

ITC Hotels Limited
Corporate Office
ITC Green Centre
10 Institutional Area, Sector 32
Gurugram-122 001, Haryana, India
Tel.: 91 124 417 1717
Website: www.itchotels.com

11th July, 2026

The Manager
Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza
Plot No. C-1, G Block
Bandra-Kurla Complex
Bandra (East)
Mumbai 400 051

The General Manager
Dept. of Corporate Services
BSE Ltd.
P. J. Towers
Dalal Street
Mumbai 400 001

Dear Sirs,

Report and Accounts for the financial year ended 31st March, 2026

Further to our letter dated 15th May, 2026, we hereby enclose, in terms of Regulations 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Report and Accounts of the Company for the financial year ended 31st March, 2026 together with the Notice dated 15th May, 2026 convening the 3rd Annual General Meeting of the Company on 6th August, 2026.

Yours faithfully

ITC Hotels Limited

DIWAKER Digitally signed by
DIWAKER DINESH
DINESH Date: 2026.07.11
13:19:45 +05'30'
Diwaker Dinesh

Company Secretary

Encl.: as above



ITC HOTELS LIMITED

Registered Office: Virginia House, 37 J. L. Nehru Road, Kolkata - 700 071, West Bengal, India
Tel: 91 33 2288 9371, Email: investorservices@itchotels.com
Corporate Identity Number: L55101WB2023PLC263914



ITC HOTELS LIMITED

50

GLORIOUS
YEARS



**BEST LUXURY HOTEL CHAIN IN INDIA
FOR 9 CONSECUTIVE YEARS BY
TRAVEL + LEISURE - 'INDIA'S BEST AWARDS'**

REPORT AND ACCOUNTS 2026

FY 2025 - 26

At a glance

₹4,331Cr

TOTAL INCOME

₹4,139Cr

REVENUE FROM OPERATIONS

₹1,424Cr

EBITDA

34%

EBITDA MARGIN

₹1,203[^]Cr

PROFIT BEFORE TAX

₹821Cr

PROFIT AFTER TAX



150+
OPERATIONAL HOTELS



14,200+
OPERATIONAL KEYS



23
LEED PLATINUM® HOTELS



12
LEED® ZERO CARBON HOTELS



12
LEED® ZERO WATER HOTELS



63
HOTEL SIGNINGS IN LAST 24 MONTHS



29
HOTEL OPENINGS IN LAST 24 MONTHS

Status as at 31st March 2026

ITC Grand Goa

[^]Before Exceptional Items



ITC Kohenur, Hyderabad

Contents

Contents are hyper-linked to the relevant pages of the report.

Topic	Number
ITC Hotels Limited: 50 Glorious years	4-68
Board of Directors and Committees	69
Your Directors	70
Report on Corporate Governance (Including Shareholder Information)	77
Report of the Board of Directors & Management Discussion and Analysis	103
CEO and CFO Compliance Certificate	134
Standalone Financial Statements	
Balance Sheet	136
Statement of Profit and Loss	137
Statement of Changes in Equity	138
Statement of Cash Flows	140
Notes to the Financial Statements	142
Independent Auditor’s Report	190
Guide to Subsidiaries, Joint Ventures and Associates	199
Salient Features of the Financial Statements of Subsidiaries, Joint Ventures and Associates (Form AOC-1)	201
Consolidated Financial Statements	203

50

GLORIOUS
YEARS

Built on legacy
created for tomorrow



ITC Windsor, Bengaluru

The legacy of **50 glorious years of the business of Hotels** reflects a sustained journey of scale, strategic intent and leadership within the hospitality sector. Since 1975, the Company has progressively influenced the development of India's luxury and **responsible hospitality** space, establishing a reputation built on operational discipline, service consistency, culinary capability and environmental stewardship.

The Company has expanded over **five decades** into a multi-location hospitality enterprise with operations across India, Sri Lanka and Nepal. Today, the portfolio comprises over 150 hotels with more than 14,200 keys. This expansion has been supported by a clearly articulated philosophy of 'Responsible Luxury', under which growth has been pursued alongside efficiency, sustainability considerations and long-term stakeholder value creation.

Today, ITC Hotels Limited operates through **seven brand platforms**, each developed to address **distinct traveller segments** and market opportunities.

