pension plan asset as of March 31, 2023 and March 31, 2022 by category are as follows:

Particulars	2023	2022
Asset category:		
Contributions placed with Insurance companies	**1,182.88**	992.42
	100%	100%

The weighted average duration of the defined benefit obligation as at March 31, 2023 is 3 years (March 31, 2022: 3 years)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 44 - Employee benefits (Contd.)

VI **Experience adjustments:**

Particulars	Year Ended				
	2023	2022	2021	2020	2019
	Gratuity				
Defined benefit obligation	**1,211.58**	1,213.55	1,020.04	882.21	723.74
Fair value of plan assets	**1,182.88**	992.42	763.03	805.03	626.02
Surplus/(Deficit)	**(28.70)**	(221.13)	(257.01)	(77.18)	(97.72)
Experience adjustment on plan liabilities [(Gain)/ Loss]	**(101.65)**	69.41	5.56	(66.21)	(8.50)
Experience adjustment on plan assets [Gain/ (Loss)]	**15.96**	(1.17)	(14.52)	(6.77)	(4.83)

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(c) **Defined benefit plans (Compensated absences)**

The amount recognized as an expense in respect of compensated absences is ₹ 353.44 lakhs (Previous Year: ₹ 356.57 lakhs).

Note No. 45 - Financial instruments

Capital management

The Company's key objective in managing its financial structure is to maximize value for shareholders, reduce cost of capital, while at the same time ensuring that the Company has the financial flexibility required to continue its expansion. The Company manages its financial structure majorly through internal accruals and makes any necessary adjustments in light of prevailing economic conditions. In this context, the capital structure of the Company consists only of equity and lease liability is not considered as debt. Equity comprises issued share capital, reserves and retained earnings as set out in the statement of changes in equity.

Categories of financial assets and financial liabilities

As at March 31, 2023

Particulars	Amortised Costs	FVTPL	FVOCI	Total
Non-current Assets				
Trade Receivables	**22,026.25**	-	-	**22,026.25**
Loans	**36,793.62**	-	-	**36,793.62**
Other financial assets				
- Non derivative financial assets	**32,403.66**	-	-	**32,403.66**
Current Assets				
Investments	-	**53,366.39**	-	**53,366.39**
Trade receivables	**94,007.13**	-	-	**94,007.13**
Cash and cash equivalents	**1,685.43**	-	-	**1,685.43**
Other bank balances	**9,710.65**	-	-	**9,710.65**
Loans	**71.03**	-	-	**71.03**
Other financial assets				
- Non derivative financial assets	**31,791.67**	-	-	**31,791.67**
Non-current Liabilities				
Lease liabilities	**34,102.84**	-	-	**34,102.84**
Other financial liabilities				
- Non derivative financial liabilities	**580.01**	-	-	**580.01**
Current Liabilities				
Lease liabilities	**6,036.90**	-	-	**6,036.90**
Trade payables	**21,498.96**	-	-	**21,498.96**
Other financial liabilities				
- Non derivative financial liabilities	**7,423.68**	-	-	**7,423.68**

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 45 - Financial instruments (Contd.)

As at March 31, 2022

Particulars	Amortised Costs	FVTPL	FVOCI	Total
Non-current assets				
Investments	-	580.49	-	580.49
Trade receivables	22,120.23	-	-	22,120.23
Other financial assets				
- Non derivative financial assets	56,264.61	-	-	56,264.61
Current Assets				
Investments	-	27,943.07	-	27,943.07
Trade receivables	90,696.58	-	-	90,696.58
Cash and cash equivalents	5,648.46	-	-	5,648.46
Other bank balances	32,610.82	-	-	32,610.82
Loans	6,850.45	-	-	6,850.45
Other financial assets				
- Non Derivative Financial Assets	8,265.88	-	-	8,265.88
Non-current liabilities				
Lease liabilities	23,689.52	-	-	23,689.52
Other financial liabilities				
- Non Derivative Financial Liabilities	850.69	-	-	850.69
Current liabilities				
Trade payables	21,772.98	-	-	21,772.98
Lease liabilities	4,472.22	-	-	4,472.22
Other financial liabilities				
-Non derivative financial liabilities	9,443.72	-	-	9,443.72

Financial risk management framework

The Company has a robust business risk management process to identify, evaluate and mitigate risks impacting business of the Company. This framework seeks to create transparency, minimise adverse impact on the business objectives and enhance the Company's competitive advantage. This also defines the risk management approach across the enterprise at various levels including documentation and reporting. Risk management forms an integral part of the Company's Business Plan. The Company has adequate internal processes to assess, monitor and manage financial risks. These risks include credit risk, liquidity risk and market risk.

Risk	Exposure primarily from	Measurement	Management
Credit risk	Trade receivables	Ageing analysis, Credit assessment	Assessment of customer credit worthiness at inception and through the credit period
Liquidity risk	Capital commitments	Cash flow forecast	Availability of committed credit lines and borrowing facilities

(i) Credit risk management

A significant portion of the Company's sales of vacation ownerships are by way of deferred payment schemes where the customer is obligated to pay the membership fee in Equated Monthly Instalments (EMIs) and the ensuing credit risk is managed by the Company in the following manner:

(a) preliminary assessment of customer credit worthiness, ensuring realisation of minimum down payment and adherence to internal KYC norms;

(b) collecting post dated instruments such as cheques, Automated Clearing House (ACH) mandates, standing credit card instructions from the customers at inception to ensure security cover.

From an accounting perspective, revenue is recognised only when it is probable that the economic benefits associated with the transaction will flow to the Company. The member is not allowed to use the benefits of membership untill the overdue amount is regularised or fully paid in that relevant period. The Company also assesses lifetime expected credit loss by using appropriate models, as prescribed by Ind AS 109, using past trends of collections and historical credit loss experience. The categorisation of the receivables into its ageing buckets for the purposes of estimating the expected loss allowance has been profiled based on the longest overdue of that member, for example, if a member has one instalment overdue for say 12 months, the entire receivable of the member is aggregated into that ageing bucket and the credit loss allowance is

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 45 - Financial instruments (Contd.)

determined after taking into account the credits against the member under "Contract liability- deferred revenue - vacation ownership fee" (refer note 29 and note 34).

The allowances for credit loss and for revenue deferred at inception referred to above, carried at the end of every reporting period, are tested for adequacy and appropriately dealt with.

The credit loss allowance carried by the Company is as under:

Particulars	March 31, 2023	March 31, 2022
Carrying value of receivables (refer note 8 and 17)*	116,033.38	112,816.81
Credit loss allowance	-	-
Loss allowance (%)	0.00%	0.00%

*Given that the Company is deferring recognition of revenue at inception, as explained above the risk of credit loss is reduced and the member is allowed to avail the benefits of membership only when all the overdue amount is regularised or fully paid in that relevant period. The amounts deferred at inception are adjusted from the carrying value of receivables (refer note 8 and 17) in the same proportion, except in cases where the allowance is directly attributable to a particular contract.

Particulars	As at March 31, 2023 outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	56,221.77	10,105.73	7,733.62	9,491.96	6,091.85	26,313.33	115,958.26
(ii) Disputed Trade Receivables– considered good	-	13.87	2.61	23.97	13.64	21.03	75.12
	56,221.77	10,119.60	7,736.24	9,515.94	6,105.48	26,334.36	116,033.38

Particulars	As at March 31, 2022 outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	50,990.31	11,786.37	9,427.76	11,780.75	5,788.03	23,012.61	112,785.82
(ii) Disputed Trade Receivables– considered good	-	9.73	7.24	7.90	3.87	2.24	30.99
	50,990.31	11,796.10	9,435.00	11,788.65	5,791.90	23,014.85	112,816.81

Additional Disclosure of Trade Receivables

Particulars	As at March 31, 2023 outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Gross Trade Receivables	56,221.77	10,119.60	7,736.24	9,515.94	6,105.49	26,334.36	116,033.38
Less : Deferred revenue pertaining to above contracts restricted to total receivables in case the deferred revenue exceeds the outstanding receivable on the contract (Refer Note 29 & 34)	(53,902.65)	(9,422.76)	(7,260.11)	(9,019.51)	(5,688.04)	(26,201.07)	(111,494.13)
Net Balance	2,319.12	696.84	476.13	496.43	417.46	133.29	4,539.26

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 45 - Financial Instruments (Contd.)

Particulars	As at March 31, 2022 outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Gross Trade Receivables	50,990.31	11,796.10	9,435.00	11,788.65	5,791.90	23,014.85	112,816.81
Less : Deferred revenue pertaining to above contracts restricted to total receivables in case the deferred revenue exceeds the outstanding receivable on the contract (Refer Note 29 & 34)	(49,069.95)	(11,039.34)	(8,697.01)	(11,135.84)	(5,622.57)	(22,908.82)	(108,473.53)
Net Balance	1,920.36	756.76	737.99	652.80	169.33	106.02	4,343.27

(ii) Liquidity risk management

The Company manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities (predominantly trade payables, retention payables, etc) with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Particulars	Less than 1 Year	1-3 Years	3 - 5 Years	5 years and above
Non-derivative financial liabilities as at March 31, 2023				
Trade Payables	**21,498.96**	**-**	**-**	**-**
Lease Liabilities	**8,991.07**	**13,716.38**	**9,386.67**	**26,479.45**
Other Financial Liabilities	**7,423.68**	**580.01**	**-**	**-**
Financial guarantee contracts	**60,997.10**	**-**	**-**	**-**
Total	**98,910.81**	**14,296.39**	**9,386.67**	**26,479.45**
Non-derivative financial liabilities as at March 31, 2022				
Trade Payables	21,772.98	-	-	-
Lease Liabilities	6,560.54	9,858.45	6,751.82	19,304.85
Other Financial Liabilities	9,443.72	850.69	-	-
Financial guarantee contracts	70,892.97	-	-	-
Total	108,670.21	10,709.14	6,751.82	19,304.85

The Company has provided financial guarantees to its wholly owned subsidiaries. The amounts included above for financial guarantee contracts are the maximum amounts the Company could be forced to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Company considers that it is more likely that such an amount will not be payable under the arrangement.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 45 - Financial Instruments (Contd.)

Trade Payables	Outstanding as at March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	82.20	-	-	-	82.20
(ii) Others	8,099.45	3,046.89	1,693.69	86.50	12,926.53
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
	8,181.65	3,046.89	1,693.69	86.50	13,008.73
Accrued Expenses	-	-	-	-	8,490.23
Total	8,181.65	3,046.89	1,693.69	86.50	21,498.96

Trade Payables	Outstanding as at March 31, 2022				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	445.88	-	-	-	445.88
(ii) Others	16,702.98	2,599.67	1,979.99	44.46	21,327.10
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
	17,148.86	2,599.67	1,979.99	44.46	21,772.98

Financing arrangements

The Company had access to following undrawn borrowing facilities at the end of the reporting period:

Particulars	March 31, 2023	March 31, 2022
Cash credit		
- Expiring within one year	10,500	10,500
	10,500	10,500

During the year, for borrowings from banks on the basis of security of current assets, quarterly returns or quarterly statements of current assets filed by the Company with banks are in agreement with the books of account.

(iii) Market risk management

The Company's market risk comprises solely of its foreign currency exposure which are limited and not material to the size of its operations.

Currency Risk

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company's exposure to currency risk relates primarily to the Company's investing activities when transactions are denominated in a different currency from the Company's functional currency.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 45 - Financial Instruments (Contd.)

Particulars	Currency	March 31, 2023	March 31, 2022
Receivables	MYR	**733.51**	719.20
	EUR	**23,072.33**	2,487.64
	AED	**8.85**	301.64
	THB	**5,442.40**	2,058.99
	USD	**20.46**	-
	SGD	**404.26**	-
Payables	USD	**-**	0.81
	MYR	**100.70**	21.63
	GBP	**-**	2.60
	SGD	**-**	0.75
	AED	**65.34**	261.56
	EUR	**17.87**	-
	QAR	**12.52**	-
	THB	**103.40**	33.54

Of the above foreign currency exposures, none of the exposures are hedged by a derivative.

Foreign Currency Sensitivity

The Company is exposed to the following currency risks - USD, AED, THB, MYR, GBP, SGD and EUR - and the following table demonstrates the sensitivity.

Particulars	Currency	Change in rate	Impact on profit before tax
March 31, 2023	**USD**	**+10%**	**2.05**
	USD	**-10%**	**(2.05)**
	MYR	**+10%**	**63.28**
	MYR	**-10%**	**(63.28)**
	EUR	**+10%**	**2,305.45**
	EUR	**-10%**	**(2,305.45)**
	SGD	**+10%**	**40.43**
	SGD	**-10%**	**(40.43)**
	AED	**+10%**	**(5.65)**
	AED	**-10%**	**5.65**
	QAR	**+10%**	**(1.25)**
	QAR	**-10%**	**1.25**
	THB	**+10%**	**533.90**
	THB	**-10%**	**(533.90)**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 45 - Financial Instruments (Contd.)

Particulars	Currency	Change in rate	Impact on profit before tax
March 31, 2022	USD	+10%	(0.08)
	USD	-10%	0.08
	MYR	+10%	69.76
	MYR	-10%	(69.76)
	EUR	+10%	248.76
	EUR	-10%	(248.76)
	SGD	+10%	(0.08)
	SGD	-10%	0.08
	AED	+10%	4.01
	AED	-10%	(4.01)
	GBP	+10%	(0.26)
	GBP	-10%	0.26
	THB	+10%	202.54
	THB	-10%	(202.54)

Sr. No.	Ratio Analysis	Formula	March 31, 2023	March 31, 2022	% Variance	Reason for variance
1.	Current Ratio	Current Assets / Current Liabilities	**1.99**	1.90	5%	NA
2.	Debt – Equity Ratio	Total Debt / Shareholder's Equity	**NA**	NA	NA	NA
3.	Debt Service Coverage Ratio	Earnings available for debt service / Debt Service	**NA**	NA	NA	NA
4.	Return on Equity (ROE)	Net Profits after taxes / Average Shareholder's Equity	**24.21%**	33.66%	-28%	Variance due to increase in Shareholder's equity.
5.	Inventory Turnover Ratio	Cost of food and beverages consumed / Average Inventory	**7.97**	5.74	39%	Increase in resort operations compared to previous year as impacted due to COVID 19 related restrictions.
6.	Trade receivables turnover ratio	Revenue from operations / Average Accounts Receivable	**1.05**	0.82	27%	Last year sales were impacted on account of COVID 19 related lockdown restrictions.
7.	Trade payables turnover ratio	Purchases, Operating supplies and Rent expenses / Average Trade Payables	**0.84**	0.55	52%	Increase is primarily on account of rent expenses and increase in operations compared to Previous year.Rent expenses where low in previous year on account of rent re-negotiations.
8.	Net capital turnover ratio	Revenue from operations / Working Capital	**1.18**	1.10	7%	NA

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 45 - Financial Instruments (Contd.)

Sr. No.	Ratio Analysis	Formula	March 31, 2023	March 31, 2022	% Variance	Reason for variance
9.	Net profit ratio	Net Profits after taxes / Revenue from operations	**0.13**	0.16	-16%	NA
10.	Return on capital employed (ROCE)	Earning before interest and taxes / Shareholder's Equity	**32.61%**	39.81%	-18%	NA
11.	Return on investment	Investment Income / Average Investment	**5.18%**	5.30%	-2%	NA

Note No. 46 - Fair value measurement

Fair valuation techniques and inputs used - recurring Items

Financial assets / financial liabilities* measured at fair value	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	March 31, 2023	March 31, 2022		
Financial assets				
Investments				
Mutual fund investments	**53,366.39**	27,943.07	Level 1	Refer note 1 below
Equity and preference investments	**-**	580.49	Level 3	Refer note 2 below
Total financial assets	**53,366.39**	28,523.56		

Note 1: Fair value determined using NAV.

Note 2: Fair value determined using discounted cash flow method.

Reconciliation of Level 3 fair values

Particulars	Equity and Preference
Balance as at March 31, 2022	**580.49**
Conversion of investments into subsidiary/associate and now measured at Amortised cost	(580.49)
Balance as at March 31, 2023	**-**

* Fair value of financial assets and financial liabilities (that are measured at amortised cost) closely approximate their carrying value.

Note No. 47 - Expenditure on corporate social Responsibility

As per Section 135 of the Companies Act 2013, the Company needs to spend 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The Company has incurred CSR expenditure on activities specified in Schedule VII of the Companies Act, 2013.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 47 - Expenditure on Corporate Social Responsibility (Contd.)

Particulars	March 31, 2023	March 31, 2022
(i) Amount required to be spent by the Company during the year	**325.00**	270.00
(ii) Amount of expenditure incurred	**325.42**	272.11
(iii) Shortfall at the end of the year	**-**	-
(iv) Total of previous years shortfall	**-**	-
(v) Reason for shortfall	**Not applicable**	Not applicable
(vi) Nature of CSR activities	**Environmental Sustainability, Education & Skill Development, Healthcare, Women Empowerment etc**	Environmental Sustainability, Education & Skill Development, Covid Relief and Rehabilitation, Women Empowerment etc
(vii) Details of related party transactions	**Not applicable**	Not applicable

Particulars	Paid	Yet to be paid	Total
(i) Construction/Acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	325.42	-	325.42

Note No. 48 - Capital work in progress (CWIP) and expenditure during construction pending allocation included therein:

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at beginning of the year	**10,744.48**	11,182.29
Additions during the current year to CWIP	**9,969.04**	10,572.29
Capitalization/Deletions during the current year from CWIP	**(7,878.65)**	(11,010.10)
Balance as at end of the year	**12,834.87**	10,744.48

CWIP	As at March 31, 2023 amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	**8,272.68**	**1,487.29**	**414.70**	**2,660.20**	**12,834.87**
Projects temporarily suspended	**-**	**-**	**-**	**-**	**-**
	8,272.68	**1,487.29**	**414.70**	**2,660.20**	**12,834.87**

CWIP	As at March 31, 2022 amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	5,887.51	1,957.84	595.29	2,303.84	10,744.48
Projects temporarily suspended	-	-	-	-	-
	5,887.51	1,957.84	595.29	2,303.84	10,744.48

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 48 - Capital work in progress (CWIP) and expenditure during construction pending allocation included therein:

Intangible assets under development	As at March 31, 2023 amount in CWIP for a period of				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	**644.34**	**190.17**	**-**	**-**	**834.50**
Projects temporarily suspended	**-**	**-**	**-**	**-**	**-**
	644.34	**190.17**	**-**	**-**	**834.50**

Intangible assets under development	As at March 31, 2022 amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	538.98	140.23	34.93	-	714.14
Projects temporarily suspended	-	-	-	-	-
	538.98	140.23	34.93	-	714.14

Expenditure during construction pending allocation included in (CWIP) above:

Particulars	As at March 31, 2023	As at March 31, 2022
Salaries, Wages & Bonus	**1,002.66**	894.57
Staff welfare Expenses	**18.75**	15.45
Power & Fuel	**1.78**	6.61
Rent	**7.71**	8.72
Rates & Taxes	**0.96**	0.96
Repairs-Others	**13.77**	13.77
Travelling	**96.23**	83.93
Consultancy Charges	**202.63**	207.02
Miscellaneous	**258.19**	265.45
	1,602.68	1,496.48

Note No. 49 - Disclosures required under Section 22 of the micro, small and medium enterprises development act, 2006

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Principal amount remaining unpaid to MSME suppliers as on	**82.20**	445.88
(ii) the amount of interest paid by the buyer under MSMED Act,	**-**	-
(iii) Interest accrued and remaining unpaid at the end of each accounting year to MSME suppliers as on	**-**	-
(iv) Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises.	**-**	-
(v) Interest due and payable on unpaid principal amount to MSME suppliers as on	**-**	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 50 - Segment information

The Company is primarily engaged in the business of sale of vacation ownership and other related services in India. As such, the Company operates in a single segment and there are no separate reportable segments. The same is consistent with the information reviewed by the Chief Operating Decision Maker (CODM) (Also refer note 56).

Note No. 51 - Related party transactions

Particulars		March 31, 2023	March 31, 2022
Transactions during the year:	**Holding company**		
Sale of services	Mahindra & Mahindra Limited	**25.28**	28.61
Purchases of PPE	Mahindra & Mahindra Limited	**239.28**	146.55
Purchase of services	Mahindra & Mahindra Limited	**576.75**	547.68
Usage of Trademark	Mahindra & Mahindra Limited	**0.75**	-
Reimbursements Paid	Mahindra & Mahindra Limited	**595.98**	-
Reimbursements Received	Mahindra & Mahindra Limited	**17.30**	-
	Subsidiary companies		
ICD, Loans & Advances given	Gables Promoters Private Limited	**2,357.00**	800.00
(excluding rollover)	Mahindra Hotels & Residences India Limited	**1,955.00**	2.00
	Infinity Hospitality Group Company Limited	**3,080.51**	1,078.00
	MHR Holdings (Mauritius) Limited	**19,929.64**	-
ICD, Loans & Advances repaid	Heritage Bird (M) Sdn Bhd.	**-**	42.95
Equity Investment	Mahindra Holidays & Resorts Harihareshwar Limited	**5.00**	-
Purchase of services	Heritage Bird (M) Sdn Bhd.	**130.95**	128.01
	Infinity Hospitality Group Company Ltd	**371.81**	369.12
	Gables Promoters Private Limited	**1,147.50**	1,202.16
	Arabian Dreams Hotels Apartments LLC	**986.52**	300.38
Reimbursement of Expenses - Received	Gables Promoters Private Limited	**173.29**	-
	Mahindra Hotels & Residences India Ltd	**82.43**	-
Reimbursement of Expenses- Paid	Gables Promoters Private Limited	**107.51**	116.84
Interest Income	Heritage Bird (M) Sdn Bhd.	**31.19**	31.09
	Gables Promoters Private Limited	**408.72**	332.54
	Infinity Hospitality Group Company Ltd	**79.05**	30.94
	MH Boutique Hospitality Limited	**21.59**	21.44
	Mahindra Hotels & Residences India Ltd	**56.14**	1.24
	MHR Holdings (Mauritius) Limited	**337.90**	4.72
Commission on Corporate Guarantee	MHR Holdings (Mauritius) Limited	**321.91**	350.60
	Infinity Hospitality Group Company Ltd	**-**	16.23
Corporate guarantees given on behalf of	MHR Holdings (Mauritius) Ltd	**2,520.89**	60,431.00

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 51 - Related party transactions (Contd.)

Particulars		March 31, 2023	March 31, 2022
	Fellow Subsidiaries / Associates		
Sale of services	Mahindra Accelo Limited (Formerly known as Mahindra Intertrade Limited)	**1.27**	1.18
	Mahindra Lifespace Developers Ltd	**14.71**	16.99
	Mahindra & Mahindra Financial Services Ltd	**2.70**	2.51
	Bristlecone India Limited.	**0.17**	0.20
	Tech Mahindra Limited	**3.24**	3.01
	Mahindra Susten Private Limited	**0.67**	0.62
Reimbursement of Expenses- Received	Mahindra Lifespace Developers Ltd	**2.39**	-
Reimbursement of Expenses- Paid	Mahindra & Mahindra South Africa Pty Ltd	**5.16**	-
	NBS International Limited	**6.30**	-
Interest Income	Mahindra Rural Housing Finance Ltd	**603.00**	1,161.27
	Mahindra & Mahindra Financial Services Ltd	**801.56**	944.50
Purchase of PPE	Mahindra Engineering & Chemical Products Ltd	**-**	57.78
	NBS International Limited	**19.92**	25.68
Equity Investment	Great Rocksport Private Limited	**1,200.00**	-
Purchase of services	Mahindra Integrated Business Solutions Pvt Ltd	**296.39**	649.68
	Mahindra Defence Systems	**6.25**	-
	Mahindra Engineering & Chemical Products Ltd	**-**	169.57
	Bristlecone India Limited.	**206.11**	150.87
	Mahindra Logistics Limited	**0.23**	7.59
	Tech Mahindra Ltd	**806.73**	123.86
	Mahindra Solarize Pvt Ltd	**230.33**	-
	Great Rocksport Pvt Ltd	**46.14**	-
	Pininfaria S.P.A.	**112.81**	-
Other Entity	**Director's Interest**		
Purchase of services	Shawman Software Pvt Limited	**-**	21.00
Key Management Personnel			
Managerial remuneration*	Mr. Kavinder Singh	**1,056.12**	514.65
	Mrs. Akhila Balachandar (till May 31, 2021)	**-**	59.20
	Mr. Sujit Vaidya (from June 1, 2021)	**214.35**	124.46
	Mr. Dhanraj Mulki	**134.37**	88.20
	Director's Sitting Fees	**62.70**	69.80
	Commission to non whole time directors	**201.11**	184.50
	Fellow Subsidiaries/Associates		
Investment in Inter Corporate Deposits	Mahindra Rural Housing Finance Ltd	**-**	9,000.00
	Mahindra & Mahindra Financial Services Ltd	**-**	14,500.00
Redemption of Inter Corporate Deposits	Mahindra Rural Housing Finance Limited	**-**	20,500.00
	Mahindra & Mahindra Financial Services Limited	**-**	19,500.00
Balances as at:	**Holding company**		
Outstanding: Payable	Mahindra & Mahindra Limited	**2.83**	256.84
Outstanding: Receivable	Mahindra & Mahindra Limited	**8.01**	5.32

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 51 - Related party transactions (Contd.)