The Company's brand portfolio includes **ITC Hotels and Mementos** in the luxury segment; **Welcomhotel** in the upper-upscale to upscale category; **Storii** in the boutique space; and **Fortune Hotels** and **WelcomHeritage** serving the midscale - upscale, and heritage segments. The newest addition to the portfolio is the **Epiq Collection**,

an upper-upscale brand catering to larger hotels with enhanced services and contemporary cuisine options.

Food and beverage segment represents a long-standing source of differentiation for ITC Hotels Limited. The Company has developed several established culinary brands, including **Bukhara, Dum Pukht, Royal Vega, Avartana, Peshawri, Yi Jing, Ottimo and Pavilion**. These brands reflect consistent investment in culinary expertise, mindful sourcing and process excellence.

In the wellness domain, **Kaya Kalp**, embodies the Company's integrated approach to guest wellbeing. **Sustainability** considerations continue to be embedded across operations, supported by the Company's distinction of holding the highest number of **LEED Platinum® certified hotels globally**.

As ITC Hotels Limited progresses, it remains focused on an **Asset-Right operating model**, with expansion primarily routed through management contracts and partnerships in identified **growth markets**. Ongoing emphasis on process improvement, **digital enablement** and **operational efficiency** will continue to support consistent performance and margin resilience. Collectively, these priorities position the Company to strengthen its market presence and sustain long-term value generation.

Core Values



Inspired by Namaste, the identity of ITC Hotels Limited stands for **togetherness and connection**, reflecting strength and harmony.

It is also reflective of the essential welcoming gesture, communicating unity and **progress with responsibility**.

Vision

ITC Hotels Limited aims to be a leader in Indian hospitality, celebrated for **service, cuisine excellence** and embodying **Responsible Luxury**.

Our aspiration to deliver competitively **superior returns and quality** is driven by **customer-centricity, high performance and unwavering commitment to sustainability**. Deeply rooted to the soil of the nation, we will take meaningful strides to realise the economic potential of travel and tourism.



01 | WARMTH

We place our stakeholders at the center of every decision, striving to create heartfelt moments with our signature warmth in each interaction.



02 | INNOVATION

We endeavour to pioneer a culture of innovation & excellence in the hospitality industry, elevating experiences by integrating creative solutions and advanced technology with a human touch.



03 | SUSTAINABLE RESPONSIBILITY

We are committed to inclusivity and sustainable action that positively impacts our planet, community and society, driving long-term value.



04 | ETHICAL LEADERSHIP

We build trust through integrity, accountability and responsible stewardship in all our actions.



05 | RESPECT FOR PEOPLE

We care deeply, ensuring mutual respect in every relationship, treating our colleagues and partners with empathy, compassion and humility.

Our Journey

From modest beginnings in 1975 with the first hotel, the Hotels business has grown into one of India's premier hospitality brands, renowned for its blend of indigenous luxury and responsible practices. With over 150 hotels in 95+ destinations and 7 distinctive brands, the chain offers iconic architecture, authentic culinary experiences, category-leading sustainability initiatives amongst many other facets.

1970's

- **1975**
Welcomhotel Chennai
- **1976**
• ITC Mughal, Agra
• Hospitality Management Institute
- **1977**
ITC Maurya, New Delhi



1980's

- **1982**
ITC Windsor, Bengaluru
- **1983**
Welcomhotel Bay Island
- **1986**
Establishment of WGSHA (Welcomgroup Graduate School of Hotel Administration), Manipal



1990's

- **1992**
• ITC Rajputana, Jaipur
• Welcomhotel Vadodara
- **1995**
Launch of Fortune Hotels
- **1996**
ITC Kakatiya, Hyderabad
- **1997**
Launch of WelcomHeritage Hotels Palaces & Havelis



2000's

- **2000**
Sheraton New Delhi
- **2001**
ITC Maratha, Mumbai
- **2002**
ITC Sonar, Kolkata
- **2004**
ITC Grand Central, Mumbai
- **2009**
ITC Gardenia, Bengaluru



2010's

- **2010**
All ITC Luxury Hotels get LEED Platinum Certification
- **2012**
ITC Grand Chola, Chennai
- **2014**
• ITC Grand Bharat, Gurugram
• Welcomhotel Bengaluru
- **2017**
Welcomhotel Coimbatore
- **2018**
• ITC Kohenur, Hyderabad
• ITC Grand Goa
- **2019**
• Welcomhotel Amritsar
• ITC Royal Bengal, Kolkata



2020's

- **2021**
Welcomhotel Bhubaneswar
- **2022**
• Welcomhotel Guntur
• Launch of Storii by ITC Hotels
• ITC Narmada, Ahmedabad
- **2023**
Launch of Mementos by ITC Hotels
- **2024**
ITC Ratnadipa, Colombo
- **2025**
Listing of ITC Hotels Limited
- **2025**
Introduction of Epiq Collection by ITC Hotels



Brands Of Distinction:

Our Hospitality Ecosystem

Rooted in legacy. Expanding with intention.

From luxury and vibrant, to boutique and experiential, every aspect of ITC Hotels Limited's brand architecture is part of a living framework rooted, responsive and always rising.



Hotel Brands



Loyalty & Recognition Brands



Experience Brands



Accommodation Brands



Signature Cuisine Brands





With 'Namaste' as the enduring symbol of its brand experience and 'Responsible Luxury' as the guiding premise, ITC Hotels are an archetype of the culture and ethos of each destination, offering authentic, indigenous luxury experiences that are in harmony with the environment and society.



50
GLORIOUS
YEARS

ITC Grand Bharat, Gurugram

MEMENTOS

BY ITC HOTELS

Mementos by ITC Hotels is a brand of luxury lifestyle hotels and resorts that offers the rarest of luxuries: great memories. Every detail of the Mementos experience is designed to create exquisite moments, unique to each destination and transform them into something truly unforgettable.



50
GLORIOUS
YEARS

Mementos Udaipur



EPIQ

COLLECTION
BY ITC HOTELS

Epiq Collection is ITC Hotels' premium brand, bringing together distinctive properties that blend refined opulence with authentic Indian hospitality. It focuses on elevated experiences through thoughtful design, regional cuisine and personalized service, while celebrating each destination's unique character.



Epiq Collection Puri



Welcomhotel by ITC Hotels is the new-age traveller's key to curated, immersive experiences. Present in locations ranging from hills to beaches and deserts to cities, the hotels skilfully blend together local aesthetics and modern-day comforts, along with our renowned culinary expertise.

50
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YEARS

Welcomhotel Bay Island, Port Blair



Storii by ITC Hotels is a collection of handpicked properties, designed to satiate the ever-evolving needs of the discerning traveller by offering a unique, experience-led stay that is atypical, immersive, bespoke and coexists in harmony with the environment as well as the local community.



Storii Castle Kanota, Jaipur

FORTUNE

Member ITC Hotels' Group

Set up in state capitals, major towns, small metros and bustling cities, Fortune Hotels' brand philosophy is driven by its objective to provide contemporary accommodation to business and leisure travellers, with an emphasis on personalised service at great value.



50
GLORIOUS
YEARS

Fortune Resort Kalimpong



WelcomHeritage

Palaces • Forts • Havelis • Resorts

WelcomHeritage endeavours to create a unique balance between local traditions and modern-day requirements, thus creating authentic experiences in some of the country's most inspiring settings.