Particulars		March 31, 2023	March 31, 2022
	Subsidiary companies		
Investments	Mahindra Hotels & Residences India Limited	**5.00**	5.00
	Heritage Bird (M) Sdn Bhd.	**40.27**	40.27
	Gables Promoters Private Limited	**6,543.78**	6,543.78
	Infinity Hospitality Group Company Limited	**2,681.11**	2,681.11
	MH Boutique Hospitality Limited	**95.38**	95.38
	Arabian Dreams Hotels Apartments LLC	**52.11**	52.11
	MHR Holdings (Mauritius) Limited	**115.10**	115.10
	Mahindra Holidays & Resorts Harihareshwar Limited	**5.00**	-
	Guestline Hospitality Management and Development Services Limited	**497.98**	-
Inter Corporate Deposits including interest accrued	Gables Promoters Private Limited	**7,504.25**	4,779.40
	MH Boutique Hospitality Limited	**1,066.60**	985.81
	Mahindra Hotels & Residences India Limited	**2,024.83**	19.31
	MHR Holdings (Mauritius) Limited	**22,882.14**	283.25
	Infinity Hospitality Group Company Limited	**4,307.02**	1,025.37
	Heritage Bird (M) Sdn Bhd.	**728.25**	719.08
Other Receivables	MHR Holdings (Mauritius) Limited	**190.16**	1,981.88
	Covington S.a.r.l	**-**	222.52
	Infinity Hospitality Group Company Limited	**50.78**	47.81
	Arabian Dreams Hotels Apartments LLC	**-**	97.72
	Mahindra Hotels & Residencies India Limited	**89.23**	-
Other Payables	Infinity Hospitality Group Company Limited	**103.44**	33.54
	Heritage Bird (M) Sdn Bhd.	**100.70**	21.63
	Gables Promoters Private Limited	**189.25**	242.67
Corporate guarantees given on behalf of	MHR Holdings (Mauritius) Limited	**69,022.03**	83,739.50
Loan outstanding against above guarantees	MHR Holdings (Mauritius) Limited	**60,997.10**	70,892.97
	Fellow Subsidiaries / Associates		
Outstanding: Payable	Mahindra Engineering & Chemical Products Ltd	**-**	27.12
	Tech Mahindra Ltd	**64.97**	62.34
	Bristlecone India Limited	**4.47**	23.70
	Mahindra Logistics Limited	**0.21**	0.23
	Mahindra Integrated Business Solutions Pvt Ltd	**9.52**	166.74
	NBS International Limited	**0.04**	2.39
	Mahindra Solarize Pvt Ltd	**149.17**	-
Outstanding: Receivable	Mahindra Lifespace Developers Ltd	**8.85**	10.54
	Great Rocksport Pvt Ltd	**0.02**	-
Other Deposits (Including accrued interest)	Mahindra & Mahindra Financial Services Ltd	**15,757.62**	15,036.27
	Mahindra Rural Housing Finance Ltd	**9,396.99**	9,395.50

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 51 - Related party transactions (Contd.)

Particulars		March 31, 2023	March 31, 2022
Other entities under the control of the company			
Balances as at :			
Outstanding: Payable	Mahindra Holidays and Resorts India Limited Employees' Stock Option Trust	**205.73**	497.78

*: As the liabilities for defined benefit plans and compensated absences are provided on actuarial basis for the Company as a whole, the amounts pertaining to key mangerial personnel are not included.

Note No. 52 - Revenue from contract with customers

a) **Disaggregation of revenue from contracts with customers**

The Company primarily derives revenue from the sale of vacation ownership and provide holiday facilities to members over time and at a point in time as under :

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from contracts with customers		
Over time (A)		
Vacation ownership income	**45,452.43**	39,337.57
Annual subscription fee	**34,018.58**	30,787.93
Total (A)	**79,471.01**	70,125.50
At a point in time (B)		
Income From resorts:		
Room rentals	**6,215.82**	2,773.88
Food and beverages	**19,989.35**	12,889.05
Wine and liquor	**677.53**	379.02
Others	**5,370.09**	3,228.76
Total (B)	**32,252.79**	19,270.71
Total Revenue from contract with customers (A + B)	**111,723.80**	89,396.21

b) **Movement of deferred acquisition cost and deferred contract liability**

1. **Movement of deferred acquisition cost:**

Particulars	As At March 31, 2023	As At March 31, 2022
Opening Balance	**72,342.34**	70,381.00
i) Additions during the year (Net)	**9,855.29**	7,082.80
ii) Amortised during the year	**(5,470.70)**	(5,121.46)
Closing Balance	**76,726.93**	72,342.34

The deferred acquisition cost relates to incremental costs of acquisition of the member that are deferred over the period of effective membership. Incremental costs are those that would not have been incurred if the contract was not obtained.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 52 - Revenue from contract with customers (Contd.)

2. **Movement of deferred contract liability:**

Particulars	March 31, 2023		
	Vacation ownership	Annual subscription Fee	Total
Opening Balance	**492,365.59**	**15,908.89**	**508,274.48**
i) Addition during the year (Net)	**68,041.24**	**35,801.57**	**103,842.81**
ii) Income recognised during the year	**(45,452.43)**	**(34,018.58)**	**(79,471.01)**
Closing Balance	**514,954.40**	**17,691.88**	**532,646.28**

Particulars	March 31, 2022		
	Vacation ownership	Annual subscription Fee	Total
Opening Balance	492,933.15	15,193.49	508,126.64
i) Addition during the year (Net)	38,770.01	31,503.33	70,273.34
ii) Income recognised during the year	(39,337.57)	(30,787.93)	(70,125.50)
Closing Balance	492,365.59	15,908.89	508,274.48

The deferred contract liability relates to the consideration received/receivable from customers, for which services will be provided over the effective membership period and revenue is recognised over that period.

c) **Obligations for returns, refunds and other similar obligations:**

Particulars	As At March 31, 2023	As At March 31, 2022
Return, refunds and other similar obligations	**99.79**	52.18
Total	**99.79**	52.18

The above obligation is only to the extent of revenue recognised, this does not include the obligation on refundable entitlement fees.

d) **Revenue expected to be recognised in the future from deferred contract liability:**

Time Band	As At March 31, 2023	As At March 31, 2022
< 1 Year - vacation ownership	**46,651.02**	41,560.15
< 1 Year - ASF	**17,691.88**	15,908.89
1 - 2 Year	**44,592.89**	40,186.15
2 - 3 Year	**41,973.02**	38,388.33
3 - 4 Year	**39,996.42**	36,919.82
4 - 5 Year	**39,079.63**	36,319.03
5-10 Year	**164,297.10**	157,878.58
> 10 year	**138,364.32**	141,113.53
Total	**532,646.28**	508,274.48

The deferred contract liability broken year wise shows summary of vacation ownership and annual subscription fee recognisible over the time. Annual subscription fee being the annual fees chargeable to the member every year over the life of contract.

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 52 - Revenue from contract with customers (Contd.)

e) Reconciliation of revenue from contract with customer

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from contract with customer as per the contract price	**122,626.15**	97,396.57
Adjustments made to contract price on account of :-		
Discounts / rebates / incentives	**(10,902.35)**	(8,000.36)
Revenue from contract with customer as per the statement of profit and loss	**111,723.80**	89,396.21

Note No. 53 - Leases

Right of Use Asset

Particulars	As At March 31, 2023	As At March 31, 2022
Balance as at beginning of the year	**26,781.17**	15,412.03
Additions during the current year	**18,553.82**	17,292.99
Deletions during the current year (Net)	**(659.00)**	(160.54)
Amortisation of ROU	**(6,583.12)**	(5,763.31)
Balance as at end of the year	**38,092.87**	26,781.17

Lease liabilities

Particulars	As At March 31, 2023	As At March 31, 2022
Current	**6,036.90**	4,472.22
Non-current	**34,102.84**	23,689.52
Lease liabilities included in the balance sheet as at the end of the year	**40,139.74**	28,161.74

Maturity analysis - contractual undiscounted cash flows

Particulars	As At March 31, 2023	As At March 31, 2022
Less than one year	**8,991.07**	6,560.54
1 - 2 Year	**7,862.50**	5,085.02
2 - 3 Year	**5,853.88**	4,773.43
3 - 4 Year	**5,116.38**	3,721.68
4 - 5 Year	**4,270.30**	3,030.14
More than five years	**26,479.44**	19,304.85
Total undiscounted lease liabilities as at the end of the year	**58,573.57**	42,475.66

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 53 - Leases (Contd.)

Amounts recognised in statement of profit and loss during the year ended March 31

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense on lease liabilities	2,910.25	2,115.63
Amortisation of ROU	6,583.12	5,763.31
Expenses relating to short term leases	7,732.43	4,821.61
Total	17,225.80	12,700.55

Amounts recognised in statement of cash flows during the year ended March 31

Particulars	As At March 31, 2023	As At March 31, 2022
Total cash outflow for leases	8,653.67	6,309.43

During the previous year, the Company had renegotiated with certain lessors on the rent reduction / waiver due to COVID-19 pandemic which is short term in nature. Accordingly, the Company in the statement of profit and loss has recognised an amount of ₹ 1,238.60 Lakhs for the year ended March 31, 2022, as part of Other Income.

Note No. 54 - Transactions with Struck off Companies

Name of the Struck off Company	Nature of Transactions with struck off Company	Transactions during the year	Balance outstanding as at March 31, 2023	Transactions during the previous year	Balance outstanding as at March 31, 2022
Altek India Private Limited	Purchase of Goods/ Services	0.47	-	-	-
Drisna Enterprises Private Limited	Purchase of Goods/ Services	3.03	-	-	-

Note No. 55 - Reporting under Rule 11(d) of the Companies (Audit and Auditor's) Rules, 2014

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note No.56 - NFRA order

The Company has received an order ('the Order') from National Financial Reporting Authority ('NFRA') on March 29, 2023 wherein NFRA has made certain observations on identification of operating segments by the Company in compliance with requirements of Ind AS 108 and the Company's existing accounting policy for recognition of revenue on a straight-line basis over the membership period. As per the order received from NFRA, the Company is required to complete its review of accounting policies and practices in respect of disclosure of operating segments and timing of recognition of revenue from customers and take necessary measures to address the observations made in the Order by June 30, 2023. The Company is conducting review as required by the Order.

As at March 31, 2023, the management has assessed the application of its accounting policies relating to segment disclosures and revenue recognition. Basis the current assessment by the Company after considering the information available as on date; the existing accounting policies, practices and disclosures are in compliance with the respective Ind AS and accordingly have been applied by the Company in the preparation of these standalone financial statements.

Note No.57 - Estimation uncertainty relating to COVID-19 outbreak

The Company has considered internal and external sources of information, economic forecasts and industry reports, up to the date of approval of the financial statements, in determining the impact of COVID 19 pandemic on various elements of its business operations and financial statements. The Company has used the principles of prudence in applying judgements, estimates and assumptions and based on the current estimates, the Company expects to recover the carrying amount of its current and non current assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of review of these financial statements depending on how long the pandemic lasts and time period taken for the economic activities to return to normalcy.

Note No. 58

The figures for the previous year have been regrouped/ reclassified to correspond with current year's classification/ disclosure, wherever necessary.

The standalone financial statements of the Company were approved by the Board of Directors and authorised for issue on April 25, 2023.

As per our report of even date attached
For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Koosai Lehery
Partner
Membership Number: 112399

Place: Mumbai
Date: April 25, 2023

For and on behalf of the Board of Directors

Arun Nanda
Chairman
DIN: 00010029

Kavinder Singh
Managing Director & CEO
DIN: 06994031

Sujit Vaidya
Chief Financial Officer

Dhanraj Mulki
Company Secretary

Place: Mumbai
Date: April 25, 2023

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF MAHINDRA HOLIDAYS & RESORTS INDIA LIMITED

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Mahindra Holidays & Resorts India Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint ventures, which comprise the consolidated balance sheet as at March 31, 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2023, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group, its associates and joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate financial statements of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters'

I) Revenue from Contracts with Customers under Ind AS 115 **See note 40 and 59 to the consolidated financial statements**	
The key audit matter	**How the matter was addressed in our audit**
The Group has a unique business model and its revenue comprises of numerous individual transactions and also multiple streams of revenue with its members / customers. In accordance with Ind AS 115 (a) the membership fees and (b) incremental costs to obtain a contract with a customer, are recognized over the effective membership period. The application of the accounting standard on revenue recognition, involves certain judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligation and the appropriateness of the basis used to recognize revenue over a period. .	Our procedures included the following: • Evaluating the appropriateness of accounting policy in accordance with Ind AS 115 for contracts entered with customers. • Evaluating the design, testing the implementation and operating effectiveness of the Group's internal controls over recognition of revenue. • Evaluating and testing the identification of expenses incurred by the Group, which can get classified as deferred costs and recognised over the effective membership period. • Perform substantive testing throughout the period, by selecting samples of membership contracts entered during the year and verifying the underlying documents, which include membership agreement forms signed by members, receipt of initial down payment tranche of membership fees, invoices for membership, resort revenue and annual subscription fees. • Evaluating the process followed by the Group for the purpose of determining the effective membership period after considering breakage, i.e. customer's unexercised rights.

I) Revenue from Contracts with Customers under Ind AS 115 See note 40 and 59 to the consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
The Company has identified expenses which are classified as deferred costs and recognised over the effective membership period	• Evaluating the process followed by the Group and the data used for the purpose of deferral of revenue due to uncertainty of collection based on historical trends and considering factors impacting future collections. • Assessing the adequacy of the Group's disclosures in accordance with Ind AS 115.
II) Contingent liabilities See note 48 to the consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
The Group has significant tax litigations for both direct and indirect taxes. There is a high level of judgement required in estimating the level of provisioning and appropriateness of disclosure of those litigations in the consolidated financial statements. The value of litigations together with the level of judgement involved make it a significant matter for our audit.	Our audit procedures included the following: • Examining the list of outstanding tax litigations against the Group. • Inquiring and obtaining explanation for movement during the year. • Reading the latest correspondence between the Group and the regulatory authorities for significant matters. • Discussing the status of significant litigation with the Group's senior management personnel and assessing their responses. • Examining opinions obtained by the Group's external advisors. • Involving our tax specialists, and discussing with the Group's tax officers, their views and strategies on significant cases, as well as the related technical grounds relating to their conclusions based on applicable tax laws. • Assessing the decisions and rationale for provisions made or for decisions not to record provisions or make disclosures.
III) Impairment of testing of goodwill on consolidation See Note 6 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
The Group has goodwill on consolidation amounting to ₹ 10,523 lakhs as at March 31, 2023. The carrying value of goodwill on consolidation will be recovered through future cash flows. There is inherent risk of impairment in case future cash flows do not meet the Group's expectations. Given the significance of carrying value, inherent complexity of accounting requirements and significant judgement required in determining the assumptions to estimate recoverable amount, this is considered to be a key audit matter. Refer Note 2(a) of accounting policy and Note 6 in consolidated financial statements.	Our audit procedures included the following: • Assessing the Group's accounting policies relating to impairment of goodwill on consolidation by comparing with applicable accounting standards. • Challenging the significant assumptions considered by the Group while making impairment assessment with respect to revenue forecast, future cash flows, margins, terminal growth and discount rates. • Involving valuation specialists to assess the valuation methodologies applied by the Group. • Performing a sensitivity analysis of the key assumptions applied to determine the recoverable value and considered the resulting impact on the impairment testing. • Evaluating the adequacy of disclosures made in the consolidated financial statements with respect to key assumptions and judgements.

<table>
<tr><td colspan="2">IV) Directions by the Regulator
See Note 63 to consolidated financial statements</td></tr>
<tr><td>The key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>Pursuant to a complaint made by a customer against the Company, National Financial Reporting Authority, ('NFRA') passed an order dated March 29, 2023 ('the Order') providing directions to the Group. As per the Order, NFRA has made certain observations in respect of:
• the identification and disclosure of segments by the Group; and
• The Group's accounting policy for recognition of revenue on a straight-line basis over the period for the membership fees and annual subscription fees.
As per the Order, the Group is required to carry out review of policies and practices in certain areas. These areas are in respect of operating segments and timing of recognition of revenue from customers. The review is required to be completed by June 30, 2023.
Given the significance of the findings of NFRA on the policies and practices adopted by the Group, this has been considered as a key audit matter.</td><td>Our audit procedures included the following:
• Reading the Order received by the Group and us from NFRA;
• Evaluating the findings in the Order with reference to segment reporting under Ind AS 108 and revenue recognition under Ind AS 115.
• Communicating the findings of the Order with those charged with governance.
• Inquiring and assessing the Group's existing practices and policies followed by the Group in respect of the findings made by NFRA.
Segment Reporting
• Inquiring with the Chief Operating Decision Maker (CODM) on the current process of identification of segments.
• Obtaining and inspecting the operating results regularly reviewed by the Group's CODM.
• Assessing the adequacy of disclosures of operating segments in accordance with Ind AS 108.
Revenue Recognition
• Evaluating the accounting policy for recognition of revenue for contracts entered with members against requirements of Ind AS 115 with reference to fulfilment of performance obligations by the Group.
• Inspecting and testing, on sample basis, relevant customer contracts and assessing revenue is recognised on satisfaction of performance obligation.
• Assessing the adequacy of disclosures in accordance with Ind AS 115.</td></tr>
</table>

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the Companies included in the Group and the respective Management and Board of Directors of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements 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 financial statements by the

Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the Companies included in the Group and the respective Management and Board of Directors of its associates and joint ventures 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 and the respective Management and Board of Directors and the respective Board of Directors of its associates and joint ventures are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, 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 paragraph (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 financial statements 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of 23 subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 284,926 lakhs as at March 31, 2023, total revenues (before consolidation adjustments) of ₹ 124,808 lakhs, total net loss after tax (before consolidation adjustments) of ₹ 6,543 lakhs and net cash inflows (before consolidation adjustments) amounting to ₹5,329 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of ₹ 75 lakhs for the year ended March 31, 2023, in respect of 2 associates and 2 joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint ventures is based solely on the reports of the other auditors.

(b) Certain of these subsidiaries, associate and joint ventures are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries, associate and joint ventures located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries, associate and joint ventures located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, associates and joint ventures as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company, and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate / consolidated financial statements of the subsidiaries, associates and joint ventures, as noted in the "Other Matters" paragraph:

a) The consolidated financial statements disclose the impact of pending litigations as at March 31, 2023 on the consolidated financial position of the Group, its associates and joint ventures. Refer Note 48 to the consolidated financial statements.

b) The Group, its associates and joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2023.

c) There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies or associate incorporated in India during the year ended March 31, 2023.

d) (i) The management of the Holding Company represented to us, that, to the best of their knowledge and belief, as disclosed in the Note 54 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of its subsidiary companies and associate company incorporated in India to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of its subsidiary companies and associate company incorporated in India ("Ultimate Beneficiaries") or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management of the Holding Company represented to us, that, to the best of their knowledge and belief, as disclosed in the Note 54 to the consolidated financial statements, no funds have been received by the Holding Company or any of its subsidiary companies and associate company incorporated in India from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of its subsidiary companies and associate company incorporated in India shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or
- provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary companies and associate company incorporated in India whose financial statements/ financial information have been audited under the Act, nothing has come to our or other auditors notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e) The Holding Company and its subsidiary companies and associate company incorporated in India have neither declared nor paid any dividend during the year.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company or any of its subsidiary companies and associate company incorporated in India only with effect from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, associate company incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies and associate company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the the Holding Company and its subsidiary companies and associate company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Koosai Lehery
Partner
Membership No. 112399
ICAI UDIN:23112399BGXWID1320

Place: Mumbai
Date : April 25, 2023

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Mahindra Holidays & Resorts India Limited for the year ended March 31, 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the Companies incorporated in India and included in the consolidated financial statements.

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

Koosai Lehery
Partner
Membership No. 112399
ICAI UDIN:23112399BGXWID1320

Place: Mumbai
Date : April 25, 2023

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Mahindra Holidays & Resorts India Limited for the year ended March 31, 2023

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

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

Opinion

In conjunction with our audit of the consolidated financial statements of Mahindra Holidays & Resorts India Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion and based on the consideration of report of the other auditors on internal financial controls with reference to financial statements of subsidiary companies incorporated in India as was audited by the other auditor, the Holding Company and such companies incorporated in India which are its subsidiary companies, has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2023, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the relevant subsidiary companies in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to four subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our Opinion is not modified in respect of this matter.

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

Koosai Lehery
Partner
Membership No. 112399
ICAI UDIN:23112399BGXWID1320

Place: Mumbai
Date : April 25, 2023

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	4	**266,422.89**	264,211.74
Right of use asset	5	**161,307.47**	140,263.04
Capital work-in-progress		**15,997.86**	11,440.82
Goodwill	6	**10,522.81**	10,126.33
Other intangible assets	7	**3,498.08**	4,021.14
Intangible assets under development		**2,242.74**	714.14
Equity accounted investees	8	**3,038.80**	1,311.07
Financial assets			
Investments	8	**943.72**	1,379.92
Trade receivables	9	**22,486.86**	22,614.31
Other financial assets	10	**31,766.23**	53,236.20
Deferred tax assets (net)	11	**50,590.89**	48,974.10
Other non-current tax assets (Net)	13	**3,400.45**	10,434.37
Deferred acquisition cost	14	**70,988.05**	67,035.95
Other non-current assets	15	**6,715.61**	4,113.90
		649,922.46	639,877.03
Current Assets			
Inventories	16	**57,028.91**	54,098.37
Financial assets			
Investments	17	**53,366.39**	27,943.07
Trade receivables	18	**101,988.09**	96,455.88
Cash and cash equivalents	19	**11,636.00**	10,270.36
Other bank balances	20	**11,011.82**	33,245.70
Loans	21	**71.04**	62.72
Other financial assets	22	**31,215.80**	8,284.72
Deferred acquisition cost	23	**5,738.88**	5,306.39
Other current assets	24	**9,727.63**	9,075.94
		281,784.56	244,743.15
		931,707.02	884,620.18
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	25	**20,069.70**	19,984.81
Share application money pending allotment		**117.33**	-
Other Equity	26		
Reserves & surplus		**75,945.89**	62,854.05
Revaluation reserve		**91,678.79**	91,096.64
Foreign currency translation reserve		**2,197.69**	2,165.21
Other comprehensive income		**(127.71)**	(215.73)
Transition difference		**(150,904.10)**	(150,904.10)
		18,790.56	4,996.07
		38,977.59	24,980.88
Non-controlling interests	27	**876.98**	998.81
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	28	**69,716.30**	65,798.19
Lease liabilities	29	**168,307.81**	146,288.11
Other financial liabilities	30	**728.86**	3,706.37
Provisions	31	**835.28**	867.78
Deferred tax liabilities	12	**21,921.08**	22,503.23
Other non-current liabilities			
Contract liability - deferred revenue	32	**471,161.29**	453,657.08
		732,670.62	692,820.76
Current liabilities			
Financial liabilities			
Borrowings	33	**5,887.73**	27,605.10
Lease liabilities	34	**18,351.54**	16,975.13
Trade payables			
Total outstanding dues of micro enterprises and small enterprises; and	35	**82.20**	445.88
Total outstanding dues of creditors other than micro enterprises and small enterprises		**39,709.04**	34,386.84
Other financial liabilities	36	**15,238.58**	12,854.38
Provisions	37	**708.11**	850.75
Other current liabilities			
Contract liability - Deferred revenue	38	**73,908.20**	66,827.30
Others	39	**5,296.43**	5,874.35
		159,181.83	165,819.73
		931,707.02	884,620.18

See accompanying notes to the financial statements

As per our report of even date attached

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

Koosai Lehery
Partner

Membership Number: 112399

Place: Mumbai
Date : April 25, 2023

For and on behalf of the Board of Directors

Arun Nanda
Chairman
DIN: 00010029

Kavinder Singh
Managing Director & CEO
DIN: 06994031

Sujit Vaidya
Chief Financial Officer

Dhanraj Mulki
Company Secretary

Place: Mumbai
Date : April 25, 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
Income			
Revenue from operations	40	**251,699.16**	201,329.97
Other income	41	**10,690.42**	16,555.03
Total Income		**262,389.58**	217,885.00
Expenses			
Cost of vacation ownership weeks	44(a)	**20,150.55**	16,638.19
Employee benefits expense	42	**65,588.73**	55,719.09
Finance costs	43	**11,861.56**	9,937.42
Depreciation and amortisation expense	4,5 & 7	**28,999.71**	27,074.99
Other expenses	44(b)	**118,799.39**	97,461.10
Total Expenses		**245,399.94**	206,830.79
Profit before share of profit of joint ventures and associate		**16,989.64**	11,054.21
Share of profit of joint ventures and associate (net of income tax)		**75.11**	1.90
Profit before tax		**17,064.75**	11,056.11
Tax expense			
Current tax	45	**6,827.52**	2,691.56
Deferred tax	45	**(1,145.04)**	1,600.54
Total tax expense		**5,682.48**	4,292.10
Profit after tax		**11,382.27**	6,764.01
Profit for the year attributable to:			
Owners of the Company		**11,512.25**	6,751.08
Non-controlling interests		**(129.98)**	12.93
		11,382.27	6,764.01
Other comprehensive income			
Items that will not be susbequently reclassified to profit or loss			
Remeasurements of the defined benefit liabilities/asset		**117.62**	(70.58)
Freehold land revaluation		**-**	11,457.72
Income taxes related to items that will not be reclassified to profit or loss		**552.55**	(2,258.64)
Items that may be reclassified to profit or loss			
Exchange differences on translating the financial statements of foreign operations		**1,614.34**	(566.95)
Net Gain/ (Loss) on net investment hedge		**(1,581.86)**	595.11
Income taxes related to items that may be reclassified to profit or loss		**-**	-
Total other comprehensive income		**702.65**	9,156.66
Other comprehensive income for the year attributable to:			
Owners of the company		**702.65**	8,785.93
Non-controlling interests		**-**	370.73
		702.65	9,156.66
Total comprehensive income for the year		**12,084.92**	15,920.67
Total comprehensive income for the year attributable to:			
Owners of the company		**12,214.90**	15,537.01
Non-controlling interests		**(129.98)**	383.66
		12,084.92	15,920.67
Earnings per equity share			
(face value of ₹ 10 per share)			
Basic (in ₹)	46	**5.75**	3.38
Diluted (in ₹)	46	**5.73**	3.37