WelcomHeritage Bal Samand Lake Palace, Jodhpur

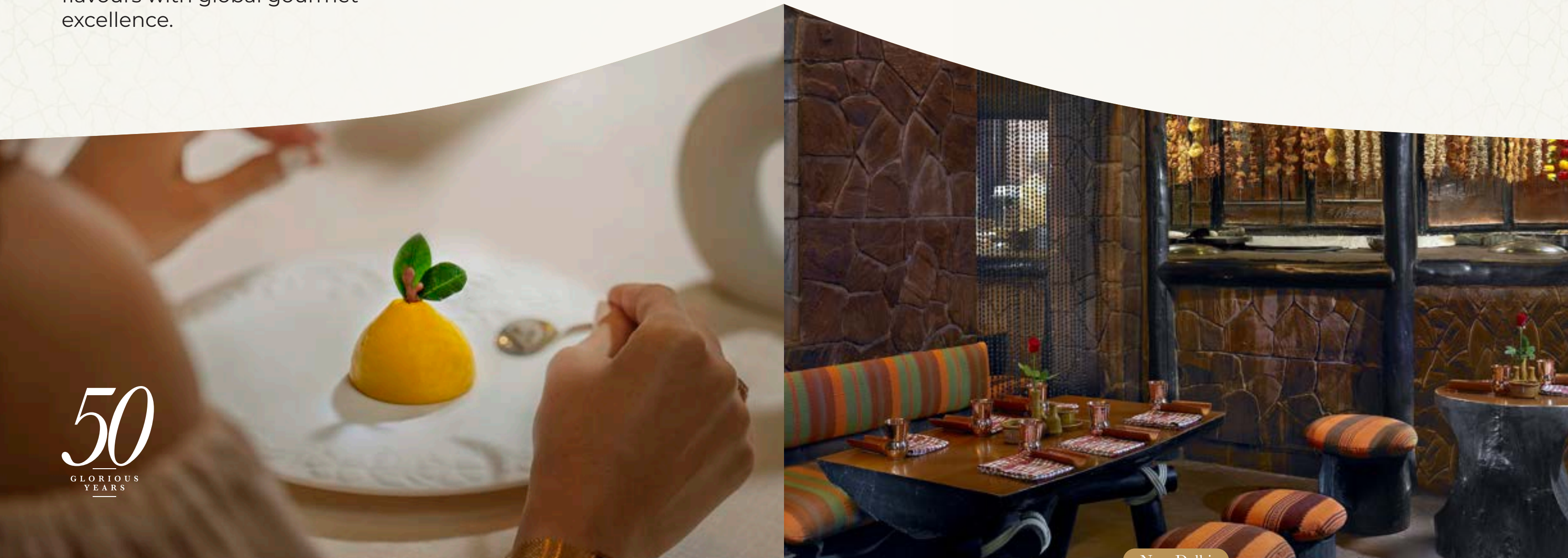
Signature Dining

ITC Hotels presents a culinary journey that seamlessly blends India's diverse regional flavours with global gourmet excellence.

50
GLORIOUS
YEARS

BUKHARA

A globally renowned dining destination, Bukhara offers robust flavours of the North-West Frontier with an authentic setting and a menu unchanged and unmatched since 1978.



New Delhi



This iconic restaurant beckons you to partake in a royal experience, as it recreates the 200-year-old culinary legacy from the kitchens of the majestic Awadhi Nawabs.



Exemplifies an exclusive blend of traditional and progressive renditions of Southern Indian cuisine, which is rooted to the gravitas of the unique tastes, aromas and flavours of southern Indian spices.



50
GLORIOUS
YEARS

New Delhi, Mumbai, Kolkata, Bengaluru, Hyderabad

Chennai, New Delhi, Mumbai, Kolkata, Colombo



Royal Vega

An exclusive restaurant with an opulent décor that brings you a fine collection of vegetarian dishes based on the ancient Indian system of seasonal cooking.



Chennai, Kolkata, Ahmedabad, Udaipur

PESHAWRI

An award-winning restaurant brand that brings alive the robust flavours of the North-West Frontier. Savour a delectable selection of delicacies like succulent kebabs, signature breads and lentil within a rustic chic ambience.



Ahmedabad, Mumbai, Chennai, Kolkata, Agra, Jaipur, Hyderabad, Vadodara, Colombo



Inspired by the rugged earthiness of North India, this signature restaurant has a delectable menu that brings you authentic styles of cooking designed for the discerning gourmet.



Showcases the rich diversity of South Indian tradition through specialty cuisine offerings from states of Tamil Nadu, Kerala, Andhra Pradesh, Karnataka and Telangana.



50
GLORIOUS
YEARS

Goa, Mumbai, Bengaluru, Hyderabad, Amritsar, Udaipur, Mohali, Prayagraj, Bhubaneswar

Bengaluru, Hyderabad, New Delhi, Mumbai, Visakhapatnam

意境 YI JING

Rooted in contemporary interpretations of time-honoured recipes from across the diverse regions of China, Yi Jing offers refreshing flavours with a special focus on Sichuan and Hunan provinces.



Mumbai, Ahmedabad, Hyderabad, Colombo

Ottimo Cucina Italiana

A traditional Italian kitchen has been recreated with an authentic array of antipasti, wood-fired oven baked pizzas, artisanal pastas and much more.



New Delhi, Goa, Chennai, Kolkata, Hyderabad



Edo brings alive the concept of Japan's after-hours culture, with authentic sushi, sashimi, succulent robatayaki, crisp tempura and artful bento meals accompanied by premium Japanese beverages culminating in a grand finale of delectable desserts perfected by our chefs.



Bengaluru

BANQUETING

With a legacy of hosting dignitaries, large-scale events, and bespoke gatherings, ITC Hotels' banqueting capabilities are supported by elegant décor, award-winning cuisines and business services.



Storii Castle Kanota, Jaipur

Signature Wellness

One of India's leading Spa brands, Kaya Kalp showcases India's ancient wellness sciences through indigenous spa therapies along with global wellness treatments for the complete rejuvenation of the mind, body and soul.



50
GLORIOUS
YEARS

Mementos Udaipur



Chef Crafted Curations

Crafted with care and handled with utmost hygiene & safety, the mindfully curated menus bring signature food experiences from our award-winning kitchens to your doorstep.



A selection of bed linen, pillows and embroidered duvets especially made for ITC Hotels now available for your home.



New Delhi, Mumbai, Bengaluru, Hyderabad, Chennai, Kolkata

The All-New Club ITC

A Membership That Makes You Feel Rewarded



Scan Here to See the Club ITC Film

Club ITC:

Loyalty Transformation

An integrated, high-engagement loyalty ecosystem to drive guest retention and spend.



One Membership. Endless Privileges

Single programme for stays, dining, spa, and events, enhancing value across all guest touchpoints.



More Earnings, More Joy

Members get rewarded with up to 8% back in Green Points, based on their tier.



Instant Gratification

Earnings and redemptions are now near real-time, ensuring faster rewards.



Meetings & Events Get Rewarding

Members now earn points on eligible residential and non-residential events.



Milestone Rewards

Stay & Spend linked bonuses to encourage purchase frequency.



Exclusive & Elite : Platinum Select

A new lifetime tier for our most valued patrons.



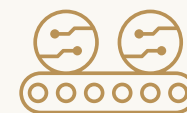
Points Never Expire

No Point Expiry for active members.



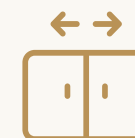
Integrated Operations Backbone

Loyalty actions fully embedded into PMS & POS systems, ensuring consistent delivery.



Automated Claims Management

Digital retro claims reduce operational overhead and enhance member experience.



Smarter Access, Effortless Experience

Upgraded website and app with real-time access, reducing friction & increasing self-service.



Culinaire. Reimagined.

A signature subscription plan attached to Club ITC membership where members save & earn points on each eligible F&B transaction.



Instant 20% savings

Elevate every dining experience with instant gratification.



Earn up to 12% Green Points

Simple and transparent earnings of up to 12% on dining spends.



Complimentary Stay Vouchers

Experience luxury with complimentary night's stay at select hotels.