See accompanying notes to the financial statements

As per our report of even date attached

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

Koosai Lehery
Partner
Membership Number: 112399

Place: Mumbai
Date : April 25, 2023

For and on behalf of the Board of Directors

Arun Nanda
Chairman
DIN: 00010029

Kavinder Singh
Managing Director & CEO
DIN: 06994031

Sujit Vaidya
Chief Financial Officer

Dhanraj Mulki
Company Secretary

Place: Mumbai
Date : April 25, 2023

Statement of changes in equity

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	Share Capital	Other Equity										Attributable to owners of the Company	Non-Controlling Interests (NCI)	Share Application Money Pending Allotment	Total
		Reserves and Surplus						Foreign Currency Translation Reserve	Other Comprehensive Income Actuarial Gain / (Loss)	Revaluation Reserve	Transition difference				
	Equity Share Capital	Capital Reserve	Securities Premium	General Reserve	Share Options Outstanding Account	Capital Redemption Reserve	Retained Earnings								
Balance at the beginning of reporting year April 01, 2022	19,984.81	44.75	4,209.46	10,757.72	2,042.68	145.80	45,653.64	2,165.21	(215.73)	91,096.64	(150,904.10)	24,980.88	998.81	–	25,979.69
Profit for the year	-	-	-	-	-	-	11,512.25	-	-	-	-	11,512.25	(129.98)	–	11,382.27
Effect of change in tax base	-	-	-	-	-	-	-	-	-	582.15	-	582.15	-	–	582.15
Additions during the year (net of taxes)	-	-	-	-	438.88	-	-	-	-	-	-	438.88	-	–	438.88
Fresh Issue of shares	84.89	-	1,122.09	-	-	-	-	-	-	-	-	1,206.98	-	-	1,206.98
Share application money pending allotment	-	-	-	-	-	-	-	-	-	-	-	-	-	117.33	117.33
OCI component of actuarial gains/ (losses) (Net of taxes)	-	-	-	-	-	-	-	-	88.02	-	-	88.02	-	–	88.02
Net Gain/ (Loss) on net investment hedge	-	-	-	-	-	-	-	(1,581.86)	-	-	-	(1,581.86)	-	–	(1,581.86)
Changes during the year	-	-	-	-	18.62	-	-	1,614.34	-	-	-	1,632.96	8.15	–	1,641.11
Balance at the end of reporting year March 31, 2023	**20,069.70**	**44.75**	**5,331.55**	**10,757.72**	**2,500.18**	**145.80**	**57,165.89**	**2,197.69**	**(127.71)**	**91,678.79**	**(150,904.10)**	**38,860.26**	**876.98**	**117.33**	**39,854.57**

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	Share Capital	Other Equity													
	Equity Share Capital	Reserves and Surplus						Foreign Currency Translation Reserve	Other Comprehensive Income Actuarial Gain / (Loss)	Revaluation Reserve	Transition difference	Attributable to owners of the Company	Non-Controlling Interests (NCI)	Share Application Money Pending Allotment	Total
		Capital Reserve	Securities Premium	General Reserve	Share Options Outstanding Account	Capital Redemption Reserve	Retained Earnings								
Balance at the beginning of reporting year April 01, 2021	13,292.38	44.75	10,361.74	10,757.72	1,603.48	145.80	38,905.77	2,137.05	(162.92)	82,286.29	(150,904.10)	8,467.96	615.15	-	9,083.11
Profit for the year	-	-	-	-	-	-	6,751.08	-	-	-	-	6,751.08	12.93	-	6,764.01
Additions during the year (net of taxes)	-	-	-	-	442.89	-	-	-	-	8,810.35	-	9,253.24	370.73	-	9,623.97
Bonus Issue	6,653.25	-	(6,653.25)	-	-	-	-	-	-	-	-	-	-	-	-
Capitalisation of Share Issue Expenses	-	-	(112.50)	-	-	-	-	-	-	-	-	(112.50)	-	-	(112.50)
Fresh Issue of shares	39.18	-	613.47	-	-	-	-	-	-	-	-	652.65	-	-	652.65
OCI component of actuarial gains/ (losses) (Net of taxes)	-	-	-	-	-	-	-	-	(52.81)	-	-	(52.81)	-	-	(52.81)
Net Gain/ (Loss) on net investment hedge	-	-	-	-	-	-	-	595.11	-	-	-	595.11	-	-	595.11
Changes during the year	-	-	-	-	(3.69)	-	(3.21)	(566.95)	-	-	-	(573.85)	-	-	(573.85)
Balance at the end of reporting year March 31, 2022	19,984.81	44.75	4,209.46	10,757.72	2,042.68	145.80	45,653.64	2,165.21	(215.73)	91,096.64	(150,904.10)	24,980.88	998.81	-	25,979.69

See accompanying notes to the financial statements

As per our report of even date attached

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

Koosai Lehery
Partner

Membership Number: 112399

Place: Mumbai
Date : April 25, 2023

For and on behalf of the Board of Directors

Arun Nanda
Chairman
DIN: 00010029

Kavinder Singh
Managing Director & CEO
DIN: 06994031

Sujit Vaidya
Chief Financial Officer

Dhanraj Mulki
Company Secretary

Place: Mumbai
Date : April 25, 2023

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**		
	Net Profit before tax for the year	**17,064.75**	11,056.11
	Adjustments for:		
	Finance costs	**11,861.56**	9,937.42
	Interest income	**(4,630.07)**	(5,119.90)
	Impairment loss recognised on trade receivables	**142.83**	188.59
	Depreciation and amortisation of non-current assets	**28,999.71**	27,074.99
	Net (Gain) / Loss on disposal of property, plant and equipment	**177.26**	(178.59)
	Gain due to change in lease arrangement	**(173.39)**	(1,701.25)
	Net foreign exchange (Gain) / loss	**359.71**	(1,561.43)
	Net gain on sale of investment	**(1,774.27)**	(2,773.47)
	Net gain on investments carried at FVTPL	**(316.33)**	(738.86)
	Equity-settled share-based payments	**438.88**	442.89
	Share of profit of associate and joint venture	**(75.11)**	(1.90)
		35,010.78	25,568.49
	Operating profit before working capital changes	**52,075.53**	36,624.60
	Movements in working capital:		
	Decrease/ (Increase) in trade, other receivables and deferred acquisition cost	**(14,081.25)**	1,818.45
	Decrease in inventories	**305.37**	298.13
	Increase in trade payables	**3,907.66**	4,286.80
	(Decrease) / Increase in provisions	**(57.52)**	132.30
	Increase in contract liability-deferred revenue	**23,872.89**	586.85
	Increase in other liabilities	**1,936.83**	285.23
		15,883.98	7,407.76
	Cash generated from operations	**67,959.51**	44,032.36
	Income taxes refund / (paid) [Net]	**176.79**	5,779.70
	NET CASH GENERATED FROM OPERATING ACTIVITIES	**68,136.30**	49,812.06
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	Interest received	**2,880.70**	4,623.36
	Placement of fixed deposits and other deposits	**(14,740.31)**	(87,331.78)
	Proceeds from maturity of fixed deposits and other deposits	**41,377.39**	88,811.84
	Payments for property, plant and equipment and intangibles	**(26,128.70)**	(13,209.38)
	Proceeds from disposal of property, plant and equipment	**444.20**	899.35
	Purchase of investment	**(93,600.00)**	(40,098.00)
	Purchase of equity investment	**(1,200.00)**	(1,123.13)
	Proceeds from disposal of investment	**69,983.78**	21,731.36
	NET CASH USED IN INVESTING ACTIVITIES	**(20,982.94)**	(25,696.38)

All amounts are in ₹ Lakhs unless otherwise stated

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from borrowings	**24,068.86**	58,732.45
Repayment of borrowings	**(45,769.92)**	(57,627.63)
Payment of lease liabilities	**(15,960.40)**	(13,473.66)
Proceeds from issue of equity share capital	**1,207.05**	652.65
Dividend paid	**(0.92)**	-
Share application money pending allotment	**117.33**	-
Share issue expenses	**-**	(112.50)
Interest paid on Lease Liabilities	**(7,630.81)**	(6,963.67)
Interest paid on borrowings	**(1,948.00)**	(2,945.04)
NET CASH USED IN FINANCING ACTIVITIES	**(45,916.81)**	(21,737.40)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	**1,236.55**	2,378.28
Cash and cash equivalents at the beginning of the year	**10,270.36**	7,933.02
Effect of exchange rate fluctuations on cash held	**129.09**	(40.94)
Cash and cash equivalents at the end of the year (Refer note no 19)	**11,636.00**	10,270.36

See accompanying notes to the financial statements

As per our report of even date attached

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

Koosai Lehery
Partner

Membership Number: 112399

Place: Mumbai
Date : April 25, 2023

For and on behalf of the Board of Directors

Arun Nanda
Chairman
DIN: 00010029

Kavinder Singh
Managing Director & CEO
DIN: 06994031

Sujit Vaidya
Chief Financial Officer

Dhanraj Mulki
Company Secretary

Place: Mumbai
Date : April 25, 2023

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

1 Corporate Information

Mahindra Holidays & Resorts India Limited ('the Company') was incorporated on September 20, 1996, and is in the business of selling vacation ownership and providing holiday facilities.

2 (a) Significant accounting policies

(i) Statement of compliance

These consolidated financial statements of Mahindra Holidays & Resorts India Limited and its subsidiaries ('the Group') have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

(ii) Basis of preparation and presentation

The consolidated financial statements of the Group have been prepared on the historical cost basis except for certain financial instruments that are measured at fair value at the end of each reporting period, as explained in the accounting policies below.

All amounts have been rounded off to the nearest lakhs, unless stated otherwise.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

The principal accounting policies are set out below.

(iii) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/ permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

The consolidated financial statements present the consolidated accounts which consist of accounts of the Company and that of the following subsidiaries, joint venture, associate and other entity controlled by Group.

Name of the Company	Country of incorporation	Effective holding as of March 31,		Subsidiary/ Joint ventures/ Associate/ Other entity controlled/ owned by Group since
		2023	2022	
Subsidiary Companies				
Mahindra Hotels & Residences India Limited	India	**100%**	100%	26-Apr-07
Heritage Bird (M) Sdn Bhd	Malaysia	**100%**	100%	3-Mar-08
Gables Promoters Private Limited	India	**100%**	100%	24-Aug-12
Mahindra Holidays & Resorts Harihareshwar Limited^	India	**100%**	-	23-Aug-22
Guestline Hospitality Management Development Service Limited ***	India	**98.39%**	-	2-Dec-22
MH Boutique Hospitality Limited	Thailand	**49%**	49%	2-Nov-12
Infinity Hospitality Group Company Limited	Thailand	**73.99%**	73.99%	5-Nov-12
MHR Holdings (Mauritius) Limited	Mauritius	**100%**	100%	11-Jul-14
Covington S.a.r.l	Luxembourg	**100%**	100%	17-Jul-14
Arabian Dreams Hotels Apartments LLC	Dubai	**49%**	49%	26-Mar-13
HCR Management Oy ^^	Finland	**-**	100%	2-Sep-15
Holiday Club Resorts Oy	Finland	**100%**	100%	2-Sep-15
Holiday Club Sweden Ab Åre, Sweden	Sweden	**100%**	100%	2-Sep-15
Ownership Services Sweden Ab	Sweden	**100%**	100%	2-Sep-15
Åre Villa 3 AB	Sweden	**100%**	100%	26-Jan-18
Holiday Club Canarias Investments S.L.	Spain	**100%**	100%	2-Sep-15
Holiday Club Canarias Sales & Marketing S.L.	Spain	**100%**	100%	2-Sep-15
Holiday Club Canarias Resort Management S.L.	Spain	**100%**	100%	2-Sep-15
Holiday Club Canarias Vacation Club SLU	Spain	**100%**	100%	18-Dec-18
Holiday Club Resorts Rus LLC	Russia	**100%**	100%	2-Sep-15
Kiinteistö Oy Himos Gardens #	Finland	**-**	100%	2-Sep-15
Kiinteistö Oy Vanha Ykköstii #	Finland	**-**	100%	2-Sep-15
Kiinteistö Oy Katinnurkka #	Finland	**-**	100%	2-Sep-15
Kiinteistö Oy Tenetinlahti #	Finland	**-**	100%	2-Sep-15
Kiinteistö Oy Mällösniemi #	Finland	**-**	100%	2-Sep-15
Kiinteistö Oy Rauhan Ranta 1 #	Finland	**-**	100%	2-Sep-15
Kiinteistö Oy Rauhan Ranta 2 #	Finland	**-**	100%	2-Sep-15
Kiinteistö Oy Tiurunniemi #	Finland	**-**	100%	2-Sep-15

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Name of the Company	Country of incorporation	Effective holding as of March 31,		Subsidiary/ Joint ventures/ Associate/ Other entity controlled/ owned by Group since
		2023	2022	
Kiinteistö Oy Rauhan Liikekiinteistöt 1 #	Finland	-	100%	2-Sep-15
Kiinteistö Oy Rauhan Liikekiinteistöt 1 (Formally known as "Supermarket Capri Oy")*	Finland	100%	100%	2-Sep-15
Kiinteistö Oy Kylpyläntorni 1 #	Finland	-	100%	2-Sep-15
Kiinteistö Oy Spa Lofts 2 #	Finland	-	100%	2-Sep-15
Kiinteistö Oy Spa Lofts 3 #	Finland	-	100%	2-Sep-15
Kiinteistö Oy Kuusamon Pulkkajärvi 1 #	Finland	-	100%	2-Sep-15
Holiday Club Sport and Spa Hotels AB	Sweden	100%	100%	1-Dec-15
Joint venture				
Tropiikin Rantasauna Oy	Finland	50%	50%	31-Aug-16
Kiinteistö Oy Vierumäen Kaari**	Finland	100%	100%	27-Jul-21
Associate				
Kiinteisto Oy Seniori-Saimaa	Finland	31.50%	31.50%	2-Sep-15
Great Rocksport Private Limited	India	23.42%	-	16-Apr-22
Other Entity Controlled by Group				
Mahindra Holidays & Resorts India Ltd Employee Stock Option Trust.	India	100%	100%	22-May-06

* Kiinteistö Oy Rauhan Liikekiinteistöt 1 has been merged with Supermarket Capri Oy, with effect from April 8, 2022. Further, the name of Supermarket has been changed to Kiinteistö Oy Rauhan Liikekiinteistöt 1 with effect from April 8, 2022.

** Voting right is 50% with the Group.

*** Pursuant to the conversion of 25,000 7% Non- cumulative redeemable participating optionally convertible preference shares of ₹ 10 each of Guestline Hospitality Management and Development Services Limited ("Guestline") into 25,000 equity shares of ₹ 10 each on December 2, 2022, Guestline has become a subsidiary of the group.

Kiinteistö Oy Rauhan Ranta 1, Kiinteistö Oy Rauhan Ranta 2, Kiinteistö Oy Kylpyläntorni 1, Kiinteistö Oy Spa Lofts 2, Kiinteistö Oy Spa Lofts 3, Kiinteistö Oy Tiurunniemi, Kiinteistö Oy Vanha Ykköstii, Kiinteistö Oy Katinnurkka, Kiinteistö Oy Tenetinlahti, Kiinteistö Oy Himos Gardens, Kiinteistö Oy Kuusamon Pulkkajärvi 1 and Kiinteistö Oy Mällösniemi have been merged with Holiday Club Resorts Oy, Finland ("HCR"), a wholly owned subsidiary of the Group, with effect from April 01, 2022. Accordingly, above mentioned companies ceased to be the subsidiaries of HCR and consequently, that of the Group with effect from April 01, 2022.

^ The group has incorporated an entity named "Mahindra Holidays & Resorts Harihareshwar Limited" which is a wholly owned subsidiary with effect from August 23, 2022.

^^ HCR Management Oy ("HCRM"), incorporated in Finland, a wholly owned subsidiary of Covington S.a.r.l. ("Covington"), and consequently of the Group has been merged with Holiday Club Resorts Oy ("HCR"), incorporated in Finland, a subsidiary of Covington with effect from February 28, 2023.

The financial statements of subsidiaries, joint ventures, associates and other entity controlled by Group used in the consolidation are drawn up to the same reporting date as that of the holding company.

(iv) Additional information as required by paragraph 2 of the general instructions for preparation of consolidated Financials statements to schedule III to the companies act, 2013

Sl. No.	Name of Entity	Net assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of other comprehensive income	Amount	As a % of total comprehensive income	Amount
1	**Parent**								
	Mahindra Holidays & Resorts India Limited	187.12%	74,574.99	139.32%	15,857.77	90.83%	638.21	136.50%	16,495.98
2	**Subsidiaries**								
	a. Indian:								
	Gables Promoters (P) Limited	24.32%	9,691.84	2.87%	326.68	4.55%	31.96	2.97%	358.64
	Mahindra Hotels & Residences India Limited	(0.34%)	(136.13)	(1.04%)	(118.14)	0.00%	-	(0.98%)	(118.14)
	Mahindra Holidays & Resorts Harihareshwar Limited	0.01%	3.87	(0.01%)	(1.13)	0.00%	-	(0.01%)	(1.13)

Sl. No.	Name of Entity	Net assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of other comprehensive income	Amount	As a % of total comprehensive income	Amount
	Guestline Hospitality management development service limited	1.29%	513.26	0.06%	7.11	0.00%	-	0.06%	7.11
	Mahindra Holidays & Resorts India Limited Employee Stock Option Trust	2.12%	843.48	0.14%	15.72	0.00%	-	0.13%	15.72
	b. Foreign:								
	Heritage Bird (M) Sdn Bhd	0.24%	94.01	0.14%	16.36	0.00%	-	0.14%	16.36
	MH Boutique Hospitality Limited	(1.10%)	(437.01)	(0.79%)	(90.10)	0.00%	-	(0.75%)	(90.10)
	Infinity Hospitality Group Company Limited	10.21%	4,069.56	(2.84%)	(323.52)	0.00%	-	(2.68%)	(323.52)
	Covington S.a.r.l	17.53%	6,988.37	(31.24%)	(3,555.72)	0.00%	-	(29.42%)	(3,555.72)
	MHR Holdings (Mauritius) Limited	(25.92%)	(10,328.65)	(22.60%)	(2,572.05)	0.00%	-	(21.28%)	(2,572.05)
	Holiday Club Resorts Oy	59.00%	23,516.08	(0.30%)	(34.67)	0.00%	-	(0.29%)	(34.67)
	Arabian Dreams Hotels Apartments LLC	0.95%	380.28	1.70%	193.96	0.00%	-	1.60%	193.96
3	**Non controlling interest**	2.20%	876.99	(1.14%)	(129.98)	0.00%	-	(1.08%)	(129.98)
4	**Share of profit of joint ventures and associate**	0.00%	-	0.66%	75.11	0.00%	-	0.62%	75.11
	Inter- company elimination & consolidation adjustments	(177.64%)	(70,796.37)	15.07%	1,714.87	4.62%	32.48	14.46%	1,747.35
	TOTAL	**100.00%**	**39,854.57**	**100.00%**	**11,382.27**	**100.00%**	**702.65**	**100.00%**	**12,084.92**

(v) Business Combination

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition-related costs are generally recognised in Statement of profit and loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based payment at the acquisition date (see note (xiii)); and
- assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognising a gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing and reviewing (as described above), directly in equity as capital reserve.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case maybe. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

(vi) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see note (v) above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of an associate and a joint venture is described at note (vii) below.

(vii) Investments in associate and joint venture

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. Distributions received from an associate or a joint venture reduce the carrying amount of the investment. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(viii) Revenue recognition

a. *Revenue from sale of vacation ownership*

The Group's business is to sell Vacation ownership and provide holiday facilities to members for a specified period each year, over a number of years, for which membership fee is collected either in full upfront, or on a deferred payment basis.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation.

Revenue from membership fees

The Group will recognise the membership fees over the tenure of membership as the performance obligation is fulfilled over the tenure of membership (33 years / 25 years / 10 years or any other tenure applicable to the respective member). The Group will recognise revenue on a straight line basis over the tenure of membership after considering the expected customer unexercised rights from date of admission of each member. The revenue which will be recognised in future periods are disclosed under other liabilities – contract liability - deferred revenue-vacation ownership. Revenue from consumer offers and other benefits provided on membership are recognized as and when such benefits are provided to members at its respective fair value.

Discounts and other incentives provided to the customer's are reduced from the overall contract value.

Deferred acquisition cost

Incremental costs of acquisition of the members are deferred over the period of effective membership in line with revenue deferral. Incremental costs are those that would not have been incurred if the contract was not obtained. Such cost which will be amortised in the future period are disclosed under deferred acquisition cost.

Revenue from annual subscription fees

Annual subscription fee dues from members are recognized as income on accrual basis and fees pertaining to the period beyond the date of the Balance Sheet is grouped under Other current liabilities - Contract Liability- Deferred revenue – Annual subscription fee.

Interest income on deferred payment plans

Interest revenue is recognised only to the extent that a contract asset (or receivable) or a contract liability is recognised in accounting for a contract with the customer. Also refer accounting policy for financial instruments (note no xx).

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the Group. Revenue with respect to instalments/ contracts where there is an uncertainty about collectability, is deferred (even though the membership is not cancelled). The estimation of such revenues where there is uncertainty in collection has been made by the Group based on past trends of year-wise cancellation of memberships and considering factors impacting future collections.

b. Revenue from sale of vacation ownership weeks is recognized when related right to use the specific property over the specific weeks is transferred to the buyer for a consideration, which coincides with transfer of significant risks, rewards and control of ownership.

c. Income from sale of vacation ownership weeks in villas under construction is deferred until the point in time when construction activities are deemed to be completed, occupancy of the development is permissible, customer has executed a binding sales contract, collectability is reasonably assured, the purchaser's period to cancel for a refund has expired and the customer has the right to use. Project revenue and contract costs associated with the contract are recognized on completion of the performance obligations as mentioned above.

d. Income from resorts include income from room rentals, food and beverages, etc. and is recognized when services are rendered.

e. Rental income from retail premises in case of HCR Oy are recognized on a straight line basis over the rental period.

(ix) Leases

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the

Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the present value of future lease liability. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the period of lease term. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rates in the country of domicile of these leases.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(x) Foreign currencies

The financial statements of the Group are presented in Indian Rupees (INR), which is the Group's functional currency. In preparing the financial statements of the Group, transactions in currencies other than the Group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Under previous GAAP, paragraph 46A of AS 11, The effects of changes in Foreign Exchange Rates, provided an accounting treatment to companies with respect to exchange differences arising on restatement of long-term foreign currency monetary items. Exchange differences in respect of items other than those related to acquisition of depreciable assets, could be accumulated in a foreign currency monetary item translation difference account ('FCMITDR'), and amortised over the balance period of such long term monetary item. Ind AS provides an option to Company to continue the above accounting treatment in respect of long term foreign currency items recognised in the financial statements for the period ending immediately before the beginning of the first Ind AS reporting period. The Company had elected this option.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in Foreign Currency Translation Reserve (FCTR) through other comprehensive income.

(xi) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit or loss in the period in which they are incurred.

(xii) Employee benefits

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund and compensated absences.

Defined contribution plans

The Group's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are recognized as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out by an independent actuary at the end of each reporting period. Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments ;settlements);
- Net interest expense or income; and
- Re-measurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Curtailment gains and losses are accounted for as past service cost. Past service cost is recognized in profit or loss in the period of a plan amendment.

The obligation recognized in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Short-term and other long-term employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflow expected to be made by the group in respect of services provided by employees upto the reporting date.

(xiii) Share based payment arrangements

Equity-settled share based payments to employees are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share based transactions are set out in Note no 25.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the Share options outstanding account in Reserves & Surplus.

(xiv) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The company's current tax is calculated using tax rates that have been enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred taxes are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on the tax rates and the tax laws enacted or substantively enacted as at the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in the statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(xv) Property, plant and equipment

Buildings held for use in the supply or production of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

Freehold land is valued at fair value based on valuations by external independent valuers at sufficient regularity (3 - 5 years). Any revaluation surplus is recognised in other comprehensive income and accumulated in equity under revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset carried in the revaluation reserve.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

PPE in the course of construction for supply, production or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and other directly attributable expenses for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Category of asset	Estimated useful lives
Leasehold building	Period of lease
Buildings (other than those mentioned below)	20 - 60 years
Floating cottages (grouped under buildings)	25 years
Plant & equipment	5 - 15 years
Furniture and fixtures (other than those mentioned below)	5 - 10 years
Furniture and fixtures (in Club Mahindra Holiday World)	3 years
Vehicles (other than those mentioned below)	8 years
Motor vehicles/ other assets provided to employees	4 - 5 years
Office equipment	5 years

The tangible assets of the overseas operations have also been depreciated based on useful life, estimated by the respective managements on a straight line basis.

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The assets of the overseas operations have also been depreciated based on useful lives, estimated by the respective managements on a straight line basis. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit or loss.

(xvi) Intangible assets

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The intangible assets of the overseas operations have also been depreciated based on useful lives, estimated by the respective managements on a straight line basis. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Category of asset	Estimated useful lives
Computer software and website development costs	3 years
Trademarks	10 years
Customer relationship	3 years
Management contracts	1-10 years

The intangible assets of the overseas operations have also been amortised based on useful life, estimated by the respective managements on a straight line basis.

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the statement of profit or loss when the asset is derecognized.

(xvii)Impairment of tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

(xviii) Inventories

Inventories are carried at the lower of cost and net realizable value. Costs of inventories are determined on a moving weighted average basis. Cost includes the purchase price, non-refundable taxes and delivery handling cost. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(xix) Provisions

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

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(xx) Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in statement of profit and loss.

All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through the statement of profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Interest income from other financial assets is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognized when the shareholder's right to receive payment has been established, provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

Effective interest method

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

(xxi) Financial assets

A financial asset is any asset that is:

(a) cash;

(b) an equity instrument of another entity;

(c) a contractual right:

- (i) to receive cash or another financial asset from another entity; or
- (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially favorable to the Group; or

(d) a contract that will or may be settled in the Group's own equity instruments and is:

- (i) a non-derivative for which the Group is or may be obliged to receive a variable number of the entity's own equity instruments; or
- (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments.