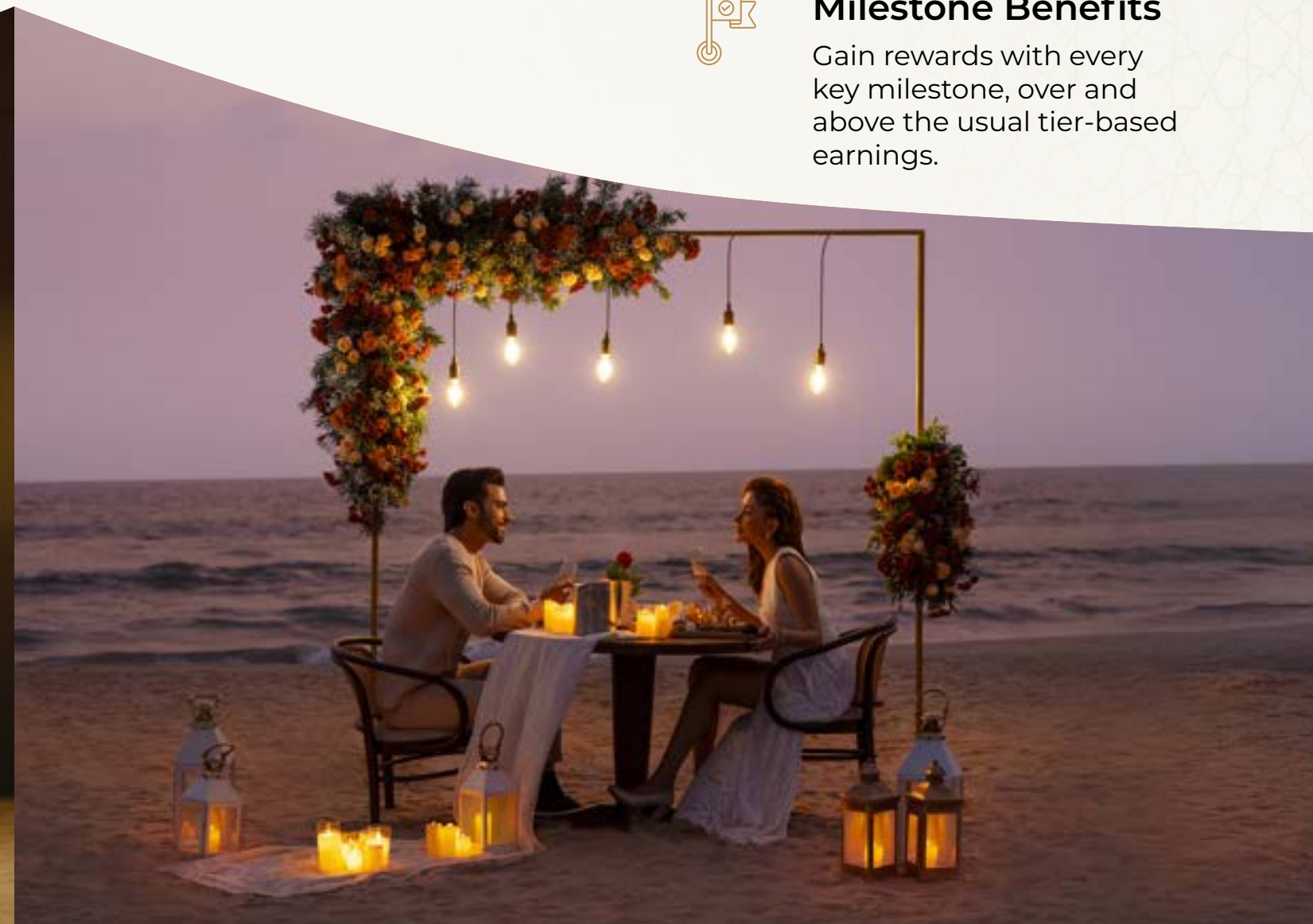
Points Never Expire

Feel rewarded! Points never expire for active members.



Milestone Benefits

Gain rewards with every key milestone, over and above the usual tier-based earnings.



50
GLORIOUS
YEARS

Expanding Horizons

With Purpose

Growth and Development initiatives are focused on expanding our footprint across India and proximal markets, through the Asset-Right strategy, in line with the country's vibrant and evolving hospitality landscape. Through a strategic mix of owned properties balanced with a mix of managed, franchised and leased hotels, we continue to enhance our presence across metropolitan hubs, emerging cities and distinctive leisure destinations.

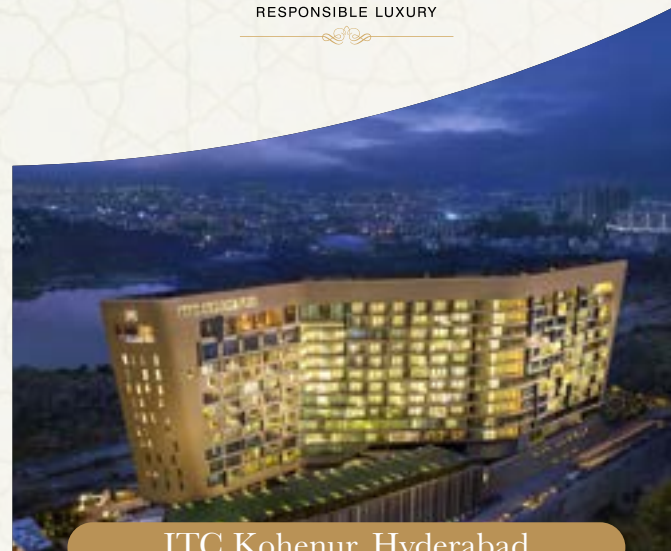
Our differentiated brand portfolio allows us to cater to a wide spectrum of guest preferences from luxury and upper-upscale experiences to upscale and mid-market offerings. This architecture empowers us to enter diverse markets with the right value proposition, while staying true to our ethos of excellence, sustainability and authentic Indian hospitality.