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Classification of financial assets

Debt

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as "fair value through profit or loss (FVTPL)" on initial recognition):

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

Debt instruments (except for debt instruments that are designated as at FVTPL on initial recognition) that meet the following conditions are subsequently measured at "fair value through other comprehensive income (FVTOCI)":

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

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Interest income is recognized in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortized cost are recognized in profit or loss and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

A debt instrument that meets the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Debt instruments classified as FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss. The Group has not designated any debt instrument as at FVTPL.

Equity

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Equity instruments at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any dividend earned on the financial asset and is included under 'Other income'. Dividend on financial assets at FVTPL is recognized when the Group's right to receive the dividends is established and the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Investments in equity instruments of subsidiaries, joint ventures and associates are measured at cost.

Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables, and other contractual rights to receive cash or other financial asset not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses considering the nature of industry and the deferred payment schemes operated.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Foreign exchange gains and losses on financial assets

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognized in the statement of profit or loss.

Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognized in other comprehensive income.

For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortized cost are recognized in the statement of profit or loss and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive income.

(xxii) Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase,

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

sale, issue or cancellation of the Group's own equity instruments.

Financial liabilities

A financial liability is any liability that is:

(a) a contractual obligation :

  (i) to deliver cash or another financial asset to another entity; or

  (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Group; or

(b) a contract that will or may be settled in the Group's own equity instruments and is:

  (i) a non-derivative for which the Group is or may be obliged to deliver a variable number of the Group's own equity instruments; or

  (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments. For this purpose, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the Group offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. Apart from the aforesaid, the equity conversion option embedded in a convertible bond denominated in foreign currency to acquire a fixed number of the Group's own equity instruments is an equity instrument if the exercise price is fixed in any currency.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

a) it has been incurred principally for the purpose of repurchasing it in the near term; or

b) on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or

c) it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

a) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

b) the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the Group is provided internally on that basis; or

c) it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' / 'Other expenses' line item as appropriate.

Gains or losses on financial guarantee contracts and loan commitments issued by the Group that are designated by the Group as at fair value through profit or loss are recognised in statement of profit and loss.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of cost of an asset is included under 'Finance cost.'

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognized less, when appropriate, the cumulative amount of income recognized.

Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate risks, including interest rate swaps. Further details of derivative financial instruments are disclosed in Note No. 50 and 51.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

Foreign exchange gains and losses on financial liabilities

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in statement of profit and loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the statement of profit and loss.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognized in the statement of profit and loss.

(xxiii) Cash flow statements

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flows from operating activities are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, investing and financing activities of the Group are segregated based on the available information.

(xxiv) Earnings per share

Basic earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

(xxv) Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

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(xxvi) **Operating cycle**

Based on the nature of services / activities of the Group and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

(xxvii) **Net investment hedge:**

The Group hedges certain net investment in foreign subsidiaries. Accordingly, any foreign exchange differences on the hedging instrument (viz. borrowings) relating to the effective portion of the hedge is recognised in other comprehensive income and held in foreign currency translation reserve ('FCTR') - a component of equity, so as to offset the change in the value of the net investment being hedged. The ineffective portion of the gain or loss on these hedges is immediately recognised in the statement of profit and loss. The amounts accumulated in equity are included in the statement of profit and loss when the foreign operation is disposed or partially disposed.

2 (b) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described above, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below :

a. **Share based payments**

The Group initially measures the cost of equity settled transactions with employees using the Black Scholes model to determine the fair value of the options granted. Estimating the fair value of the share options granted require determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating the fair value for the share based payment transactions are disclosed under Note No. 26.

b. **Defined benefit plans (gratuity)**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Further details about the gratuity obligation are disclosed under Note No. 49.

c. **Intangible assets under development**

The Group capitalizes intangibles underdevelopment in accordance with the accounting policy. Initial capitalization of costs is based on management's judgement that technological and economic feasibility is confirmed.

d. **Estimation towards revenue deferred due to uncertainty of collection**

The quantum of revenue deferred due to uncertainty of collection is computed based on past trends of year-wise cancellation of memberships and considering factors impacting future collections.

e. **Significant financing component**

Given the nature of vacation ownership business, the Group has determined that membership fee does not include a significant financing component. Where the payment is received in installments, the Group charges appropriate interest to the members.

f. **Customer unexercised rights**

The Group considers the expected customers unexercised rights, while determining the effective membership period over which the membership fee needs to be recognised. This customer unexercised right is computed based on past trend of customer utilisation of membership.

g. Litigation for taxation matters

The Group is subject to tax litigation, the outcome of which is subject to many uncertainties inherent in litigation such as interpretation of legislation, outcome of appeals etc. Litigation provisions are reviewed at each accounting period and revisions made for the change in facts and circumstances.

h. Fair valuation of freehold land

Freehold land is measured at Fair value based on valuations by external independent valuers using the market approach at sufficient regularity.(3-5 years)

i. Leases

The Group makes an assessment on the expected lease term on a lease-by-lease basis as per the contract period. Further, discount rate is based on the incremental borrowing rate of the respective companies at the time of commencement of lease.

j. Impairment of goodwill

The Group estimates the value-in-use of the cash generating units(CGUs) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rates used for the CGUs represent the weighted average cost of capital based on the historical market returns of comparable companies.

3 Recent pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015, by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

(i) Ind AS 1 - Presentation of financial statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information,together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The company does not expect this amendment to have any significant impact in its financial statements.

(ii) Ind AS 12 – Income taxes

The amendments clarify how companies account for defered tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

(iii) Ind AS 8 - Accounting policies, changes in accounting estimates and errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainity". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainity. The Company does not expect this amendment to have any significant impact in its financial statements.

The Group does not expect the amendment to have any significant impact in its financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 4 - Property, plant and equipment

Description of Assets	Land - Freehold	Buildings - Freehold	Buildings - Leasehold	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total
I. Gross Block								
Balance as at April 01, 2022	**140,388.59**	**119,196.83**	**156.09**	**54,994.04**	**3,444.56**	**38,331.18**	**1,561.69**	**358,072.98**
Additions	**157.15**	**3,561.76**	**-**	**4,316.17**	**464.57**	**2,906.99**	**113.05**	**11,519.69**
Disposals	**(443.17)**	**(397.83)**	**-**	**(576.23)**	**(17.62)**	**(79.24)**	**(21.68)**	**(1,535.77)**
Effect of foreign currency exchange differences	**197.54**	**955.08**	**-**	**1,379.98**	**-**	**832.11**	**35.62**	**3,400.33**
Balance as at March 31, 2023	**140,300.11**	**123,315.85**	**156.09**	**60,113.96**	**3,891.51**	**41,991.04**	**1,688.68**	**371,457.23**
II. Accumulated depreciation								
Balance as at April 01, 2022	**-**	**25,055.72**	**156.09**	**39,524.99**	**2,611.92**	**25,519.99**	**992.53**	**93,861.24**
Depreciation for the year	**-**	**2,704.32**	**-**	**3,957.81**	**366.18**	**2,714.84**	**140.90**	**9,884.05**
Eliminated on disposal of assets	**-**	**(259.17)**	**-**	**(558.73)**	**(16.48)**	**(58.38)**	**(21.63)**	**(914.39)**
Effect of foreign currency exchange differences	**-**	**418.23**	**-**	**1,191.93**	**-**	**593.28**	**-**	**2,203.44**
Balance as at March 31, 2023	**-**	**27,919.10**	**156.09**	**44,116.00**	**2,961.62**	**28,769.73**	**1,111.80**	**105,034.34**
Net block (I-II)								
Balance as at March 31, 2023	**140,300.11**	**95,396.74**	**-**	**15,997.96**	**929.89**	**13,221.31**	**576.88**	**266,422.89**
Balance as at March 31, 2022	140,388.59	94,141.11	-	15,469.05	832.64	12,811.19	569.16	264,211.74

Description of Assets	Land - Freehold	Buildings - Freehold	Buildings - Leasehold	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total
I. Gross Block								
Balance as at April 01, 2021	128,988.70	114,989.64	156.09	53,165.51	2,846.31	36,170.40	1,405.66	337,722.31
Additions	587.02	4,910.98	-	3,687.17	665.27	3,171.49	207.07	13,229.00
Disposals	(445.07)	(264.29)	-	(1,508.22)	(67.04)	(770.26)	(51.04)	(3,105.92)
Revaluation	11,457.72	-	-	-	-	-	-	11,457.72
Others (including reclassifications)	-	-	-	14.35	-	-	-	14.35
Effect of foreign currency exchange differences	(199.78)	(439.50)	-	(364.77)	0.02	(240.45)	-	(1,244.48)
Balance as at March 31, 2022	140,388.59	119,196.83	156.09	54,994.04	3,444.56	38,331.18	1,561.69	358,072.98
II. Accumulated depreciation								
Balance as at April 01, 2021	-	22,639.33	156.09	37,260.31	2,369.14	23,979.60	907.79	87,312.26
Depreciation for the year	-	2,632.73	-	4,049.13	308.67	2,474.33	135.19	9,600.05
Eliminated on disposal of assets	-	(39.63)	-	(1,463.91)	(65.89)	(765.27)	(50.45)	(2,385.15)
Effect of foreign currency exchange differences	-	(176.71)	-	(320.54)	-	(168.67)	-	(665.92)
Balance as at March 31, 2022	-	25,055.72	156.09	39,524.99	2,611.92	25,519.99	992.53	93,861.24
Net block (I-II)								
Balance as at March 31, 2022	140,388.59	94,141.11	-	15,469.05	832.64	12,811.19	569.16	264,211.74
Balance as at March 31, 2021	128,988.70	92,350.31	-	15,905.20	477.17	12,190.80	497.87	250,410.05

Note

During the previous year, the Company in accordance with its accounting policy of measurement of freehold land at fair value, based on periodic valuation done by external independent registered valuer using market approach, has recognised a gain of ₹ 11,457.72 lakhs in the consolidated financial statements of the Group.

All amounts are in ₹ Lakhs unless otherwise stated

Details of title deeds of immovable properties not held in the name of the group as at March 31, 2023 and March 31, 2022:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value as at March 31, 2023	Gross carrying value as at March 31, 2022	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company
Freehold land	Manali - Resort	1,243.05	1,243.05	Competent Hotels Private Limited - Manali	No	Merger date 9th February, 2016 effective from 1/4/2015	Received on merger of the erstwhile Companies. Company has submitted relevant documents with necessary charges & fees and awaiting closure from the respective government authorities.
Freehold land	Jaisalmer Divine - Resort	1,944.00	1,944.00	Divine Heritage Hotels Private Limited - Jaisalmer	No	Merger date 29th February, 2016 effective from 1/4/2015	Received on merger of the erstwhile Companies. Company has submitted relevant documents with necessary charges & fees and awaiting closure from the respective government authorities.
Building	Manali - Resort	629.19	629.19	Competent Hotels Private Limited - Manali	No	Merger date 9th February, 2016 effective from 1/4/2015	Received on merger of the erstwhile Companies. Company has submitted relevant documents with necessary charges & fees and awaiting closure from the respective government authorities.
Building	Jaisalmer Divine - Resort	1,211.15	1,211.15	Divine Heritage Hotels Private Limited - Jaisalmer	No	Merger date 29th February, 2016 effective from 1/4/2015	Received on merger of the erstwhile Companies. Company has submitted relevant documents with necessary charges & fees and awaiting closure from the respective government authorities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 5 - Right of use asset

Description of Assets	As at March 31, 2023
I. Gross Block	
Balance as at April 01, 2022	**185,820.45**
Additions	**32,691.65**
Deletions	**(2,014.72)**
Effect of foreign currency exchange differences	**8,854.15**
Balance as at March 31, 2023*	**225,351.53**
II. Accumulated depreciation	
Balance as at April 01, 2022	**45,557.42**
Depreciation expense for the year	**17,289.19**
Effect of foreign currency exchange differences	**2,553.16**
Eliminated on disposal of assets	**(1,355.72)**
Balance as at March 31, 2023*	**64,044.05**
Net block (I-II)	
Balance as at March 31, 2023 (refer note 47)	**161,307.47**

*pertains to leases of resorts and office properties

Description of Assets	As at March 31, 2022
I. Gross Block	
Balance as at April 01, 2021	165,159.24
Additions	25,490.67
Deletions	(2,127.89)
Effect of foreign currency exchange differences	(2,701.57)
Balance as at March 31, 2022*	185,820.45
II. Accumulated depreciation	
Balance as at April 01, 2021	31,994.04
Depreciation expense for the year	16,139.10
Effect of foreign currency exchange differences	(608.38)
Eliminated on disposal of assets	(1,967.35)
Balance as at March 31, 2022*	45,557.42
Net block (I-II)	
Balance as at 31st March, 2022 (refer note 47)	140,263.04

*pertains to leases of resorts and office properties

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 6 - Goodwill

Particulars	As at March 31, 2023	As at March 31, 2022
I. Cost		
Balance at beginning of the year	**10,126.33**	10,280.21
Effect of foreign currency exchange differences	**396.48**	(153.88)
Balance at end of the year	**10,522.81**	10,126.33
II. Accumulated impairment losses	**-**	-
III. Net carrying amount (I-II)	**10,522.81**	10,126.33

The Goodwill is tested for impairment and accordingly no impairment charges were identified for the year ended March 31, 2023 and March 31, 2022.

The Goodwill arises from the following Group's Cash Generating Units (CGU):

Particulars	As at March 31, 2023	As at March 31, 2022
Mahindra Holidays & Resorts India Ltd	**2,534.29**	2,534.29
Holiday Club Resorts Oy	**7,988.52**	7,592.04
Total	**10,522.81**	10,126.33

The recoverable amount of a CGU is based on its value in use. The value in use is estimated using discounted cash flows over a period of 5 years. Cash flows beyond 5 years is estimated by capitalizing the future maintainable cash flows by an appropriate capitalization rate and then discounted using post-tax discount rate.

Operating margins and growth rates for the five year cash flow projections have been estimated based on past experience and after considering management approved financial budgets/forecasts. Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industry and have been based on historical data from both external and internal sources.

Particulars	As at March 31, 2023	As at March 31, 2022
Post tax discount rate	**12%**	12%

The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the CGU.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 7 - Other intangible assets

Description of Assets	Computer Software (including website development cost)	Trademarks	Management Contracts	Customer Relationships	Total
I. Gross Block					
Balance as at April 01, 2022	**15,993.00**	**1,453.40**	**1,055.62**	**228.15**	**18,730.17**
Additions	**1,062.79**	**-**	**-**	**-**	**1,062.79**
Disposals	**(99.17)**	**-**	**-**	**-**	**(99.17)**
Effect of foreign currency exchange differences	**538.78**	**88.39**	**64.20**	**13.88**	**705.25**
Balance as at March 31, 2023	**17,495.40**	**1,541.79**	**1,119.82**	**242.03**	**20,399.04**
II. Accumulated amortization					
Balance as at April 01, 2022	**12,769.99**	**956.82**	**754.07**	**228.15**	**14,709.03**
Amortization expense for the year	**1,594.18**	**144.53**	**87.77**	**-**	**1,826.48**
Eliminated on disposal of assets	**(99.17)**	**-**	**-**	**-**	**(99.17)**
Effect of foreign currency exchange differences	**331.18**	**67.84**	**51.72**	**13.88**	**464.62**
Balance as at March 31, 2023	**14,596.18**	**1,169.19**	**893.56**	**242.03**	**16,900.96**
Net block (I-II)					
Balance as at March 31, 2023	**2,899.22**	**372.60**	**226.26**	**-**	**3,498.08**
Balance as at March 31, 2022	**3,223.01**	**496.58**	**301.55**	**-**	**4,021.14**

Description of Assets	Computer Software (including website development cost)	Trademarks	Management Contracts	Customer Relationships	Total
I. Gross Block					
Balance as at April 01, 2021	13,998.27	1,481.44	1,075.99	232.55	16,788.25
Additions	2,050.05	-	-	-	2,050.05
Disposals	(17.47)	-	-	-	(17.47)
Others (including reclassifications)	93.42	-	-	-	93.42
Effect of foreign currency exchange differences	(131.27)	(28.04)	(20.37)	(4.40)	(184.08)
Balance as at March 31, 2022	15,993.00	1,453.40	1,055.62	228.15	18,730.17
II. Accumulated amortization					
Balance as at April 01, 2021	11,789.65	827.13	678.66	232.55	13,527.99
Amortization expense for the year	1,097.18	148.49	90.17	-	1,335.84
Eliminated on disposal of assets	(17.47)	-	-	-	(17.47)
Effect of foreign currency exchange differences	(99.37)	(18.80)	(14.76)	(4.40)	(137.33)
Balance as at March 31, 2022	12,769.99	956.82	754.07	228.15	14,709.03
Net block (I-II)					
Balance as at March 31, 2022	3,223.01	496.58	301.55	-	4,021.14
Balance as at March 31, 2021	2,208.62	654.31	397.33	-	3,260.26

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 8 - Non-current investments

Particulars	Face value	Currency	As At March 31, 2023		As At March 31, 2022	
			Quantity	Amount	Quantity	Amount
Equity accounted investees						
Unquoted Investments (fully paid)						
In Equity Instruments of Associate						
Kiinteisto Oy Seniori Saimaa	0.5	EUR	**950,000**	**138.95**	950,000	130.98
Great Rocksport Private Limited	1	₹	**637,263**	**1,645.60**	-	-
In Equity Instruments of Joint ventures						
Tropiikin Rantasauna Oy	25	EUR	**50**	**60.39**	50	56.96
Koy Vierumäen Kaari		EUR	**2,200,000**	**1,193.86**	2,200,000	1,123.13
Total				**3,038.80**		1,311.07
Unquoted Investments at FVTPL (fully paid)						
In Equity Instruments of other entities						
Mahindra World City Developers Ltd.	10	₹	**1**	**-**	1	-
Mahindra Hotels and Resorts Limited	10	₹	**-**	**-**	20,011	-
(cost of investment ₹ 1/-)						
Kiinteisto Oy Katinkullan Pallohalli	0.21	EUR	**6,793**	**598.22**	6,793	473.73
Kiinteistö Oy Katin Golf		EUR	**151**	**342.32**	151	322.69
Elisa Communications A-shares	0.5	EUR	**300**	**3.18**	300	3.01
Mitsenaiset Kauppiaat Oy	204	EUR	**2**	**-**	2	-
Great Rocksport Private Limited	1	₹	**-**	**-**	148,942	366.01
In Preference Instruments of other entities						
Guestline Hospitality Management and Developement Services Limited						
(25,000 7% non-cumulative redeemable participating optionally convertible preference shares of ₹ 10/- each)	10	₹	**-**	**-**	25,000	214.48
Total				**943.72**		1,379.92

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 9 - Non-current trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Secured, considered good	**460.62**	414.99
Unsecured, considered good	**22,026.24**	22,199.32
	22,486.86	22,614.31

Note No. 10 - Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets at amortised cost		
Bank Deposit with more than twelve months maturity	**12,995.92**	10,908.76
Security Deposits	**5,270.31**	4,627.44
Other Deposits*	**13,500.00**	37,700.00
	31,766.23	53,236.20

* Out of the total amount, ₹ 9,500 lakhs (Previous year: 23,500 lakhs) pertains to deposit with related parties

Note No. 11 - Deferred tax assets (Net)

Particulars	As at March 31, 2023	As at March 31, 2022
Tax effect of items constituting deferred tax liabilities		
Property, plant and equipment (excluding land)	**8,383.03**	7,965.05
Deferred acquisition cost	**19,310.63**	18,207.12
Fair valuation of financial assets	**1,744.74**	1,657.20
Inventory	**1,021.69**	1,082.98
Tax effect of items constituting deferred tax assets		
Property, plant and equipment	**173.19**	173.19
Lease arrangements	**5,761.06**	5,109.36
Employee benefits	**373.78**	370.90
Deferred revenue	**67,607.23**	65,353.28
Receivables / Revenue derecognition	**1,437.67**	1,485.21
Provisions	**47.60**	47.73
Intangible assets	**239.39**	217.44
Unabsorbed depreciation	**814.43**	788.84
Unabsorbed business losses	**3,871.14**	3,677.32
Others	**725.49**	663.18
Net deferred tax assets	**50,590.89**	48,974.10

Note: Deferred tax asset has been recognized on the carry forward unabsorbed depreciation and unabsorbed business loss to the extent that it is probable that future taxable profits will be available.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 12 - Deferred tax liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Tax effect of items constituting deferred tax liabilities		
Fair valuation of Land	**21,921.08**	22,503.23
Deferred tax liabilities	**21,921.08**	22,503.23

Note No. 13 - Other non-current tax assets

Particulars	As at March 31, 2023	As at March 31, 2022
Advance Income tax (Net of provisions upto the reporting date)	**3,400.45**	10,434.37
	3,400.45	10,434.37

Note No. 14 - Non-current deferred acquisition cost

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred acquisition cost (Refer note 2 (a)(viii))	**70,988.05**	67,035.95
	70,988.05	67,035.95

Note No. 15 - Other non-current assets

Particulars	As at March 31, 2023	As at March 31, 2022
Capital advances	**5,058.22**	2,499.18
Prepayments	**524.86**	552.23
Duty paid under protests	**310.22**	310.22
With government authorities (excluding income taxes)	**822.31**	752.27
	6,715.61	4,113.90

Note No. 16 - Inventories (At lower of cost and net realizable value)

Particulars	As at March 31, 2023	As at March 31, 2022
Vacation Ownership Units :		
Vacation ownership weeks (including vacation ownership villas)	**49,998.45**	47,241.80
Cost of associated land	**4,848.25**	4,570.30
Construction work in progress	**932.04**	937.66
Food and beverages	**600.09**	525.12
Operating supplies	**650.08**	823.49
	57,028.91	54,098.37
Cost of food and beverages recognized as an expense during the year (Refer Note 44(b))	**15,003.54**	9,824.47
Cost of vacation ownership weeks (including vacation ownership villas) recognized as an expense during the year (Refer Note 44(a))	**20,150.55**	16,638.19

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 17 - Current investments

Particulars	As At March 31, 2023		As At March 31, 2022	
	Units	Amount	Units	Amount
Unquoted investments at FVTPL (all fully paid)				
Investments in Mutual Funds				
Axis Banking & PSU Debt Fund -Direct - Growth	**235,746**	**5,395.22**	235,746	5,155.91
Axis Liquid Fund-Direct Growth	**62,813**	**1,570.89**	-	-
Axis Money Market Fund-Direct Growth	**247,520**	**3,013.83**	-	-
Bandhan Bond Fund-Short Term Plan-Direct Growth	**11,723,872**	**5,980.41**	-	-
ICICI Prudential Liquid Fund-Direct Growth	**566,461**	**1,887.37**	-	-
ICICI Prudential Nifty SDL Sep 2027 Index Fund– Direct Growth	**58,192,452**	**6,035.02**	-	-
ICICI Prudential Money Market – Direct Growth	**1,115,661**	**3,618.19**	-	-
IDFC Bond Fund-Short Term Plan-Direct Growth	**-**	**-**	11,723,872	5,744.32
HDFC Corporate Bond Fund-Regular Plan-Growth	**-**	**-**	395,034	103.23
HDFC Corporate Bond Fund-Direct Plan-Growth	**-**	**-**	22,066,862	5,843.61
Mahindra Liquid Fund - Direct - Growth	**-**	**-**	408,343	5,652.22
Kotak-Corporate Bond -Direct Growth	**160,461**	**5,257.07**	160,461	5,027.04
Mahindra Manulife Overnight Direct-Growth	**-**	**-**	1,241	13.65
Nippon India Money Market - Direct Growth	**107,593**	**3,816.87**	-	-
Nippon India AAA CPSE Bond plus SDL-April 2027 (60:40) Index Fund – Direct Growth	**36,991,560**	**3,811.57**	-	-
Nippon India Liquid Fund-Direct Plan Growth	**61,433**	**3,383.07**	7,740	403.08
Tata Mutual Fund - Money Market Fund	**9,890**	**400.37**	-	-
UTI Money Market - Direct Growth	**129,624**	**3,415.41**	-	-
UTI Liquid Cash Plan - Direct Growth	**156,699**	**5,781.10**	-	-
Aggregate book value of unquoted investments	**109,761,784**	**53,366.39**	34,999,299	27,943.07

Note No. 18 - Current trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Secured, considered good	**4,034.69**	3,127.02
Unsecured, considered good	**97,953.40**	93,328.86
Unsecured, credit impaired	**889.55**	798.18
Less: Impairment loss allowance	**(889.55)**	(798.18)
	101,988.09	96,455.88

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 19 - Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks	**11,543.18**	6,868.22
Cash on hand	**92.82**	102.14
Deposits with original maturity less than three months	**-**	3,300.00
	11,636.00	10,270.36

Note No. 20 - Other bank balances

Particulars	As at March 31, 2023	As at March 31, 2022
Earmarked balances with banks (unpaid dividend)	**4.56**	5.48
Bank deposits with original maturity greater than three months and less than twelve months	**11,007.26**	33,240.22
	11,011.82	33,245.70

Note No. 21 - Loans (unsecured, considered good)

Particulars	As at March 31, 2023	As at March 31, 2022
Loans and advances to employees	**71.04**	62.72
	71.04	62.72

Note No. 22 - Other current financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets at amortised cost		
Other receivables	**1,110.77**	1,150.64
Interest accrued but not due	**3,905.04**	2,434.09
Other Deposits*	**26,200.00**	4,699.99
	31,215.80	8,284.72

*out of the total amount ₹ 14,000 lakhs (Previous year Nil) pertains to deposit with related parties

Note No. 23 - Deferred acquisition cost

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred acquisition cost (Refer note 2 (a)(viii))	**5,738.88**	5,306.39
	5,738.88	5,306.39

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 24 - Other current assets

Particulars	As at March 31, 2023	As at March 31, 2022
With government authorities (excluding income taxes)	**5,405.43**	4,918.59
Prepayments	**2,700.01**	3,103.78
Advance to suppliers:		
Considered good	**1,622.19**	1,053.57
Considered doubtful*	**250.00**	250.00
Less: Provision for doubtful advances	**(250.00)**	(250.00)
	9,727.63	9,075.94

* include advances given to related parties - ₹ 250 lakhs

Note No. 25 - Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Authorized:				
Equity shares of ₹ 10 each with voting rights	**300,000,000**	**30,000.00**	300,000,000	30,000.00
Issued, Subscribed and Fully Paid:				
Equity shares of ₹ 10 each with voting rights	**201,256,640**	**20,125.66**	200,598,176	20,059.82
Treasury shares (par value)	**(559,592)**	**(55.96)**	(750,060)	(75.01)
	200,697,048	**20,069.70**	199,848,116	19,984.81

Treasury shares represents equity shares of ₹ 10/- each fully paid up allotted to Mahindra Holidays and Resorts India Limited Employees' Stock Option Trust ('ESOP Trust') but not exercised by employees.

25 a) Terms / rights attached to equity shares:

i) The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity share is entitled to one vote per share.

ii) Repayment of capital will be in proportion to the number of equity shares held.

iii) With the adoption of new revenue recognition policy in accordance with Ind AS 115, the Company had to change its revenue recognition policy. Consequently, the Deferred Revenue and Deferred Costs had to be recomputed and that resulted in a Transition Difference. The Company is profitable and has healthy cash flows and has declared dividends every year since 2006. The Company is seeking a clarification from Ministry of Corporate Affairs (MCA) that this Transition Difference ought not to be considered for the purpose of calculation of dividend, under Section 123(1) of the Companies Act, 2013. The declaration of dividend, if any shall be subject to clarification from MCA.

25 b) Shares in the company held by holding company

Name of shareholder	No. of shares	% held as at March 31, 2023	No. of shares	% held as at March 31, 2022
Mahindra & Mahindra Limited (Holding Company)	**134,835,922**	**67.00%**	134,835,922	67.22%

25 c) Shares in the company held by promoters:-

Shares held by promoters at the end of the year				% Change during the year
Promoter name	Year ended	No. of Shares	% of Total Shares	
Mahindra & Mahindra Limited	**March 31 ,2023**	**134,835,922**	**67.00%**	**(0.22%)**
Mahindra & Mahindra Limited	March 31 ,2022	134,835,922	67.22%	

Shares held by promoters at the end of the year				% Change during the year
Promoter name	Year ended	No. of Shares	% of Total Shares	
Mahindra & Mahindra Limited	March 31 ,2022	134,835,922	67.22%	(0.09%)
Mahindra & Mahindra Limited	March 31 ,2021	89,890,615	67.31%	

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 25 - Equity share capital (contd.)

25 d) Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	No. of shares	% held as at March 31, 2023	No. of shares	% held as at March 31, 2022
Mahindra & Mahindra Limited	**134,835,922**	**67.00%**	134,835,922	67.22%
HDFC Trustee Company Limited	**15,834,805**	**7.87%**	18,275,853	9.11%

25 e) The reconciliation of the number of shares outstanding as at March 31, 2023 and March 31, 2022 is set out below:-

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	In ₹ Lakhs	No. of Shares	In ₹ Lakhs
Number of shares at the beginning	**199,848,116**	**19,984.81**	132,923,744	13,292.38
Add: Bonus Shares issued during the year	**-**	**-**	66,816,892	6,681.69
Add: Shares issued on exercise of employee stock options	**848,932**	**84.89**	391,875	39.18
Less: Shares issued to ESOP Trust as Bonus Shares	**-**	**-**	(284,395)	(28.44)
Number of shares at the end	**200,697,048**	**20,069.70**	199,848,116	19,984.81

During previous year,the Board of Directors at its meeting held on July 29, 2021 had approved issue of bonus shares in the proportion of 1:2, i.e. 1(one) bonus equity share of ₹ 10/- each for 2(two) fully paid up equity shares which was allotted on September 13, 2021 on approval being received in the shareholder's meeting.

25 f) i) Under the Employee Stock Option Scheme ("ESOS 2006") equity shares are allotted to the ESOP Trust set up by the Company. The ESOP Trust holds these shares for the benefit of the eligible employees/directors as defined under the scheme and transfers these shares to them as per the recommendation of the remuneration committee.

ii) The Company formulated the Employee Stock Option Scheme ("ESOS 2014"), under which the Company has the option to issue and allot the shares either directly to the eligible employees/directors or through the ESOP Trust. To the extent allotted, ESOP Trust would hold these shares for the benefit of the eligible Employees/Directors as defined under the scheme and would transfer the shares to them as per the recommendation of the remuneration committee.

iii) The Company formulated the Employee Stock Option Scheme ("ESOS 2020"), under which the Company has the option to issue and allot the shares directly to the eligible employees/directors as per the recommendation of the remuneration committee.

iv) The details of the Employees' Stock Option Schemes are as under:

Type of Arrangement	ESOS 2006 - Equity settled option plan administered through Employee Stock Option Trust.
	ESOS 2014 - Equity settled option plan issued directly/administered through Employee Stock Option Trust.
	ESOS 2020 - Equity settled option plan issued directly
Method of Settlement	By issue of shares at Exercise Price.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 25 - Equity share capital (contd.)

<table>
<thead>
<tr><th>Particulars</th><th>Date of Grant</th><th>Original Exercise price (in ₹)</th><th>Adjusted Exercise Price upon issue of Bonus shares</th><th>Average Exercise Price (in ₹)</th><th>Vesting period (in Yrs.)</th><th>No. of options granted</th><th>Contractual life</th><th>Vesting condition</th><th>No. of options exercisable in each tranche</th></tr>
</thead>
<tbody>
<tr><td>Grant I (ESOS 2006)</td><td>15/07/2006</td><td>16.00</td><td>N.A.</td><td>6.00</td><td>5</td><td>759,325</td><td>6 yrs from the date of grant</td><td>refer note (a) below</td><td rowspan="9">Minimum of 25 and a maximum of all the options vested but not exercised till that date.</td></tr>
<tr><td>Grant II (ESOS 2006)</td><td>30/03/2007</td><td>52.00</td><td>N.A.</td><td>19.50</td><td>4</td><td>122,235</td><td rowspan="16">5 yrs from the date of each vesting</td><td rowspan="16">25% each on expiry of 12,24,36 and 48 months from the date of grant.</td></tr>
<tr><td>Grant III (ESOS 2006)</td><td>11/01/2007</td><td>52.00</td><td>N.A.</td><td>19.50</td><td>4</td><td>56,700</td></tr>
<tr><td>Grant V (ESOS 2006)</td><td>11/01/2008</td><td>52.00</td><td>34.67</td><td>52.00</td><td>4</td><td>261,590</td></tr>
<tr><td>Grant VI (ESOS 2006)</td><td>21/02/2012</td><td>370.00</td><td>N.A.</td><td>370.00</td><td>4</td><td>400,000</td></tr>
<tr><td>Grant VII (ESOS 2006)</td><td>21/02/2012</td><td>323.00</td><td>143.55</td><td>215.33</td><td>4</td><td>186,500</td></tr>
<tr><td>Grant VIII (ESOS 2006)</td><td>31/01/2013</td><td>323.00</td><td>143.55</td><td>215.33</td><td>4</td><td>130,000</td></tr>
<tr><td>Grant IX (ESOS 2006)</td><td>29/01/2014</td><td>253.00</td><td>N.A.</td><td>253.00</td><td>4</td><td>35,000</td></tr>
<tr><td>Grant I (ESOS 2014)</td><td>22/01/2015</td><td>264.00</td><td>117.33</td><td>176.00</td><td>4</td><td>620,000</td></tr>
<tr><td>Grant II (ESOS 2014)</td><td>27/10/2015</td><td>365.00</td><td>162.22</td><td>243.33</td><td>4</td><td>110,000</td><td rowspan="12">refer note (b) below</td></tr>
<tr><td>Grant III (ESOS 2014)</td><td>18/02/2016</td><td>370.00</td><td>164.45</td><td>246.67</td><td>4</td><td>200,000</td></tr>
<tr><td>Grant IV (ESOS 2014)</td><td>31/01/2017</td><td>406.00</td><td>180.45</td><td>270.67</td><td>4</td><td>80,000</td></tr>
<tr><td>Grant V (ESOS 2014)</td><td>02/08/2017</td><td>410.00</td><td>273.33</td><td>410.00</td><td>4</td><td>60,000</td></tr>
<tr><td>Grant VI (ESOS 2014)</td><td>15/05/2019</td><td>234.00</td><td>156.00</td><td>234.00</td><td>4</td><td>145,000</td></tr>
<tr><td>Grant VII (ESOS 2014)</td><td>31/07/2019</td><td>226.00</td><td>N.A.</td><td>226.00</td><td>4</td><td>45,000</td></tr>
<tr><td>Grant VIII (ESOS 2014)</td><td>04/11/2019</td><td>215.00</td><td>143.33</td><td>215.00</td><td>4</td><td>60,000</td></tr>
<tr><td>Grant IX (ESOS 2014)</td><td>04/11/2019</td><td>215.00</td><td>N.A.</td><td>215.00</td><td>4</td><td>300,000</td></tr>
<tr><td>Grant X (ESOS 2014)</td><td>01/02/2020</td><td>238.00</td><td>158.67</td><td>238.00</td><td>4</td><td>300,000</td></tr>
<tr><td>Grant I (ESOS 2020)</td><td>29/10/2020</td><td>10.00</td><td>N.A.</td><td>10.00</td><td>3</td><td>100,000</td><td rowspan="4">5 yrs from the date of grant</td><td rowspan="4">33% each on expiry of 12,24 and 36 months from the date of grant.</td></tr>
<tr><td>Grant II (ESOS 2020)</td><td>29/07/2021</td><td>10.00</td><td>N.A.</td><td>10.00</td><td>3</td><td>58,366</td></tr>
<tr><td>Grant III (ESOS 2020)</td><td>22/10/2021</td><td>10.00</td><td>N.A.</td><td>10.00</td><td>3</td><td>61,395</td></tr>
<tr><td>Grant IV (ESOS 2020)</td><td>02/11/2022</td><td>10.00</td><td>N.A.</td><td>10.00</td><td>3</td><td>156,701</td></tr>
</tbody>
</table>

Note (a) 35%,30%,15%,10% and 10% on expiry of 12,24,36,48 and 60 months from the date of grant respectively.

Note (b) Minimum of 100 and a maximum of all the options vested but not exercised till that date.

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 25 - Equity share capital (Contd.)

Particulars	Date of Grant	Options outstanding as on April 1, 2022	Options granted during the year	Options augmented upon issue of Bonus shares	Options vested during the year	Options exercised during the year	Options lapsed during the year	Options outstanding as on March 31, 2023	Options vested but not exercised
Grant I (ESOS 2006)	15/07/2006	Closed							
Grant II (ESOS 2006)	30/03/2007	Closed							
Grant III (ESOS 2006)	11/01/2007	Closed							
Grant V (ESOS 2006)	11/01/2008	Closed							
Grant VI (ESOS 2006)	21/02/2012	Closed							
Grant VII (ESOS 2006)	21/02/2012	30,936	-	-	-	15,468	-	15,468	15,468
Grant VIII (ESOS 2006)	31/01/2013	35,000	-	-	-	35,000	-	-	-
Grant IX (ESOS 2006)	29/01/2014	Closed							
Grant I (ESOS 2014)	22/01/2015	675,000	-	-	-	277,500	-	397,500	397,500
Grant II (ESOS 2014)	27/10/2015	127,500	-	-	-	60,000	22,500	45,000	45,000
Grant III (ESOS 2014)	18/02/2016	225,000	-	-	-	225,000	-	-	-
Grant IV (ESOS 2014)	31/01/2017	Closed							
Grant V (ESOS 2014)	02/08/2017	45,000	-	-	-	-	-	45,000	45,000
Grant VI (ESOS 2014)	15/05/2019	197,500	-	-	38,125	60,000	-	137,500	66,875
Grant VII (ESOS 2014)	31/07/2019	Closed							
Grant VIII (ESOS 2014)	04/11/2019	90,000	-	-	22,500	20,000	-	70,000	47,500
Grant IX (ESOS 2014)	04/11/2019	Closed							
Grant X (ESOS 2014)	01/02/2020	257,500	-	-	75,000	137,500	-	120,000	45,000
Grant I (ESOS 2020)	29/10/2020	150,000	-	-	49,999	-	-	150,000	99,998
Grant II (ESOS 2020)	29/07/2021	87,546	-	-	23,916	18,464	15,778	53,304	5,452
Grant III (ESOS 2020)	22/10/2021	61,395	-	-	20,465	-	-	61,395	20,465
Grant IV (ESOS 2020)	02/11/2022	-	156,701	-	-	-	-	156,701	-
Total		**1,982,377**	**156,701**	**-**	**230,005**	**848,932**	**38,278**	**1,251,868**	**788,258**

The fair value of options as certified by independent valuer as of the respective dates of grant i.e. February 21, 2012 is ₹129.93 for Grant VII (ESOS 2006), January 31, 2013 is ₹ 94.43 for Grant VIII (ESOS 2006), January 22, 2015 is ₹ 97.24 for Grant I (ESOS 2014), October 27, 2015 is ₹ 158.85 for Grant II (ESOS 2014), February 18, 2016 is ₹ 126.91 for Grant III (ESOS 2014), January 31, 2017 is ₹ 150.35 for Grant IV (ESOS 2014), August 02, 2017 is ₹ 161.83 for Grant V (ESOS 2014), May 15, 2019 is ₹ 82.36 for Grant VI (ESOS 2014), July 31, 2019 is ₹ 84.92 for Grant VII (ESOS 2014), November 04, 2019 is ₹ 85.97 for Grant VIII (ESOS 2014), November 04, 2019 is ₹ 85.97 for Grant IX (ESOS 2014), February 01, 2020 is ₹ 85.97 for Grant X (ESOS 2014), October 29, 2020 is ₹ 157.53 for Grant I (ESOS 2020), July 29, 2021 is ₹ 311.84 for Grant II (ESOS 2020), October 22, 2021 is ₹ 234.67 for Grant III (ESOS 2020) and November 02, 2022 is ₹275.63 for Grant IV (ESOS 2020).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 25 - Equity share capital (Contd.)

The fair value has been calculated using the Black Scholes Options Pricing Model and the significant assumptions made in this regard are as follows:

Grant details	Grant Date	Risk free interest rate	Expected life	Expected volatility	Expected dividend yield
Grant VI & VII (ESOS 2006)	21/02/2012	8.00%	6.00	33%	₹ 4.00
Grant VIII (ESOS 2006)	31/01/2013	7.78%	3.50	31%	1.38%
Grant IX (ESOS 2006)	29/01/2014	8.81%	3.50	29%	1.66%
Grant I (ESOS 2014)	22/01/2015	7.74%	3.50	29%	1.48%
Grant II (ESOS 2014)	27/10/2015	7.52%	3.50	30%	1.01%
Grant III (ESOS 2014)	18/02/2016	7.51%	3.50	34%	1.15%
Grant IV (ESOS 2014)	31/01/2017	6.40%	3.50	35%	1.22%
Grant V (ESOS 2014)	02/08/2017	6.31%	3.00	45%	0.42%
Grant VI (ESOS 2014)	15/05/2019	6.83%	3.00	38%	0.00%
Grant VII (ESOS 2014)	31/07/2019	6.05%	3.00	38%	0.00%
Grant VIII (ESOS 2014)	04/11/2019	5.74%	3.00	38%	0.00%
Grant IX (ESOS 2014)	04/11/2019	5.74%	3.00	38%	0.00%
Grant X (ESOS 2014)	01/02/2020	5.74%	3.00	38%	0.00%
Grant I (ESOS 2020)	29/10/2020	4.63%	3.00	38%	0.00%
Grant II (ESOS 2020)	29/07/2021	5.25%	3.50	39%	0.00%
Grant III (ESOS 2020)	22/10/2021	5.19%	3.50	39%	0.00%
Grant IV (ESOS 2020)	02/11/2022	7.16%	3.51	43%	0.00%

The weighted average share price at the date of exercise for options was ₹ 249.55 per share (March 31, 2022 ₹ 251.07 per share) and weighted average remaining contractual life for the share options outstanding as at March 31, 2023 was 2.22 years (March 31, 2022 3.73 years).

Note No. 26 - Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
General reserve	**10,757.72**	10,757.72
Securities premium	**5,331.55**	4,209.46
Share options outstanding account	**2,500.18**	2,042.68
Retained earnings	**57,165.89**	45,653.64
Capital reserve	**44.75**	44.75
Capital redemption reserve	**145.80**	145.80
Reserves & Surplus	**75,945.89**	62,854.05
Revaluation Reserve	**91,678.79**	91,096.64
Foreign currency translation reserve	**2,197.69**	2,165.21
Other comprehensive income-actuarial loss	**(127.71)**	(215.73)
Transition difference	**(150,904.10)**	(150,904.10)
	18,790.56	4,996.07

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 26 - Other equity (Contd.)

Notes :

a) **General reserve:** The general reserve is used from time to time to transfer net profits from retained earnings for appropriation purposes.

b) **Securities premium:** Securities premium is credited when shares are issued at premium. It is utilized in accordance with the provisions of the Act, to issue bonus shares, write-off equity related expenses like share issue expenses, etc.

c) **Share options outstanding account:** The Company has share option schemes under which options to subscribe the shares of the Company have been granted to certain eligible employees. The share-based payment reserve is used to recognize the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

d) **Capital reserve:** Capital Reserves are mainly the reserves created during business combination for the gain on bargain purchase and common control mergers. It is not available for distribution as dividend.

e) **Capital redemption reserve:** The capital redemption reserve is used towards issue of fully paid bonus shares of the Company.

f) **Revaluation reserve:** The revaluation reserve is credited on account of revaluation of Freehold land. It is not available for distribution as dividend.

g) **Foreign currency translation reserve:** Exchange variation on translating net assets of Holiday Club Resorts Oy, HCR Management Oy and Net Gain/(loss) on Net Investment hedge in Foreign subsidiaries is accounted under this reserve.

h) **Transition Difference:** The Cumulative effect of applying Ind AS 115 Revenue from Contract with Customers, Ind AS 116 Leases (net of deferred tax) is recognized as an adjustment to other equity, by separately disclosing it in Transition Difference. Subsequent impact of unwinding of transition adjustments of Ind AS 115 and Ind AS 116 is included in retained earnings.

Note No. 27 - Non controlling interest

Particulars	**As at March 31, 2023**	As at March 31, 2022
Balance at beginning of year	**998.81**	615.15
Add: Share of profit / (loss) & Other comprehensive income for the year	**(129.98)**	383.66
Add: Non-controlling interests arising on business combination	**-**	-
Less: Changes in NCI stake	**8.15**	-
Balance at end of year	**876.98**	998.81

Note No. 28 - Non-current borrowings (At amortised cost)

Particulars	**As at March 31, 2023**	As at March 31, 2022
Secured borrowings		
Term loans (refer note 1 below)		
From banks	**4,292.58**	8,753.75
From others	**4,659.41**	2,725.97
Unsecured borrowings		
Term loans		
From banks (refer note 2 below)	**60,764.31**	54,318.47
	69,716.30	65,798.19

Notes:

Term loans are availed by subsidiaries.

1) Term loans from banks and others are secured by a charge on unsold vacation ownership inventory weeks, villas inventory weeks and mortgage/hypothecation of specific properties. These loans are repayable between FY 2023-24 to FY 2025-26 and carry an interest rate pegged to EURIBOR ranging from 1.49% p.a. to 6.52% p.a.

2) Term loans from banks are repayable in FY 2024-2025 and carry an interest rate pegged to EURIBOR ranging from 4.24% p.a. to 4.47% p.a.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 29 - Borrowings- lease liabilities (At amortised cost)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liabilities	**168,307.81**	146,288.11
	168,307.81	146,288.11

Note No. 30 - Other financial liabilities (At amortised cost)

Particulars	As at March 31, 2023	As at March 31, 2022
Retention money	**728.86**	3,706.37
	728.86	3,706.37

Note No. 31 - Non-current provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits - Gratuity (refer note 49)	**1.23**	20.38
Provision for employee benefits - Compensated absences	**834.05**	847.40
	835.28	867.78

Note No. 32 - Other non-current liabilities - contract liability - Deferred revenue

Particulars	As at March 31, 2023	As at March 31, 2022
Contract liability -Deferred revenue - Vacation ownership	**468,303.38**	450,805.44
Contract liability -Deferred revenue - HCRO	**2,857.91**	2,851.64
	471,161.29	453,657.08

Note No. 33 - Current borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Cash credit from banks (Secured)	**-**	1,322.64
Current maturities of long term borrowings	**5,887.73**	26,282.46
	5,887.73	27,605.10

Cash credit from banks are secured by an exclusive charge on inventories, receivables and other moveable assets, both present and future.

Note No. 34 - Lease liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liabilities	**18,351.54**	16,975.13
	18,351.54	16,975.13

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 35 - Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises	**82.20**	445.88
Total outstanding dues of creditors other than micro enterprises and small enterprises	**39,709.04**	34,386.84
	39,791.24	34,832.72

Micro and small enterprises have been identified by the Group on the basis of the information available with the Group.

Note No. 36 - Other current financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Creditors for capital supplies/services	**959.60**	1,234.48
Commission payable to non-whole time directors	**201.11**	184.50
Unpaid dividends *	**4.56**	5.49
Employee benefits payable	**11,590.96**	10,624.63
Other payables	**2,482.35**	805.28
	15,238.58	12,854.38

* There are no amounts due and outstanding to be transferred to Investor Education and Protection Fund as at March 31, 2023.

Note No. 37 - Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
- Gratuity (Refer note 49)	**54.49**	221.56
- Compensated absences	**653.62**	629.19
	708.11	850.75

Note No. 38 - Other Current Liabilities - Contract Liability - Deferred Revenue

Particulars	As at March 31, 2023	As at March 31, 2022
Contract liability -Deferred revenue - Vacation ownership	**46,651.02**	41,560.15
Contract liability -Deferred revenue - Annual subscription fee	**17,691.88**	15,908.89
Contract liability -Deferred revenue - HCRO	**9,565.30**	9,358.26
	73,908.20	66,827.30

Note No. 39 - Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Taxes (excluding income taxes) and other statutory dues	**5,296.43**	5,874.35
	5,296.43	5,874.35

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 40 - Revenue from operations

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from contract with customers		
Vacation ownership income	**45,452.43**	39,337.57
Vacation ownership weeks income	**37,594.82**	26,872.70
Vacation ownership weeks in villas income	**4,904.70**	1,432.86
Income from resorts :		
Room rentals	**38,440.96**	32,305.16
Other rentals	**1,167.82**	775.49
Club, sport & spa	**11,615.06**	13,379.48
Resort management	**8,781.58**	5,538.95
Events, conferences and other activities	**3,847.15**	3,195.22
Food and beverages	**40,169.92**	28,395.78
Wine and liquor	**6,781.10**	5,001.33
Others	**7,237.12**	4,376.94
Annual subscription fee	**34,018.58**	30,787.93
	240,011.24	191,399.41
Other operating revenue		
Interest income on installment sales	**5,672.28**	5,800.65
Miscellaneous income	**6,015.64**	4,129.91
	11,687.92	9,930.56
	251,699.16	201,329.97

Note No. 41 - Other income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest income on financial assets at amortised cost		
On deposits with bank	**1,807.42**	1,933.84
On other deposits #	**2,495.22**	2,783.75
On others	**356.75**	846.65
Profit on sale of property, plant and equipment	**0.49**	400.75
Foreign exchange gain	**2,906.59**	842.99
Net gain arising on financial assets designated as at FVTPL	**2,090.60**	3,512.33
Gain due to change in lease arrangements	**173.39**	1,701.25
Others*	**859.96**	4,533.47
	10,690.42	16,555.03

Out of the total amount ₹ 1,404.56 Lakhs pertains to other deposit income with related parties (Previous year is ₹ 2,105.77 lakhs) (Refer Note No 56)

*comprises ₹ 840.30 Lakhs (Previous year: 4,533.47 Lakhs) on account of employee subsidies received from Government by HCRO & its Group companies.

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 42 - Employee benefits expense

Particulars	Year ended March 31, 2023		Year ended March 31, 2022
Salaries and wages, including bonus	**54,853.61**		46,659.35
Contribution to provident and other funds	**6,046.39**		5,255.96
Equity-settled share-based payments	**438.88**		442.89
Staff welfare expenses	**4,249.85**		3,360.89
	65,588.73		55,719.09

Note No. 43 - Finance costs

Particulars	Year ended March 31, 2023		Year ended March 31, 2022
Interest on lease liabilities	**7,630.86**		6,963.67
Interest on borrowings	**4,230.70**		2,973.75
	11,861.56		9,937.42

Note No. 44 (a) - Cost of vacation ownership weeks

Particulars	Year ended March 31, 2023			Year ended March 31, 2022	
Vacation ownership weeks, vacation ownership weeks in villas including construction work in progress and cost of associated land:					
Opening stock	**52,749.76**			51,855.08	
Add: Purchases	**23,179.53**			17,532.87	
Less: Closing stock	**55,778.74**			52,749.76	
		20,150.55			16,638.19
		20,150.55			16,638.19

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 44 (b) - Other expenses

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
Cost of food and beverages consumed				
Opening stock	**525.11**		757.91	
Add: Purchases	**15,364.11**		9,591.67	
Less: Closing stock	**885.68**		525.11	
		15,003.54		9,824.47
Operating supplies		**7,287.11**		4,450.06
Power & Fuel		**12,292.91**		7,760.68
Rent including lease rentals		**8,400.18**		5,549.62
Rates and taxes		**1,946.12**		2,544.49
Insurance		**883.50**		849.55
Repairs and maintenance				
Buildings and Resorts		**1,067.31**		8,924.43
Plant and equipment		**1,159.02**		1,031.78
Others		**2,357.80**		2,935.62
Advertisement & sales promotion		**21,770.53**		19,975.40
Travelling and conveyance		**3,346.25**		2,248.95
Commission and other customer offers		**7,261.43**		4,780.39
Provision for doubtful trade receivables/bad debts written off		**142.83**		188.59
Loss on foreign currency transactions		**1,182.92**		250.06
Auditors remuneration and out-of-pocket expenses*				
For Statutory audit		**312.87**		436.46
For Other services		**92.83**		161.13
For reimbursement of expenses		**5.05**		1.50
Directors' fees		**135.26**		111.25
Commission to non whole time directors		**201.11**		184.50
Legal and other professional costs		**5,563.43**		5,464.94
Communication		**799.07**		687.30
Software charges		**255.52**		664.16
Housekeeping & laundry		**5,997.82**		4,988.17
Service charges		**6,203.24**		5,292.37
Bank charges		**782.96**		531.41
Corporate social responsibility expenditure (CSR) (Refer note 52)		**325.42**		272.11
Loss on sale of property, plant and equipment		**177.75**		222.16
Miscellaneous expenses		**13,845.62**		7,129.55
		118,799.39		97,461.10

* Includes payments made to auditors of subsidiary companies.

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 45 - Current tax and deferred Tax

(a) Income Tax recognised in profit or loss:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current Tax:		
In respect of current year	**6,827.52**	2,691.56
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	**(1,145.04)**	1,600.54
Total income tax expense	**5,682.48**	4,292.10

The Special Bench of the Income Tax Appellate Tribunal (ITAT) has, after considering the relevant facts pertaining to the Group, by its order dated May 26, 2010 upheld the contention of the Group that in the Group's case 60% of the membership fees should be considered chargeable to tax in the year of enrolment of a member whereas the balance 40% should be charged on pro rata basis over the period of membership. The department's appeal against the said order is pending before Madras High Court. Consequently, the Group has continued to provide for income tax by computing income by applying the order of the ITAT.

The Group has been advised that after the introduction of Section 43CB with effect from April 1, 2017 the revenue from membership fees is chargeable as per ICDS IV. The Group is further advised that as per the said ICDS the revenue from membership fees is chargeable to tax by spreading the entire fees over the membership period. The Group has, accordingly, filed its Return of Income from Assessment Year 2017-18 onwards as per ICDS IV. However in the books of accounts, the Group has continued to make its provision for tax on the basis of the order of the ITAT. If the tax liability is computed applying ICDS IV the liability for current tax will be significantly lower with a corresponding impact in Deferred Tax.

(b) Income tax recognised in other comprehensive income:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current/ deferred Tax		
Remeasurement of defined benefit obligations and freehold land revaluation	**552.55**	(2,258.64)
	552.55	(2,258.64)
Classification of income tax recognised in other comprehensive income		
Income taxes related to items that will not be reclassified to profit or loss	**(552.55)**	2,258.64
	(552.55)	2,258.64

(c) Reconciliation of income tax expense and the accounting profit multiplied by company's domestic tax rate:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit before tax	**17,064.75**	11,056.11
Income tax expense calculated at 25.168%	**4,294.86**	2,782.60
Effect of income that is exempt from taxation	**(48.82)**	68.20
Effect of expenses that is non-deductible in determining taxable profit	**165.39**	188.38
Effect of previous year losses on which DTA is recognised in current year	**(74.79)**	(165.75)
Effect of current year losses for which no DTA was recognised	**215.12**	591.87
Difference in tax rate in foreign jurisdiction	**1,130.72**	826.81
Income tax expense recognised in statement of profit and loss	**5,682.48**	4,292.10

The tax rate used for the March 31, 2023 and March 31, 2022 reconciliations above is at the corporate tax rate plus surcharges and cess at applicable rate of 25.168 % for March 31, 2023 and March 31, 2022 payable by the Company on taxable profits under Indian Income Tax Laws.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 45 - Current tax and deferred tax (Contd.)

(i) Movement in deferred tax balances

Particulars	For the Year ended March 31, 2023				
	Opening Balance	**Other Changes Recognised in profit and Loss**	**Recognised in OCI**	**Effect of change in Foreign Currency**	**Closing Balance**
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment	**(30,468.28)**	**(450.68)**	**582.15**	**64.31**	**(30,272.50)**
Deferred cost	**(18,207.12)**	**(1,103.51)**	**-**	**-**	**(19,310.63)**
Fair valuation of financial assets	**(1,657.20)**	**(93.25)**	**-**	**5.70**	**(1,744.75)**
Inventory	**(1,082.98)**	**-**	**-**	**61.29**	**(1,021.69)**
	(51,415.58)	**(1,647.44)**	**582.15**	**131.30**	**(52,349.56)**
Tax effect of items constituting deferred tax assets					
Property, plant and equipment	**173.19**	**-**	**-**	**-**	**173.19**
Intangible assets	**217.44**	**15.37**	**-**	**6.58**	**239.39**
Leases	**5,109.36**	**395.32**	**-**	**256.38**	**5,761.06**
Employee benefits	**370.90**	**37.38**	**(29.60)**	**(36.51)**	**342.17**
Receivables / Revenue derecognition	**1,485.21**	**-**	**-**	**(47.54)**	**1,437.67**
Deferred revenue	**65,353.28**	**2,321.24**	**-**	**(67.29)**	**67,607.23**
Provisions	**47.73**	**(0.13)**	**-**	**-**	**47.60**
Fair valuation of financial assets	**-**	**-**	**-**	**-**	**-**
Unabsorbed depreciation	**788.84**	**-**	**-**	**25.59**	**814.43**
Unabsorbed business losses	**3,677.32**	**(6.87)**	**-**	**200.69**	**3,871.14**
Other	**663.18**	**30.17**	**-**	**32.14**	**725.49**
	77,886.45	**2,792.48**	**(29.60)**	**370.04**	**81,019.37**
Net tax asset/(liabilities)	**26,470.87**	**1,145.04**	**552.55**	**501.34**	**28,669.80**

Particulars	For the Year ended March 31, 2022				
	Opening Balance	Other Changes Recognised in profit and Loss	Recognised in OCI	Effect of change in Foreign Currency	Closing Balance
Tax effect of items constituting deferred tax liabilities					
Property, plant and equipment	(27,684.50)	(539.69)	(2,276.40)	32.31	(30,468.28)
Deferred cost	(17,713.49)	(493.63)	-	-	(18,207.12)
Fair valuation of financial assets	(1,424.26)	(222.66)	-	-	(1,646.92)
Inventory	(1,102.42)	-	-	19.44	(1,082.98)
Other	-	-	-	-	-
Derivatives	(11.36)	-	-	1.08	(10.28)
	(47,936.03)	(1,255.98)	(2,276.40)	52.83	(51,415.58)
Tax effect of items constituting deferred tax assets					
Property, plant and equipment	173.19	-	-	-	173.19
Intangible assets	194.04	21.58	-	1.82	217.44
Leases	4,947.20	258.95	-	(96.79)	5,109.36
Employee benefits	311.09	59.81	-	-	370.90
Receivables / Revenue derecognition	1,500.28	-	-	(15.08)	1,485.21
Deferred revenue	65,617.83	(249.74)	-	(14.81)	65,353.28
Provisions	47.73	-	-	-	47.73
Unabsorbed depreciation	796.96	-	-	(8.12)	788.84
Unabsorbed business losses	4,231.45	(462.20)	-	(91.93)	3,677.32
Other	630.39	27.04	-	5.75	663.18
	78,450.16	(344.56)	-	(219.15)	77,886.45
Net tax asset/(liabilities)	30,514.13	(1,600.54)	(2,276.40)	(166.32)	26,470.87

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 46 - Earnings per Share

Basic earnings per share

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit / (Loss) for the year after tax attributable to owner of the group	**11,512.25**	6,751.08
Weighted average number of equity shares (in lakhs)	**2,003.04**	1,996.44
Earnings per share - Basic in ₹ per Share	**5.75**	3.38

Diluted earnings per share

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit / (Loss) for the year after tax attributable to owner of the group	**11,512.25**	6,751.08
Weighted average number of equity shares (in lakhs)	**2,009.43**	2,004.71
Earnings per share - Diluted in ₹ per Share	**5.73**	3.37

The weighted average number of ordinary shares for the purpose of diluted earnings per share reconciles to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Weighted average number of equity shares used in the calculation of Basic EPS (in lakhs)	**2,003.04**	1,996.44
Add: Effect of ESOPs (in lakhs)	**6.39**	8.27
Weighted average number of equity shares used in the calculation of Diluted EPS (in lakhs)	**2,009.43**	2,004.71

Note No. 47 - Leases

Right of use asset

Particulars	As At March 31, 2023	As At March 31, 2022
Opening Balance	**140,263.04**	133,165.20
Additions	**32,691.65**	25,490.67
Deletions	**(659.00)**	(160.54)
Depreciation of ROU	**(17,289.19)**	(16,139.10)
Effect of foreign currency exchange differences	**6,300.97**	(2,093.20)
Closing Balance	**161,307.47**	140,263.04

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 47 - Leases (Contd.)

Lease liabilities

Particulars	As At March 31, 2023	As At March 31, 2022
Current	**18,351.54**	16,975.13
Non-Current	**168,307.81**	146,288.11
Closing balance	**186,659.35**	163,263.24

Maturity analysis - contractual undiscounted cash flows

Particulars	As At March 31, 2023	As At March 31, 2022
Less than one year	**26,422.90**	21,078.49
1 - 2 Year	**24,952.54**	19,510.80
2 - 3 Year	**20,279.59**	19,046.06
3 - 4 Year	**17,526.46**	16,152.45
4 - 5 Year	**16,575.91**	13,669.33
More than five years	**136,285.08**	124,220.39
Total undiscounted lease liabilities	**242,042.48**	213,677.52

Amounts recognised in statement of profit and loss

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense on lease liabilities	**7,630.86**	6,963.67
Amortisation of ROU	**17,289.19**	16,139.10
Expenses relating to short term leases	**8,400.18**	5,549.62
Total	**33,320.23**	28,652.39

Amounts recognised in statement of cash flows

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Total cash outflow for leases	**23,591.21**	20,437.33

During the Previous year, the Group has renegotiated with certain lessors on the rent reduction/ waiver due to COVID 19 pandemic which is short term in nature. Accordingly, the Group in the statement of profit and loss has recognised an amount of Previous year : ₹ 1,692.37 Lakhs as part of Other Income.

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 48 - Contingent liabilities and commitments

Contingent liabilities (to the extent not provided for)

	Particulars	**As At March 31, 2023**	As At March 31, 2022
(a)	**Income tax matters:**		
	Claims against the Group not acknowledged as debt (for matters disputed by the Group)		
	Pertaining to revenue recognition (timing difference *) pending before the CIT(A)/ITAT (Group appeal)	**53,711.17**	53,711.17
	Interest included in the above till the date of order	**14,124.67**	14,124.67
	Pertaining to other matters (mainly timing differences *), pending before the CIT(A)/ITAT (Group appeal)	**6,778.79**	6,778.79
	Interest included in the above till the date of order	**1,419.92**	1,419.92
	Matters decided in favor of the Group, (but under appeal by the Department)		
	Pertaining to revenue recognition (timing difference*) pending before the Madras High Court (Department appeal) excluding interest	**27,140.61**	27,140.61
(b)	**Service tax matters:**		
	(i) Service tax demand on the enrollment of member as against service tax paid on receipt basis (timing differences *) (inclusive of penalty where quantified in demand)	**43,105.47**	43,105.47
	(ii) Other items (inclusive of penalty where quantified in demand)	**3,468.63**	3,468.63
(c)	**Luxury Tax matters:**		
	In respect of certain states, the Group has received demands for payment of luxury tax for member stay at resorts as summarised below:		
	Demands raised (inclusive of penalty)	**6,833.00**	6,895.37

The Group has challenged the above demands before various appellate authorities / High Court, the outcome of which is pending.

* For matters pertaining to timing differences, if liability were to crystallise, there would be future tax benefits, except to the extent of tax rate differences and interest, if any which currently is not determinable.

Notes:

1) The above amounts are based on demands raised, which the Group is contesting with the concerned authorities. Outflows, if any, arising out of these claims would depend on the outcome of the decision of the appellate authorities and the Group's rights for future appeals. No reimbursements are expected.

2) The Group had received show cause notices from service tax authorities of ₹ 21,991.33 lakhs. The Group had received an order in original from the Principal Commissioner of CGST and Central Excise confirming the demand amounting to ₹ 43,105.47 lakhs including interest and penalty and the same has been disclosed as Contingent liability in above table.

   The Group filed rectification application against the said order before Principal Commissioner on Jan 18, 2022 for rectification of mistake apparent from the record as department has incorrectly interpreted the financial statement to determine service tax demand. However Principal Commissioner rejected rectification application on Feb 7, 2022 without giving any opportunity for personal hearing. Thereafter Group filed Writ Application before Madras High Court on Feb 22, 2022 against rejection of rectification application order. The Madras High Court on March 8, 2023 accepted the Group's request to provide an opportunity for hearing and set aside the Order passed by Principal Commissioner. On March 29, 2023, the Principal Commissioner reaffirmed the Original Order dated Feb 7, 2022 and rejected the Group's rectification application. The Group is contemplating to file a Writ Application before the Madras High Court against the said Order of Principal Commissioner. Group is confident that no payment is expected to be made for this matter.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 48 - Contingent liabilities and commitments (Contd.)

3) The Group has accounted for service tax receivable of ₹822.3 lakhs (Previous year ₹ 752.27 lakhs) in relation to the service tax paid on ASF and Membership fee invoices for contracts which have been cancelled post GST implementation. The Group has received an unfavorable order against the refund claim and has filed an appeal against the order. Commissioner of GST and Central Excise (Appeals) has allowed the appeal and remanded back the matter to lower authorities for verification of documents.

(d) Other matters under appeal (Property related)

(i) The Government of Kerala through the Sub Collector, District of Devikulam issued an Order dated July 3, 2007 cancelling the assignment of land underlying the Munnar resort and directed repossession of land on the ground that it is agricultural land and cannot be used for commercial purposes. The Group had filed an appeal before the Commissioner of Land Revenue, Trivandrum against the said Order stating that the Patta issued does not specify that the land should be used only for agricultural purpose. The Commissioner of Land Revenue, Trivandrum vide his Order dated November 22, 2007 dismissed the appeal filed by the Group and cancelled the assignment of land underlying the Munnar Resort (Total Gross Value ₹ 605.12 Lakhs) and further directed repossession of land on the ground that it is agricultural land and cannot be used for commercial purposes. The Group had filed a writ petition before the Kerala High Court against the said Order. The writ Petition has been disposed of by an Order dated May 21, 2019. Against the said Order, the Group has filed a Writ Appeal and by an order dated June 19, 2019, the Court granted an interim stay of all further proceedings. The Writ Appeal has been dismissed by a Judgement dated May 25, 2022. The Group has filed Review Petition before the Kerala High Court. The same is pending.

(ii) With respect to certain claims of neighbouring property owners, the Group filed a suit in the Civil Court, Pune seeking inter-alia permanent injunction against them disturbing the possession of the Group's resort property at Lonavala, Maharashtra and obtained an interim stay. In another development, notwithstanding these proceedings, the neighbouring property owner obtained an order from the local Mamlatdar's Court for alleged access to his property through the resort property. The Group obtained a stay against the said order of the Mamlatdar. All matters with respect to the neighbouring property owner are currently pending before the Civil Court, Pune. Further, on account of the cancellation of the Non-Agricultural land conversion order by the Collector, Pune on the basis of complaint made by the said neighbouring owner and subsequently confirmed by the Additional Divisional Commissioner, Pune, the Group has also filed another Civil Suit at Civil Court, Pune against State of Maharashtra and Others, inter alia, seeking declaration that the proceedings and Orders in respect of cancellation of the NA status of the land underlying the resort property at Lonavala (Total Gross Value ₹ 1,545.01 Lakhs) are not enforceable and also sought other reliefs. Ad-interim stay has been granted against State of Maharashtra and the Collector, Pune not to give effect to the Orders of NA cancellation and the matter is pending for further hearing.

(e) Other matters

(i) The Group engaged a building contractor for construction of a resort. As the construction did not proceed as per agreed timelines the Group terminated the contract. The contractor has claimed ₹ 1,256.15 lakhs as damages for termination of the Contract. The Group has made a counter claim of ₹ 2,003.56 lakhs towards liquidated damages and other losses. The matter has been heard by the Arbitrator and is reserved for Orders.

(ii) With respect to member complaints pending before various consumer forum and other matters: Estimated amount of claims ₹795.91 lakhs (As at March 31, 2022: ₹579.39 lakhs). In addition, there are claims by some members seeking certain reliefs which are not agreed by the Group, the financial impact of these claims are currently not ascertainable and hence not captured in above.

(f) Contingent liabilities with respect to Holiday Club Resorts Oy and its subsidiaries

(i) OP Corporate Bank Oyj ('Bank') provides financing to customers of HCRO for purchase of Villas/ Timeshare inventory. In selected cases (approx. 12.32 million Euros) (₹ 11,043.32 lakhs), if there is a breach by customer on meeting its obligations to the Bank, the Bank has a right to return the underlying villa/ timeshare inventory to HCRO at agreed rates. The historical experience of such returns is insignificant.

(ii) Danske Bank ('Bank') provides financing to customers of HCRO for purchase of Villas/ Timeshare inventory. In selected cases (approx. 0.28 million Euros) (₹ 246.54 lakhs), if there is a breach by customer on meeting its obligations to the Bank, the Bank has a right to return the underlying villa/ timeshare inventory to HCRO at agreed rates. The historical experience of such returns is insignificant.

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 48 - Contingent liabilities and commitments (Contd.)

(iii) Holiday Club Resorts Oy has given completion commitments to Fennia and in relation to the land areas sold to Fennia. If the completion commitments are not met, Fennia has the right to cancel the deal. Holiday Club Resorts Oy has guaranteed the land lease payments until apartments have been built on the plots.

(iv) During the Holiday Club Åre asset deal the commitment given by Holiday Club Spa Hotels AB to purchase a multi-purpose arena from Åre Kongress AB in 2023, if Åre Kongress AB has not sold the arena before that, transferred to Holiday Club Sport and Spa Hotels AB. Holiday Club Resorts Oy and Holiday Club Sport and Spa Hotels AB are jointly responsible for the sales price of the arena (1.4 million euros - ₹ 1,271.42 lakhs) (Previous Year 1.6 million euros - ₹ 1,307.92 lakhs) towards Åre Kongress AB.

(v) Holiday Club Canarias Sales and Marketing company has received claims from timeshare customers arguing that the contracts are null and void. The total amount of received claims is 6.8 million euros (₹ 6,095.45 lakhs) (Previous Year 6.5 million euros - ₹ 5,492.5 lakhs). Claims are related to different interpretations of changing timeshare legislations in Spain. The company has received 157 claims, out of which 85 have a ruling from first instance courts and 49 also have a ruling from second instance courts,for the amount of 3.0 million euros. The amount to pay for rulings can be money received by the company minus the enjoyment of the weeks or bigger amount. All the rulings been appealed and are expected to get the favourable outcome for the contracts signed after June 2012, which constitute the majority. Based on these rulings the company has made an accrual that is estimated to cover possible future liabilities.

(g) Capital commitments

Particulars	**As at March 31, 2023**	As at March 31, 2022
Estimated amount of contracts remaining to be executed on Property, plant & equipment and not provided for (net of advances)	**3,371.15**	3,605.47

Note No. 49 - Employee benefits

(a) Defined contribution plan

The Group's contribution to Provident Fund and Superannuation Fund aggregating ₹ 1,485.95 lakhs (2022: ₹ 1,324.89 lakhs) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

(b) Defined benefit plans (gratuity)

The Group has a funded Gratuity Scheme for its employees and gratuity liability has been provided based on the actuarial valuation done at the year end. The Gratuity scheme of the Group is funded with the Life Insurance Corporation of India.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 49 - Employee benefits (Contd.)

Defined benefit plans – as per actuarial valuation on March 31, 2023 and March 31, 2022:

Sr. No.	Particulars	Funded Plan		Unfunded Plan	
		Gratuity		Gratuity	
		2023	2022	**2023**	2022
Ia.	**Expense recognised in the statement of profit and loss for the year ended March 31:**				
	Current service cost	**191.22**	184.23	**0.79**	1.19
	Net interest cost	**11.05**	12.07	**0.16**	-
	Components of defined benefit costs recognised in profit & loss	**202.27**	196.3	**0.95**	1.19
Ib.	**Included in other comprehensive income:**				
	Difference between actual and expected return on plan assets	**(15.96)**	1.17	**-**	-
	Actuarial (Gain)/ Loss on account of :				
	Demographic assumptions	**3.85**	(10.49)	**-**	-
	Financial assumptions	**(88.57)**	8.62	**0.16**	-
	Experience adjustments	**(16.93)**	71.28	**1.72**	-
	Components of defined benefit costs recognised in other comprehensive income	**(117.62)**	70.58	**1.88**	-
I.	**Net liability recognised in the balance sheet as at March 31:**				
	1. Present value of defined benefit obligation as at March 31	**1,211.58**	1,213.55	**1.48**	1.19
	2. Fair value of plan assets as at March 31	**1,182.88**	992.42	**-**	-
	3. Deficit	**(28.70)**	(221.13)	**(1.48)**	(1.19)
II.	**Change in the obligation during the year ended March 31:**				
	Present value of defined benefit obligation at the beginning of the year	**1,213.55**	1,020.04	**2.74**	1.54
	Expenses recognised in the statement of Profit and loss :				
	Current Service Cost	**191.22**	184.23	**0.79**	1.19
	Interest Expense	**60.63**	47.91	**0.16**	-
	Recognised in Other Comprehensive Income:			**(1.56)**	
	Actuarial Gain/ (Loss) arising from:				
	Change in Demographic Assumptions	**3.85**	(10.49)	**-**	-
	Financial Assumptions	**(88.57)**	8.62	**-**	-
	Experience Adjustments	**(16.93)**	71.28	**-**	-
	Benefits directly paid by employer	**-**	-	**(0.64)**	
	Benefit payments	**(152.16)**	(108.04)	**-**	-
	Present value of defined benefit obligation at the end of the year	**1,211.58**	1,213.55	**1.48**	2.73

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 49 - Employee benefits (Contd.)

Sr. No.	Particulars	Funded Plan Gratuity 2023	Funded Plan Gratuity 2022	Unfunded Plan Gratuity 2023	Unfunded Plan Gratuity 2022
III.	**Change in fair value of assets during the year ended March 31:**				
	Fair value of plan assets at the beginning of the year	**992.42**	763.03	**-**	-
	Expenses recognised in the statement of profit and loss:				
	Expected return on plan assets	**49.59**	35.84	**-**	-
	Recognised in other comprehensive Income:				
	Remeasurement gains / (losses):				
	Difference between actual and expected return on plan assets	**15.96**	(1.17)	**-**	-
	Contributions by employer (including benefit payments recoverable)	**277.08**	302.76	**-**	-
	Benefit payments	**(152.16)**	(108.04)	**-**	-
	Fair value of plan assets at the end of the year	**1,182.88**	992.42	**-**	-
IV.	**Major categories of plan assets :**				
	Deposits with insurance companies	**1,182.88**	992.42	**-**	-

The significant actuarial assumptions (estimated for adequate coverage of the obligation on a prudent basis), are as under:

Particulars	Valuation as at March 31, 2023	Valuation as at March 31, 2022
Discount rate(s)	**7.15%**	5.00%
Expected rate(s) of salary increase	**5.50%**	5.50%
Expected rate of return on plan assets	**5.50%**	5.00%
Attrition	**18%-56%**	18%-68%
Mortality table	**IALM 2012-14**	IALM 2012-14

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Principal assumption	Financial Year	Changes in assumption	Impact on defined benefit obligation: Increase in assumption	Impact on defined benefit obligation: Decrease in assumption
Discount rate	**2022-2023**	**0.50%**	**19.41**	**(18.78)**
	2021-2022	0.50%	20.17	(20.89)
Salary growth rate	**2022-2023**	**0.50%**	**(18.78)**	**19.41**
	2021-2022	0.50%	(20.89)	20.17
Attrition rate	**2022-2023**	**0.50%**	**10.73**	**(15.32)**
	2021-2022	0.50%	43.58	(63.89)
Mortality rate	**2022-2023**	**0.50%**	**(0.11)**	**0.13**
	2021-2022	0.50%	(0.01)	0.01

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 49 - Employee benefits (Contd.)

The methods and types of assumptions used in preparing the sensitivity analyses did not change compared to previous period.

The Group expects to contribute ₹ 182.86 lakhs (Previous Year ₹ 368.90 lakhs) to the gratuity trust during the next financial year of 2023-24.

V. Maturity profile of defined benefit obligation:

Particulars	2023	2022
Within 1 year	**413.70**	379.12
1 - 2 year	**262.53**	260.24
2 - 3 year	**201.05**	189.73
3 - 4 year	**154.90**	143.79
4 - 5 year	**141.03**	109.01
> 5 years	**278.31**	275.25

Plan assets.

The fair value of Group's pension plan asset as of March 31, 2023 and March 31, 2022 by category are as follows:

Particulars	2023	2022
Asset category:		
Contributions placed with insurance companies	**1,182.88**	992.42
	100%	100%

The weighted average duration of the defined benefit obligation as at March 31, 2023 is 3 years (March 31, 2022: 3 years)

VI. Experience adjustments:

Particulars	Period Ended				
	2023	2022	2021	2020	2019
	Gratuity				
Defined benefit obligation	**1,211.58**	1,213.55	1,021.58	882.21	723.74
Fair value of plan assets	**1,182.88**	992.42	763.03	805.03	626.02
Surplus/ (Deficit)	**(28.70)**	(221.13)	(258.55)	(77.18)	(97.72)
Experience adjustment on plan liabilities [(Gain)/ Loss]	**(101.65)**	69.41	5.56	(66.21)	(8.50)
Experience adjustment on plan assets [Gain/ (Loss)]	**15.96**	(1.17)	(14.52)	(6.77)	(4.83)

The expected rate of return on plan assets is based on the average long term rate of return expected on investments of the fund during the estimated term of obligation.

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(c) Defined benefit plans (Compensated absences)

The amount recognized as an expense in respect of compensated absences is ₹ 358.06 lakhs (Previous Year: ₹ 356.94 lakhs).

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 50 - Financial instruments

Capital management

The Group's key objective in managing its financial structure is to maximize value for shareholders, reduce cost of capital, while at the same time ensuring that the Group has the financial flexibility required to continue its expansion. Debt comprises of current borrowings, non-current borrowings and current maturities of long term borrowings. Lease liability is not considered as debt.

Particulars	March 31, 2023	March 31, 2022
Debt (Excluding lease liability under Ind AS 116)	**75,604.03**	93,403.29
Less: Cash and cash equivalents	**11,636.00**	10,270.36
Less: Investments and other deposits	**120,974.60**	116,926.13
Net debt	**(57,006.57)**	(33,793.20)

The Group manages capital risk in order to maximize shareholders' profit by maintaining sound/ optimal capital structure through monitoring of financial ratios, such as debt-to-equity ratio and net borrowings-to-equity ratio. current investments and Other deposits also have been reduced from debt for management monitoring purposes.

The Group is not subject to externally enforced capital regulation.

Debt-to-equity ratio is as follows:

Particulars	March 31, 2023	March 31, 2022
Debt (A)	**(57,006.57)**	(33,793.20)
Equity (B)	**38,978.30**	24,980.88
Debt ratio (A / B)	**(1.46)**	(1.35)

Categories of financial assets and financial liabilities **As at March 31, 2023**

Particulars	Amortised Costs	FVTPL	FVOCI	Total
Non-current assets				
Investments	-	943.72	-	943.72
Trade receivables	22,486.86	-	-	22,486.86
Other financial assets				
- Non derivative financial assets	31,766.23	-	-	31,766.23
Current Assets				
Investments	-	53,366.39	-	53,366.39
Trade receivables	101,988.09	-	-	101,988.09
Cash & cash equivalents	11,636.00	-	-	11,636.00
Other bank balances	11,011.82	-	-	11,011.82
Loans	71.04	-	-	71.04
Other financial assets				
- Non derivative financial assets	31,215.80	-	-	31,215.80
Non-current liabilities				
Lease liabilities	168,307.81	-	-	168,307.81
Borrowings	69,716.30	-	-	69,716.30
Other financial liabilities				
- Non derivative financial liabilities	728.86	-	-	728.86
Current liabilities				
Lease liabilities	18,351.54	-	-	18,351.54
Borrowings	5,887.73	-	-	-
Trade payables	39,791.24	-	-	39,791.24
Other financial liabilities				
- Non derivative financial liabilities	15,238.58	-	-	15,238.58

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 50 - Financial instruments (Contd.)

As at March 31, 2022

Particulars	Amortised Costs	FVTPL	FVOCI	Total
Non-current assets				
Investments	-	1,379.92	-	1,379.92
Trade receivables	22,614.31	-	-	22,614.31
Other financial assets				
- Non derivative financial assets	53,236.20	-	-	53,236.20
Current assets				
Investments	-	27,943.07	-	27,943.07
Trade receivables	96,455.88	-	-	96,455.88
Cash & cash equivalents	10,270.36	-	-	10,270.36
Other bank balances	33,245.70	-	-	33,245.70
Loans	62.72	-	-	62.72
Other financial assets				
- Non derivative financial assets	8,284.72	-	-	8,284.72
Non-current liabilities				
Lease liabilities	146,288.11	-	-	146,288.11
Borrowings	65,798.19	-	-	65,798.19
Other financial liabilities				
- Non derivative financial liabilities	3,706.37	-	-	3,706.37
Current liabilities				
Lease liabilities	16,975.13	-	-	16,975.13
Borrowings	27,605.10	-	-	27,605.10
Trade payables	34,832.72	-	-	34,832.72
Other financial liabilities	-	-	-	-
- Non Derivative Financial Liabilities	12,854.38	-	-	12,854.38

Financial risk management framework

The Group has a robust business risk management process to identify, evaluate and mitigate risks impacting business including those which may threaten the existence of the Group. This framework seeks to create transparency, minimise adverse impact on the business objectives and enhance the Group's competitive advantage. This also defines the risk management approach across the enterprise at various levels including documentation and reporting. Risk management forms an integral part of the Group's business plan. The Group has adequate internal processes to assess, monitor and manage financial risks. These risks include credit risk, liquidity risk and market risk.

Risk	Exposure primarily from	Measurement	Management
Credit risk	Trade receivables	Ageing analysis, Credit assessment	Assessment of customer credit worthiness at inception and through the credit period
Liquidity risk	Capital commitments	Cash flow forecast	Availability of committed credit lines and borrowing facilities
Market risk - Interest rate risk	Borrowings with variable interest rates	Sensitivity analysis	Interest rate swaps

(i) Credit risk management

A significant portion of the Group's sales of Vacation Ownerships are by way of deferred payment schemes where the customer is obligated to pay the membership fee in Equated Monthly Instalments (EMIs) and the ensuing credit risk is managed by the Group in the following manner:

(a) preliminary assessment of customer credit worthiness, ensuring realisation of minimum down payment and adherence to internal KYC norms.

(b) collecting post dated instruments such as cheques, Automated Clearing House (ACH) mandates, standing credit card instructions from the customers at inception to ensure security cover;

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 50 - Financial instruments (Contd.)

From an accounting perspective, revenue is recognised only when it is probable that the economic benefits associated with the transaction will flow to the Group. The member is not allowed to use the benefits of membership untill the overdue amount is regularised or fully paid in that relevant period. The Group also assesses lifetime expected credit loss by using appropriate models, as prescribed by Ind AS 109, using past trends of collections and historical credit loss experience. The categorisation of the receivables into its ageing buckets for the purposes of estimating the expected loss allowance has been profiled based on the longest overdue of that member, for example, if a member has one installment overdue for say 12 months, the entire receivable of the member is aggregated into that ageing bucket and the credit loss allowance is determined after taking into account the credits against the member under "Contract liability- Deferred revenue - Vacation ownership fee" (refer note 33 and note 38).

The allowances for credit loss and for revenue derecognised at inception referred to above, carried at the end of every reporting period, are tested for adequacy and appropriately dealt with.

The credit loss allowance carried by the Group is as under:

Particulars	March 31, 2023	March 31, 2022
Carrying value of receivables (refer note 9 and 18)*	**124,474.95**	119,070.19
Credit loss allowance	**889.55**	798.18
Loss allowance (%)	**0.71%**	0.67%

*Given that the Group is deferring recognition of revenue at inception, as explained above the risk of credit loss is reduced and the member is allowed to avail the benefits of membership only when all the overdue amount is regularised or fully paid in that relevant period. The amounts deferred at inception are adjusted from the carrying value of receivables (refer note 9 and 18) in the same proportion, except in cases where the allowance is directly attributable to a particular contract.

Reconciliation of credit loss allowance adjusted from trade receivables

Particulars	Amount in ₹ in Lakhs
Balance as at March 31, 2022	**798.18**
Allowance for credit loss recognised during the year	**142.83**
Amounts written off during the year	**(51.46)**
Balance as at March 31, 2023	**889.55**
Balance as at March 31, 2021	880.91
Allowance for credit loss recognised during the year	148.12
Amounts written off during the year	(230.85)
Balance as at March 31, 2022	798.18

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 50 - Financial instruments (Contd.)

Particulars	As at March 31, 2023 outstanding for following periods from due date of payment						
	Not due	**Less than 6 months**	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed trade receivables – considered good	**61,705.53**	**12,185.07**	**7,759.29**	**9,849.79**	**6,296.23**	**26,571.76**	**124,367.67**
(ii) Undisputed trade receivables – which have significant increase in credit risk	**2.45**	**55.02**	**48.57**	**108.89**	**94.79**	**331.83**	**641.55**
(iii) Undisputed trade receivables – credit impaired	**-**	**0.59**	**45.71**	**63.44**	**11.71**	**158.71**	**280.16**
(iv) Disputed trade receivables– considered good	**-**	**13.87**	**2.61**	**23.97**	**13.64**	**21.03**	**75.12**
(v) Disputed trade receivables – which have significant increase in credit risk	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(vi) Disputed Trade receivables – credit impaired	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(vii) Impairment loss allowance	**-**	**(52.86)**	**(91.86)**	**(166.73)**	**(101.76)**	**(476.35)**	**(889.55)**
	61,707.98	**12,201.69**	**7,764.32**	**9,879.36**	**6,314.61**	**26,606.98**	**124,474.95**

Particulars	As at March 31, 2022 outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	54,696.99	13,593.54	9,509.71	12,087.79	5,918.03	23,081.60	118,887.65
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	183.48	60.02	94.59	70.61	251.71	660.41
(iii) Undisputed trade receivables – credit impaired	-	19.56	59.74	30.70	46.36	132.96	289.33
(iv) Disputed trade receivables– considered good	-	9.73	7.24	7.90	3.87	2.24	30.98
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
(vii) Impairment loss allowance	-	(71.16)	(116.76)	(120.56)	(113.44)	(376.25)	(798.18)
	54,696.99	13,735.14	9,519.95	12,100.42	5,925.43	23,092.26	119,070.19

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 50 - Financial instruments (Contd.)

Additional disclosure of trade receivables

Particulars	As at March 31, 2023 outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Gross trade receivables (Net of impairment loss allowance)	**61,707.98**	**12,201.69**	**7,764.32**	**9,879.36**	**6,314.61**	**26,606.98**	**124,474.95**
Less : Deferred revenue pertaining to above contracts restricted to total receivables in case the deferred revenue exceeds the outstanding receivable on the contract (Refer Note 32 & 38)	**(53,902.65)**	**(9,422.76)**	**(7,260.11)**	**(9,019.51)**	**(5,688.04)**	**(26,201.07)**	**(111,494.13)**
Net balance	**7,805.33**	**2,778.93**	**504.21**	**859.85**	**626.57**	**405.91**	**12,980.81**

Particulars	As at March 31, 2022 outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Gross trade receivables (Net of impairment loss allowance)	54,696.99	13,735.14	9,519.95	12,100.42	5,925.43	23,092.26	119,070.19
Less : Deferred revenue pertaining to above contracts restricted to total receivables in case the deferred revenue exceeds the outstanding receivable on the contract (Refer Note 32 & 38)	(49,069.95)	(11,039.34)	(8,697.01)	(11,135.84)	(5,622.57)	(22,908.82)	(108,473.53)
Net balance	5,627.04	2,695.80	822.94	964.58	302.86	183.44	10,596.66

(i) Liquidity risk management

The Group manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

Maturities of financial liabilities

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities (predominantly trade payables, retention payables, etc) with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

Particulars	Less than 1 Year	1-3 Years	3-5 Years	5 years and above
Non-derivative financial liabilities as at March 31, 2023				
Borrowings*	**5,887.73**	**69,716.30**	**-**	**-**
Lease liabilities	**26,422.90**	**45,232.13**	**34,102.38**	**136,285.08**
Trade payables	**39,791.24**	**-**	**-**	**-**
Other financial liabilities	**15,238.58**	**728.86**	**-**	**-**
Total	**87,340.45**	**115,677.29**	**34,102.38**	**136,285.08**
Non-derivative financial liabilities as at March 31, 2022				
Borrowings*	27,605.10	65,780.08	18.11	-
Lease liabilities	21,078.49	38,556.86	29,821.78	124,220.39
Trade payables	34,832.72	-	-	-
Other financial liabilities	12,854.38	3,706.37	-	-
Total	96,370.69	108,043.31	29,839.90	124,220.39

*In addition to the principal repayments, Group will also have to pay interest as per respective applicable rates. Refer Note No 28.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 50 - Financial instruments (Contd.)

Trade Payables	Outstanding as at March 31 ,2023				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) MSME	**82.20**	**-**	**-**	**-**	**82.20**
(ii) Others	**15,006.99**	**3,724.50**	**2,206.30**	**328.91**	**21,266.70**
(iii) Disputed dues – MSME	**-**	**-**	**-**	**-**	**-**
(iv) Disputed dues – Others	**-**	**-**	**-**	**-**	**-**
	15,089.19	**3,724.50**	**2,206.30**	**328.91**	**21,348.90**
Accrued Expenses					**18,442.34**
Total	**15,089.19**	**3,724.50**	**2,206.30**	**328.91**	**39,791.24**

Trade Payables	Outstanding as at March 31, 2022				
	Less than 1 year	1-2years	2-3years	More than 3 years	Total
(i) MSME	445.88	-	-	-	445.88
(ii) Others	29,407.18	2,677.33	2,254.43	47.90	34,386.84
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
Total	29,853.06	2,677.33	2,254.43	47.90	34,832.72

Financing arrangements

The Group had access to following undrawn borrowing facilities at the end of the reporting period:

Particulars	**March 31, 2023**	March 31, 2022
Cash credit		
- Expiring within one year	**10,500**	10,500
Revolving credit facility		
- Expiring beyond one year	**896**	8,450
Term loan		
- Expiring beyond one year	**852**	2,918
Secured bank overdraft facility		
- Expiring beyond one year	**5,378**	3,742
	17,626	25,610

During the year, for borrowings from banks on the basis of security of current assets, quarterly returns or quarterly statements of current assets filed by the Company with banks are in agreement with the books of account.

(iii) Market risk management

The Group's market risk comprises of its foreign currency exposure and interest rate fluctuations.

Currency Risk

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Group's exposure to currency risk relates primarily to the Group's investing activities when transactions are denominated in a different currency from the Group's functional currency.

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 50 - Financial instruments (Contd.)

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows (after consolidation adjustments):

Particulars	Currency	March 31, 2023	March 31, 2022
Receivables	MYR	**90.50**	128.99
	EUR	**1,092.10**	2,200.15
	AED	**377.20**	329.38
	THB	**176.10**	41.26
	SGD	**404.30**	-
	USD	**20.50**	-
	SEK	**-**	1,395.92
Loans payable (including interest)	THB	**-**	2,966.05
	EUR**	**60,674.95**	70,426.74
	MYR	**11.60**	-
	SEK	**-**	-
Payables	MYR	**-**	11.24
	EUR	**294.46**	128.53
	AED	**1,390.50**	421.66
	THB	**202.10**	12.89
	GBP	**-**	2.60
	SGD	**-**	0.75
	SEK	**-**	4,253.91
	QAR	**12.50**	-
	USD	**-**	0.81

Of the above foreign currency exposures, none of the exposures are hedged by a derivative.

Foreign Currency Sensitivity

The Group is exposed to the following currency risks - AED, THB, MYR,USD, SEK, SGD and EUR - and the following table demonstrates the sensitivity.

Particulars	Currency	Change in rate	Impact on profit before tax
March 31, 2023	**MYR**	**+10%**	**7.89**
	MYR	**-10%**	**(7.89)**
	EUR	**+10%**	**(5,987.73)**
	EUR	**-10%**	**5,987.73**
	AED	**+10%**	**(101.33)**
	AED	**-10%**	**101.33**
	THB	**+10%**	**(2.60)**
	THB	**-10%**	**2.60**
	QAR	**+10%**	**(1.25)**
	QAR	**-10%**	**1.25**
	USD	**+10%**	**2.05**
	USD	**-10%**	**(2.05)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 50 - Financial instruments (Contd.)

Particulars	Currency	Change in rate	Impact on profit before tax
March 31, 2022	MYR	+10%	11.78
	MYR	-10%	(11.78)
	EUR	+10%	(6,835.51)
	EUR	-10%	6,835.51
	AED	+10%	(9.23)
	AED	-10%	9.23
	THB	+10%	(293.77)
	THB	-10%	293.77
	SGD	+10%	(0.08)
	SGD	-10%	0.08
	SEK	+10%	(285.80)
	SEK	-10%	285.80
	USD	+10%	(0.08)
	USD	-10%	0.08

** Euro denominated borrowings of ₹ 30,714.05 lakhs (Previous Year : ₹ 29,048.48 lakhs) are considered as hedging instrument for net investment in foreign operation. Gain/ loss on net borrowing (to the extent of effective portion of hedge) is recognised in other comprehensive income. Refer Note 60.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

Interest rate sensitivity

The sensitivity analyses below have been determined based on exposure to interest rate for both derivative and non-derivative instruments at the end of reporting period. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Currency	Increase / decrease in basis points	Effect on profit before tax
March 31, 2023	**EUR**	**+100**	**(746.29)**
	INR	**+100**	**(3.25)**
	EUR	**-100**	**746.29**
	INR	**-100**	**3.25**
March 31, 2022	EUR	+100	(884.72)
	INR	+100	(16.25)
	THB	+100	(29.66)
	EUR	-100	884.72
	INR	-100	16.25
	THB	-100	29.66

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 51 - Fair Value Measurement

Fair valuation techniques and inputs used - recurring items

Financial assets/ financial liabilities* measured at Fair value	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	March 31, 2023	March 31, 2022		
Financial assets				
Investments				
Mutual fund investments	**53,366.39**	27,943.07	Level 1	Refer note 1
Equity and preference	**943.72**	1,379.92	Level 3	Refer note 2
Total financial assets	**54,310.11**	29,322.99		

Note 1: Fair value determined using NAV

Note 2: Fair value determined using discounted cash flow method

Reconciliation of Level 3 fair values

Particulars	Equity & Preference
Balance as at April 1, 2022	1,379.92
Conversion of investments into Subsidiary/ Associate and now measured at amortised cost	(580.49)
Changes during the year	144.29
Balance as at March 31, 2023	**943.72**

* Fair value of financial assets and financial liabilities (that are measured at amortised cost) closely approximate their carrying value.

Note No. 52 - Expenditure on corporate social responsibility

As per Section 135 of the Companies Act, 2013, the Company needs to spend 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The Company has incurred CSR expenditure on activities specified in Schedule VII of the Companies Act, 2013.

Particulars	March 31, 2023	March 31, 2022
(i) Amount required to be spent by the Company during the year	**325.00**	270.00
(ii) Amount of expenditure incurred	**325.42**	272.11
(iii) Shortfall at the end of the year	**-**	-
(iv) Total of previous years shortfall	**-**	-
(v) Reason for shortfall	**Not applicable**	Not applicable
(vi) Nature of CSR activities	**Environmental Sustainability, Education & Skill Development, Covid Relief and Rehabilitation, Women Empowerment etc**	Environmental Sustainability, Education & Skill Development, Covid Relief and Rehabilitation, Women Empowerment etc
(vii) Details of related party transactions	**Not applicable**	Not applicable

Particulars	Paid	Yet to be paid	Total
(i) Construction/ acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	325.42	-	325.42

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 53 - Capital work-in-progress (CWIP) and expenditure during construction pending allocation included therein:

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at beginning of the year	**11,440.82**	11,456.56
Additions during the current year to CWIP	**13,050.39**	12,980.25
Capitalization/ deletions during the current year from CWIP	**(8,493.36)**	(12,995.99)
Balance as at end of the year	**15,997.86**	11,440.82

Expenditure during construction pending allocation included in (CWIP) above:

Particulars	As at March 31, 2023	As at March 31, 2022
Salaries, wages & bonus	**1,053.50**	894.57
Staff welfare expenses	**18.75**	15.45
Power & fuel	**1.78**	6.61
Rent	**7.71**	8.72
Rates & taxes	**0.96**	0.96
Repairs-others	**95.40**	297.00
Travelling	**98.17**	83.93
Consultancy charges	**208.01**	619.55
Miscellaneous	**264.31**	275.88
	1,748.59	2,202.67

Note No. 54 - Reporting under Rule 11(d) of the Companies (Audit and Auditor's) Rules, 2014

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group company incorporated in India to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group company incorporated in India has not received any fund from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 55 - Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. The Group has identified the following segments as reporting segments based on the information reviewed by CODM:

- Mahindra Holidays & Resorts India Limited (MHRIL)
- Holiday Club Resorts OY (HCRO)

(Also refer Note no. 63)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Segment revenue:		
- MHRIL	**131,263.41**	107,883.02
- HCRO	**131,126.17**	109,343.55
Total segment revenue	**262,389.58**	217,226.57
- Other unallocable revenue	**-**	658.43
Segment total income	**262,389.58**	217,885.00
Segment results:		
- MHRIL profit before tax	**20,868.36**	20,006.48
- HCRO profit before tax	**310.82**	(7,319.41)
Total Segment results	**21,179.18**	12,687.07
- Other unallocable expenditure net of unallocable income	**(4,114.43)**	(1,630.96)
Total Segment results	**17,064.75**	11,056.11
Segment assets		
- MHRIL	**687,474.76**	659,198.23
- HCRO	**243,132.80**	223,214.58
Total Segment assets	**930,607.56**	882,412.81
- Unallocated corporate assets	**1,099.46**	2,207.37
Total assets	**931,707.02**	884,620.18
Segment liabilities		
- MHRIL	**629,564.86**	599,130.40
- HCRO	**201,335.30**	188,956.39
Total Segment liabilities	**830,900.16**	788,086.79
- Unallocated corporate liabilities	**60,952.29**	70,553.70
Total liabilities	**891,852.45**	858,640.49

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 55 - Segment information (Contd.)

Geographical information

The Group operates in principal geographical areas – India (country of domicile), Europe (Finland,Sweden,Spain) and Others (Dubai, Thailand, Malaysia) The Group's revenue from continuing operations from external customers and information about its non-current assets by geographical location are detailed below:

Particulars	For the year Ended March 31		As at March 31	
	2023	2022	**2023**	2022
	Revenue from contract with customers	Revenue from contract with customers	**Non-current assets**	Non-current assets
India	**120,705.64**	97,027.26	**471,175.39**	471,484.48
Europe	**130,221.71**	103,860.90	**167,224.50**	158,197.38
Others	**771.81**	441.81	**11,522.57**	10,195.17
	251,699.16	201,329.97	**649,922.46**	639,877.03

The non-current assets in the above table represent property, plant and equipment, Capital work-in-progress, Goodwill, Other intangible assets, Intangibles under development and Other non-financial assets.

Information about major customers

During the year ended 31st March, 2023 and 2022 respectively, revenues from transactions with any single external customer did not amount to 10% or more of the Group's revenues from external customers.

Note No. 56 - Related party transactions

Particulars		March 31, 2023	March 31, 2022
Transactions during the year:	**Holding Company:**		
Sale of services	Mahindra & Mahindra Limited	**25.28**	28.61
Purchases of PPE	Mahindra & Mahindra Limited	**1,397.22**	146.55
Purchase of services	Mahindra & Mahindra Limited	**581.54**	547.68
Usage of tradeamark	Mahindra & Mahindra Limited	**0.75**	-
Reimbursements paid	Mahindra & Mahindra Limited	**596.05**	-
Reimbursements received	Mahindra & Mahindra Limited	**9.12**	-
	Fellow Subsidiaries / Associate		
Sale of services	Mahindra Accelo Limited (Formerly known as Mahindra Intertrade Limited)	**1.27**	1.18
	Mahindra Lifespace Developers Limited	**14.71**	16.99
	Mahindra & Mahindra Financial Services Limited	**2.70**	2.51
	Bristlecone India Limited	**0.17**	0.20
	Tech Mahindra Limited	**3.24**	3.01
	Mahindra Susten Private Limited	**0.67**	0.62
Reimbursement of expenses-received	Mahindra Lifespace Developers Limited	**2.39**	-
Reimbursement of expenses-paid	Mahindra & Mahindra South Africa Pty Limited	**5.16**	-
	NBS International Limited	**6.30**	-
Interest income	Mahindra Rural Housing Finance Limited	**603.00**	1,161.27
	Mahindra & Mahindra Financial Services Limited	**801.56**	944.50

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 56 - Related party transactions (Contd.)

Particulars		March 31, 2023	March 31, 2022
Purchase of PPE	Mahindra Engineering & Chemical Products Limited	**-**	57.78
	NBS International Limited	**19.92**	25.68
Equity investment	Great Rocksport Private Limited	**1,200.00**	-
Purchase of services	Mahindra Integrated Business Solutions Pvt Limited	**296.39**	649.68
	Mahindra Defence Systems	**6.25**	-
	Mahindra Engineering & Chemical Products Limited	**-**	169.57
	Mahindra Logistics Limited	**0.23**	7.59
	Bristlecone India Limited.	**206.11**	150.87
	Tech Mahindra Limited	**805.58**	123.86
	Mahindra Solarize Pvt Limited	**230.33**	-
	Great Rocksport Pvt Limited	**46.14**	-
	Pininfaria S.P.A.	**112.81**	-
Other entity:	**Directors Interest**		
Purchase of services	Shawman Software Pvt. Limited	**-**	21.00
Managerial remuneration :	**Key Management Personnel**		
	Mr. Kavinder Singh	**1,056.12**	514.65
	Mrs. Akhila Balachandar (till May 31, 2021)	**-**	59.20
	Mr. Sujit vaidya (from June 1, 2021)	**214.35**	124.46
	Mr. Dhanraj Mulki	**134.37**	88.20
	Director's Sitting Fees	**62.70**	69.80
	Commission to non whole time directors	**201.11**	184.50
	Fellow Subsidiaries / Associate		
Investment in inter corporate deposits	Mahindra Rural Housing Finance Limited	**-**	9,000.00
	Mahindra & Mahindra Financial Services Limited	**-**	14,500.00
Redemption of inter corporate deposits	Mahindra & Mahindra Financial Services Limited	**-**	19,500.00
	Mahindra Rural Housing Finance Limited	**-**	20,500.00
Balances as at:	**Holding company**		
Outstanding: Payable	Mahindra & Mahindra Limited	**2.83**	256.84
Outstanding: Receivable	Mahindra & Mahindra Limited	**8.01**	5.32
	Fellow Subsidiaries / Associate		
Outstanding: Payable	Tech Mahindra Limited	**63.61**	62.34
	Bristlecone India Limited	**4.47**	23.70
	Mahindra Engineering & Chemical Products Limited	**-**	27.12
	Nowigence India Private Limited	**-**	-
	Mahindra Logistics Limited	**0.21**	0.23
	NBS International Limited	**0.04**	2.39
	Mahindra Integrated Business Solutions Private Limited	**9.52**	166.74
	Mahindra Solarize Private Limited	**149.17**	-
Outstanding: Receivable	Mahindra Lifespace Developers Limited	**8.85**	10.54
	Great Rocksport Private Limited	**0.02**	-
Other deposits (Including accrued interest)	Mahindra & Mahindra Financial Services Limited	**15,757.62**	15,036.27
	Mahindra Rural Housing Finance Limited	**9,396.99**	9,395.50

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 57 (a) - Investments in associate

Particulars	No. of equity shares held	% of holding	Original cost of investment	Amount of goodwill/ capital reserve in original cost	Carrying amount of investments
Koy Seniori Saimaa	**950,000**	**31.15%**	**712.22**	**-**	**138.95**

Investment in associate previous year

Particulars	No. of equity shares held	% of holding	Original cost of investment	Amount of goodwill/ capital reserve in original cost	Carrying amount of investments
Koy Seniori Saimaa	950,000	31.15%	712.22	-	130.98

Summarised financial information in respect of each of the Group's associate is set out below. The summarised financial information below represents amounts shown in the associate financial statements.

Particulars - Koy Seniori Saimaa	March 31, 2023	March 31, 2022
Current assets	**121.24**	65.14
Non-current assets	**1,367.92**	1,289.49
Current liabilities	**107.69**	104.03
Revenue	**-**	-
Profit (loss) for the year	**-**	-
Other comprehensive income for the year	**-**	-
Total comprehensive income for the year	**-**	-

Particulars	No of equity shares held	% of holding	Original cost of investment	Carrying amount of investments
Great Rocksport Private Limited	**637,263**	**23.42%**	**1,566.00**	**1,645.60**

During the year, the Group has subscribed additional 4,88,321 equity shares of Great Rocksport Private Limited ("Rocksport") in three installments for a total cash consideration of ₹ 1,200 Lakhs. Pursuant to this acquisition, the shareholding in Rocksport rose to 23.42 % and it became an associate of the group with effect from April 16, 2022 in accordance with Ind AS 28.

(A) Purchase consideration transferred:

Particulars	Amount
Cash paid	1,200.00
Existing investment including Fair Value	366.00
Total consideration transferred	**1,566.00**

(B) Assets acquired, and liabilities assumed is as under:

Particulars		Amount
Total identifiable assets (A)		1,661.30
Total identifiable liabilities (B)		158.50
Total net assets [(A) - (B)]		1,502.80
Group share in total net assets	**23.42%**	**351.96**

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 57 (a) - Investments in associate (Contd.)

(C) Goodwill:

Particulars	Amount
Consideration transferred	1,566.00
Less: Net identifiable assets acquired	(351.96)
Goodwill	**1,214.04**

Goodwill on acquisition comprises the value of expected synergies arising from the acquisition which does not meet the criteria for recognition as an intangible asset under Ind AS 38 and hence, has not been separately recognised. No amount of goodwill is expected to be deductible for tax purpose.

Summarised financial information in respect of Great Rocksport Private Limited is set out below. The summarised financial information below represents amounts shown in an associate financial statements.

Particulars - Great Rocksport Private Limited	March 31, 2023
Current assets	2,512.51
Non-current assets	567.18
Current liabilities	483.84
Non-current liabilities	285.92
Revenue	4,242.64
Profit (loss) for the year	328.29
Other comprehensive income for the year	2.01
Total comprehensive income for the year	330.30

Note No. 57 (b) - Investments in Joint Ventures

Particulars	No. of equity shares held	% of holding	Original cost of investment	Carrying amount of investments
Tropiikin Rantasauna Oy	50	50.00%	43.28	60.39
Koy Vierumäen Kaari*	2,200,000	100.00%	1,120.47	1,193.86

* Voting right is 50% with the Group.

Investment in joint ventures in previous year

Particulars	No. of equity shares held	% of holding	Original cost of investment	Carrying amount of investments
Tropiikin Rantasauna Oy	50	50.00%	43.28	56.96
Koy Vierumäen Kaari*	2,200,000	100.00%	1,120.47	1,123.13

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 57 (b) - Investments in Joint Ventures (Contd.)

Summarised financial information in respect of the Group's joint ventures is set out below. The summarised financial information below represents amounts shown in the joint ventures financial statements.

Particulars - Tropiikin Rantasauna Oy	**March 31, 2023**	March 31, 2022
Current assets	**7.57**	7.14
Non-current assets	**127.73**	129.15
Current liabilities	**10.21**	9.69
Non-current liabilities	**4.48**	12.68
Revenue	**20.10**	19.58
Profit / (loss) for the year	**(0.07)**	(1.63)
Other comprehensive income for the year	**-**	-
Total comprehensive income for the year	**(0.07)**	(1.63)

Particulars - Koy Vierumäen Kaari	**March 31, 2023**	March 31, 2022
Current assets	**1.87**	0.22
Non-current assets	**64.01**	64.07
Current liabilities	**-**	-
Non-current liabilities	**-**	-
Revenue	**-**	10.36
Profit / (loss) for the year	**(8.90)**	5.43
Other comprehensive income for the year	**-**	-
Total comprehensive income for the year	**(8.90)**	5.43

Note No. 58 - Changes in liabilities arising from financing activities

Particulars	**As at March 31, 2022**	**Cash flow from financing activities**		**Forex movement**	**As at March 31, 2023**
		Additions	**Repayment**		
Non current borrowings (including current maturities of non current debt and interest)	**92,080.65**	**9,677.70**	**(35,943.85)**	**3,901.81**	**69,716.30**
Current borrowings	**1,322.64**	**14,391.16**	**(9,826.07)**	**-**	**5,887.73**
Total	**93,403.29**	**24,068.86**	**(45,769.92)**	**3,901.81**	**75,604.03**

Particulars	As at March 31, 2021	Cash flow from financing activities		Forex movement	As at March 31, 2022
		Additions	Repayment		
Non current borrowings (including current maturities of non current debt and interest)	93,932.59	64,065.44	(64,254.54)	(1,662.84)	92,080.65
Current borrowings	-	2,071.88	(749.24)	-	1,322.64
Total	93,932.59	66,137.32	(65,003.78)	(1,662.84)	93,403.29

Note No. 59 - Revenue from contracts with customers

All amounts are in ₹ Lakhs unless otherwise stated

a) **Disaggregation of revenue from contracts with customers:**

The Group derives revenue from the sale of vacation ownership and provide holiday facilities to members over time and at a point in time as under :

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from contracts with customers		
Over time (A)		
Revenue from sale of vacation ownership	**45,452.43**	39,337.57
Annual subscription fee	**34,018.58**	30,787.93
Total A	**79,471.01**	70,125.50
At a point in time (B)		
Revenue from sale of vacation ownership weeks	**37,594.82**	26,872.70
Revenue from sale of vacation ownership weeks in villas	**4,904.70**	1,432.86
Income From resorts:		
Room rentals	**38,440.96**	32,305.16
Other rentals	**1,167.82**	775.49
Club, sport and spa	**11,615.06**	13,379.48
Resort management	**8,781.58**	5,538.95
Events, conferences and other activities	**3,847.15**	3,195.22
Food and beverages	**40,169.92**	28,395.78
Wine and liquor	**6,781.10**	5,001.33
Others	**7,237.12**	4,376.94
Total B	**160,540.23**	121,273.91
Total revenue from contracts with customers (A + B)	**240,011.24**	191,399.41

b) **Movement of deferred acquisition cost and deferred contract liability:**

1. **Movement of deferred acquisition cost:**

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	**72,342.34**	70,381.00
i) Additions during the year (Net)	**9,855.29**	7,082.80
ii) Amortised during the year	**(5,470.70)**	(5,121.45)
Closing balance	**76,726.93**	72,342.34

The deferred acquisition cost relates to incremental costs of acquisition of the member that are deferred over the period of effective membership. Incremental costs are those that would not have been incurred if the contract was not obtained.

2. **Movement of Deferred Contract Liability:**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 59 - Revenue from contracts with customers (Contd.)

Particulars	March 31, 2023			
	Vacation Ownership (MHRIL)	Annual subscription fee (MHRIL)	Deferred contract liability (HCRO)	Total
Opening balance	**492,365.59**	**15,908.89**	**12,209.90**	**520,484.38**
i) Addition during the year (net)	**68,041.25**	**35,801.56**	**33,046.11**	**136,888.92**
ii) Income recognised during the year	**(45,452.43)**	**(34,018.58)**	**(32,832.79)**	**(112,303.80)**
Closing balance	**514,954.41**	**17,691.87**	**12,423.22**	**545,069.50**

Particulars	March 31, 2022			
	Vacation Ownership (MHRIL)	Annual Subscription Fee (MHRIL)	Deferred Contract liability- HCRO	Total
Opening balance	492,933.15	15,193.49	12,006.42	520,133.06
i) Addition during the year (net)	38,770.01	31,503.33	26,729.47	97,002.81
ii) Income recognised during the year	(39,337.57)	(30,787.93)	(26,525.99)	(96,651.49)
Closing balance	492,365.59	15,908.89	12,209.90	520,484.38

The deferred contract liability relates to the consideration received/ receivable from customers, for which services will be provided over the effective membership period and revenue is recognised over that period.

c) **Obligations for returns, refunds and other similar obligations:**

Particulars	As at March 31, 2023	As at March 31, 2022
Return, refunds and other similar obligations	**1,947.56**	1,488.68
Total	**1,947.56**	1,488.68

The above obligation is only to the extent of revenue recognised, this does not include the obligation on refundable entitlement fees.

d) **Revenue expected to be recognised in the future from deferred contract liability:**

Time Band	As at March 31, 2023			
	Vacation Ownership (MHRIL)	Annual subscription fee (MHRIL)	Deferred contract liability (HCRO)	Total
< 1 Year	**46,651.02**	**17,691.88**	**9,565.30**	**73,908.20**
1 - 2 Year	**44,592.89**	-	**607.04**	**45,199.93**
2 - 3 Year	**41,973.02**	-	**2,250.87**	**44,223.89**
3 - 4 Year	**39,996.42**	-	-	**39,996.41**
4 - 5 Year	**39,079.63**	-	-	**39,079.63**
5-10 Year	**164,297.10**	-	-	**164,297.10**
> 10 year	**138,364.32**	-	-	**138,364.32**
Total	**514,954.40**	**17,691.88**	**12,423.21**	**545,069.49**

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 59 - Revenue from contracts with customers (Contd.)

Time Band	As at March 31, 2022			
	Vacation Ownership (MHRIL)	Annual Subscription Fee (MHRIL)	Deferred Contract liability (HCRO)	Total
< 1 Year	41,560.15	15,908.89	9,358.26	66,827.30
1 - 2 Year	40,186.15	-	540.75	40,726.90
2 - 3 Year	38,388.33	-	572.24	38,960.57
3 - 4 Year	36,919.82	-	1,738.66	38,658.48
4 - 5 Year	36,319.03	-	-	36,319.03
5-10 Year	157,878.58	-	-	157,878.58
> 10 year	141,113.53	-	-	141,113.53
Total	492,365.59	15,908.89	12,209.91	520,484.39

The deferred contract liability broken year wise shows summary of Vacation Ownership, Annual subscription fee , Villas and other deferred contract liability recognizable in the future. Annual subscription fee being the annual fees chargeable to the member every year over the life of contract.

e) Reconciliation of revenue from contract with customer:

Particulars	**Year ended March 31, 2023**	Year ended March 31, 2022
Revenue from contract with customer as per the contract price	**266,228.29**	212,001.68
Adjustments made to contract price on account of :-		
Discounts / Rebates / Incentives	**(26,217.05)**	(20,602.27)
Revenue from contract with customer as per the statement of Profit and Loss	**240,011.24**	191,399.41

Note No. 60 - Net investment hedge

The Group has considered certain borrowing instrument as a hedging instrument for its investment in foreign subsidiaries. Accordingly, any foreign exchange differences on the hedging instrument (viz. borrowings) relating to the effective portion of the hedge is recognised in other comprehensive income and held in foreign currency translation reserve ('FCTR') - a component of equity, so as to offset the change in the value of the net investment being hedged. The ineffective portion of the gain or loss on these hedges is immediately recognised in the statement of profit and loss. The amounts accumulated in equity are included in the statement of profit and loss when the foreign operation is disposed or partially disposed.

Currency exchange risk hedged	**March 31, 2023**	
	Euro to INR	
	Euro (in lakhs)	**INR (in lakhs)**
Carrying value of hedging instruments (borrowings)	**676.39**	**60,630.81**
Maturity date	**August 2024 to Feb 2025**	
Hedged item	**342.64**	**30,714.05**
Hedging instrument	**342.64**	**30,714.05**
Hedging (gain)/ loss recognised during the year in Other Comprehensive Income		**1,581.86**
Gain/ Loss reclassification during the year to Statement of Profit & Loss		**Nil**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

All amounts are in ₹ Lakhs unless otherwise stated

Note No. 60 - Net investment hedge (Contd.)

Currency exchange risk hedged	March 31, 2022	
	Euro to INR	
	Euro (in lakhs)	INR (in lakhs)
Carrying value of hedging instruments (borrowings)	832.65	70,359.30
Maturity date	August 2022 to Feb 2025	
Hedged item	343.77	29,048.48
Hedging instrument	343.77	29,048.48
Hedging (gain)/ loss recognised during the year in Other comprehensive Income		(595.11)
Gain/ Loss reclassification during the year to Statement of Profit & Loss		Nil

Note No. 61 - Estimation uncertainty relating to COVID-I9 outbreak

The Group has considered internal and external sources of information, economic forecasts and industry reports, up to the date of approval of the financial statements, in determining the impact of COVID-19 pandemic on various elements of its business operations and financial statements. The Group has used the principles of prudence in applying judgements, estimates and assumptions and based on the current estimates, the Group expects to recover the carrying amount of its current and non current assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements depending on how long the pandemic lasts and time period taken for the economic activities to return to normalcy.

Note No. 62 - Transactions with struck off companies

Name of the struck off Company	**Transactions during the year**	**Transactions during the year**	**Balance outstanding as at 31 March 23**	Transactions during the previous year	Balance outstanding as at 31 March 22
Altek India Private Limited	Purchase of Goods/ Services	0.47	-	-	-
Drisna Enterprises Private Limited	Purchase of Goods/ Services	3.03	-	-	-

Note No. 63 -NFRA order

The Group has received an order ('the Order') from National Financial Reporting Authority ('NFRA') on March 29, 2023 wherein NFRA has made certain observations on identification of operating segments by the Group in compliance with requirements of Ind AS 108 and the Group's existing accounting policy for recognition of revenue on a straight-line basis over the membership period. As per the order received from NFRA, the Group is required to complete its review of accounting policies and practices in respect of disclosure of operating segments and timing of recognition of revenue from customers and take necessary measures to address the observations made in the order by June 30, 2023. The Group is conducting review as required by the order.

As at March 31, 2023, the management has assessed the application of its accounting policies relating to segment disclosures and revenue recognition. Basis the current assessment by the Group after considering the information available as on date; the existing accounting policies, practices and disclosures are in compliance with the respective Ind AS and accordingly have been applied by the Group in the preparation of these financial statements.

Note No. 64

The figures for the previous year have been regrouped/ reclassified to correspond with current year's classification/ disclosure whenever necessary.

The Consolidated financial statements of Mahindra Holidays & Resorts India Limited were approved by the Board of Directors and authorised for issue on April 25, 2023.

See accompanying notes to the financial statements
As per our report of even date attached

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

Koosai Lehery
Partner
Membership Number: 112399
Place: Mumbai
Date : April 25, 2023

For and on behalf of the Board of Directors

Arun Nanda
Chairman
DIN: 00010029

Kavinder Singh
Managing Director & CEO
DIN: 06994031

Sujit Vaidya
Chief Financial Officer

Dhanraj Mulki
Company Secretary

Place: Mumbai
Date : April 25, 2023

Form AOC - 1

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014
Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part "A" Subsidiaries

(₹ in lakhs)

Sl no	Name of the Subsidiary	Date since when subsidiary was acquired	Reporting for the subsidiary concerned, if different from the holding company's reporting period	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before tax	Provision for taxation	Profit after tax	Proposed dividend	Proportion of ownership interest
1	Gables Promoters Private Limited	24-Aug-12	-	INR	6,500.00	3,191.80	18,335.30	8,643.50	-	2,306.20	326.68	-	326.68	-	100%
2	Mahindra Hotels & Residences India Limited	26-Apr-07	-	INR	5.00	(141.15)	2,032.70	2,168.85	-	-	(118.15)	-	(118.15)	-	100%
3	Mahindra Holidays & Resorts Harihareshwar Limited	23-Aug-22	-	INR	5.00	(1.13)	4.70	0.83	-	-	(1.13)	-	(1.13)	-	100%
4	Guestline Hospitality Management and Development Services Limited	02-Dec-22	-	INR	2.54	510.71	539.15	25.90	-	9.23	7.54	(0.42)	7.11	-	98%
5	Arabian Dreams Hotels Apartment L.L.C.	26-Mar-13	-	AED	67.13	306.79	1,699.10	1,325.18	-	1,519.34	171.71	-	171.71	-	49%
6	Heritage Bird (M) SDN. BHD.	03-Mar-08	-	MYR	55.94	35.14	830.92	739.84	-	134.27	54.04	(17.58)	36.46	-	100%
7	MH Boutique Hospitality Limited	02-Nov-12	-	THB	241.11	(472.51)	917.75	1,149.15	916.22	-	(24.36)	-	(24.36)	-	49%
8	Infinity Hospitality Group Company Limited	05-Nov-12	-	THB	3,616.65	(3,205.26)	4,837.96	4,426.57	-	680.35	(87.65)	-	(87.65)	-	74%
9	MHR Holdings (Mauritius) Ltd	11-Jul-14	-	Euro	129.98	(7,152.03)	76,950.90	83,972.96	20,780.56	1,319.51	(1,036.23)	-	(1,036.23)	-	100%
10	Covington S.a.r.l	17-Jul-14	-	Euro	11.20	17,887.05	73,774.78	55,876.52	60,851.07	209.83	(1,155.40)	(4.32)	(1,159.72)	-	100%
11	Holiday Club Resorts Oy	02-Sep-15	-	Euro	10,720.06	19,034.17	97,225.48	67,471.24	2,385.75	106,787.62	(5,082.55)	-	(5,082.55)	-	100%
12	Kiinteistö Oy Rauhan Liikekiinteistöt 1 (Formerly known as Supermarket Capri Oy)	02-Sep-15	-	Euro	89.64	1,813.83	6,910.88	5,007.41	-	734.07	(107.52)	-	(107.52)	-	100%
13	Ownership Services Sweden Ab	02-Sep-15	-	Swedish Krona	7.93	146.39	1,156.31	1,001.99	-	-	(0.70)	-	(0.70)	-	100%
14	Åre Villa 3 AB	26-Jan-18	-	Swedish Krona	3.97	361.31	369.24	3.97	-	-	(0.12)	-	(0.12)	-	100%
15	Holiday Club Sweden Ab Åre	02-Sep-15	-	Swedish Krona	7.93	9,187.61	16,408.65	7,213.11	4,821.67	1,885.81	(364.01)	-	(364.01)	-	100%
16	Holiday Club Sport and Spa hotels AB	01-Dec-15	-	Swedish Krona	79.34	3,450.89	8,033.06	4,502.84	-	13,025.48	1,597.73	-	1,597.73	-	100%
17	Holiday Club Resorts Rus LLC	02-Sep-15	31-Dec-22	Russian Ruble	3.18	(455.45)	11.10	463.37	-	284.53	37.05	(10.30)	26.74	-	100%
18	Holiday Club Canarias Investments S.L.U.	02-Sep-15	-	Euro	2.78	(1.14)	2,371.01	2,369.37	2,320.04	-	(1.38)	0.33	(1.04)	-	100%
19	Holiday Club Canarias Sales & Marketing S.L.U.	02-Sep-15	-	Euro	2.78	(1,422.91)	17,366.08	18,786.21	7,409.43	3,848.42	(273.44)	113.60	(159.84)	-	100%
20	Holiday Club Canarias Resort Management S.L.U.	02-Sep-15	-	Euro	2.78	6,657.23	17,605.59	10,945.57	11,371.80	5,130.51	587.37	(104.78)	482.58	-	100%
21	Holiday Club Canarias Vacation Club S.L.U	18-Dec-18	-	Euro	2.69	1,461.23	6,909.50	5,445.59	3,699.84	3,399.55	411.28	(108.42)	302.86	-	100%

Note: Translated at exchange rate prevailing as on 31st March 2023 MYR 1 = INR 18.648, THB 1 = INR 2.4111, EUR 1 = INR 89.639, AED 1 = INR 22.378, RUB 1 = INR 1.06, and SEK 1 = INR 7.9339

"Statement pursuant to section 129 (3) of the Companies Act 2013 related to Associate Companies and Joint Ventures Part "B" Associates & Joint Venture"

(₹ in lakhs)

Sl. No.	Name of the Associates / Joint-Ventures	Date since when Associates & joint ventures was acquired	Latest audited Balance Sheet Date	Share of Associates/Joint Ventures held by the Company on the year end			Description how there is significant influence	Reason why the joint ventures/ associate not consolidated	Net worth attributable to shareholding as per latest audited Balance Sheet.	Profit/(Loss) for the year	
				No of Shares held	Amount of investment in Associates /Joint ventures	Extent of holding - %				Considered in consolidation	Not considered in consolidation
Associate :											
1	Kiinteistö Oy Seniori-Saimaa	02-Sep-15	31-Mar-23	950,000	138.94	31.15%	Voting rights	NA	424.62	-	41.31
2	Great Rocksport Private Limited	16-Apr-22	31-Mar-23	637,263	1,566.00	23.42%	Voting rights	NA	540.99	76.89	251.40
Joint ventures :											
1	Tropiikin Rantasauna Oy	31-Aug-16	31-Mar-23	50	62.41	50.00%	Joint Control	NA	61.12	(0.43)	(0.43)
2	Kiinteistö Oy Vierumäen Kaari*	27-Jul-21	31-Mar-23	2,200,000	1,188.61	100.00%	Joint Control	NA	66.93	2.06	2.06

* Voting right is 50% with the Group.

Note:

During the year, the below are the subsidiaries which have ceased to exist on account of Merger through scheme of arrangement as under :

Kiinteistö Oy Rauhan Ranta 1, Kiinteistö Oy Rauhan Ranta 2, Kiinteistö Oy Kylpyläntorni 1, Kiinteistö Oy Spa Lofts 2, Kiinteistö Oy Spa Lofts 3, Kiinteistö Oy Tiurunniemi, Kiinteistö Oy Vanha Ykköstii, Kiinteistö Oy Katinnurkka, Kiinteistö Oy Tenetinlahti, Kiinteistö Oy Himos Gardens, Kiinteistö Oy Kuusamon Pulkkajärvi 1, Kiinteistö Oy Mällösniemi Finland and HCR Management Oy.

For and on behalf of the Board of Directors

A K Nanda
Chairman
DIN: 00010029

Kavinder Singh
Managing Director & CEO
DIN: 06994031

Sujit Vaidya
Chief Financial Officer

Dhanraj Mulki
Company Secretary

Place: Mumbai
Date : April 25, 2023

Notes

Notes

SOME OF OUR **RESORTS...**


Kandaghat, Himachal Pradesh

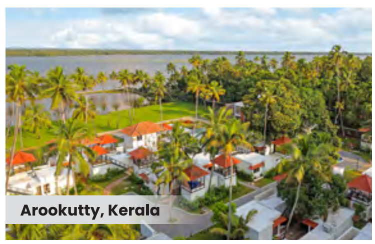

Naldehra, Himachal Pradesh


Kanha, Madhya Pradesh


Udaipur, Rajasthan

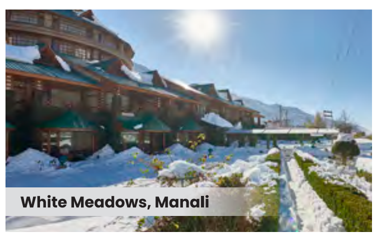

Ashtamudi, Kerala

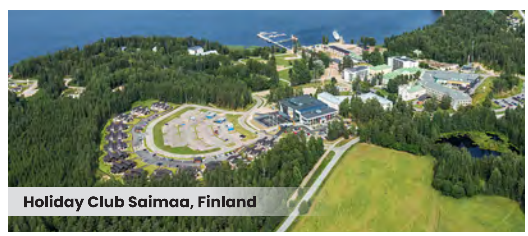

Janjehli, Himachal Pradesh

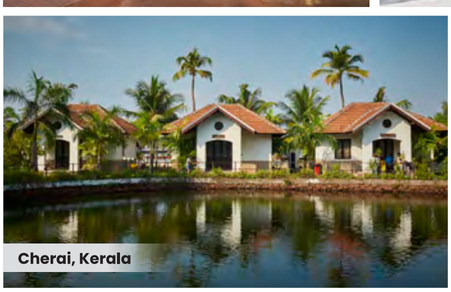

Arookutty, Kerala

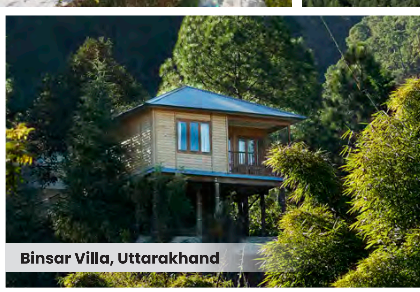

Holiday Club Saariselkä, Finland


Assonora, Goa


White Meadows, Manali


Holiday Club Saimaa, Finland

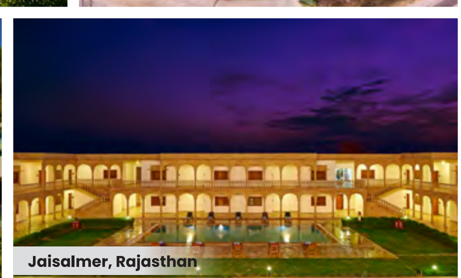

Cherai, Kerala


Binsar Villa, Uttarakhand


Kumbhalgarh, Rajasthan


Varca, Goa


Munnar, Kerala


Jaisalmer, Rajasthan

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