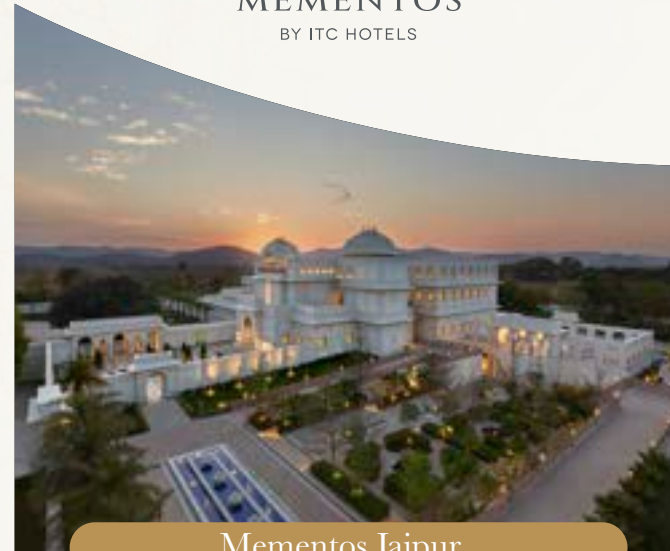
50
GLORIOUS
YEARS

Storii Jawai

Luxury Portfolio



ITC Kohenur, Hyderabad



Mementos Jaipur

 **18**
Hotels

 **4,970**
Keys

Upper-Upscale & Boutique Portfolio



Welcomhotel Prayagraj

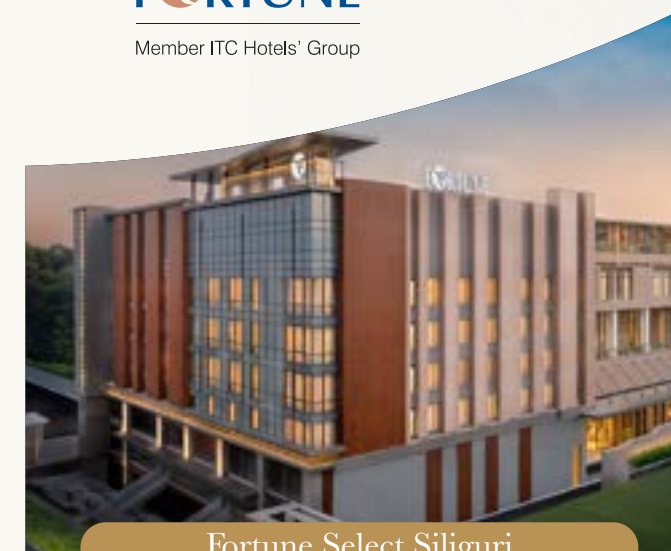


Storii Akanni, Naina Tikkar

 **42**
Hotels

 **3,829**
Keys

Midscale to Upscale & Heritage Portfolio



Fortune Select Siliguri



WelcomHeritage Arka Resort and Spa, Rishikesh

 **95**
Hotels

 **5,495**
Keys

Operational Portfolio Target by 2031

 **250**
Hotels

 **22,000+**
Keys

Owned/Managed Keys Mix: 33%/67%

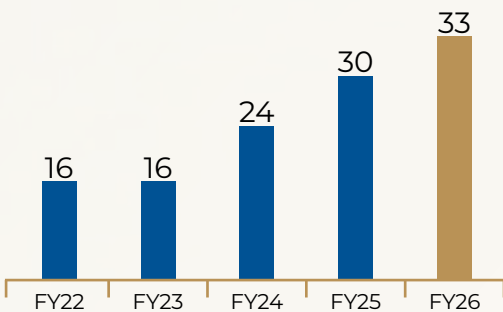
Current Pipeline Across Brands



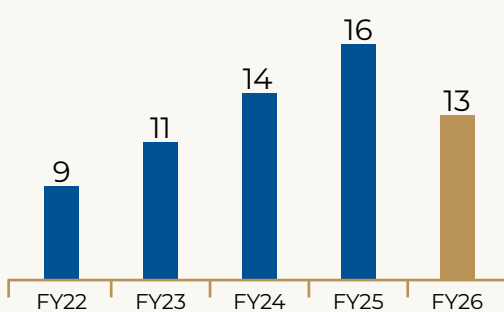
Status as on 31st Mar' 2026 | Managed portfolio includes hotels under franchise model

63 Hotels Signed and 29 Hotels Opened In Last 24 months

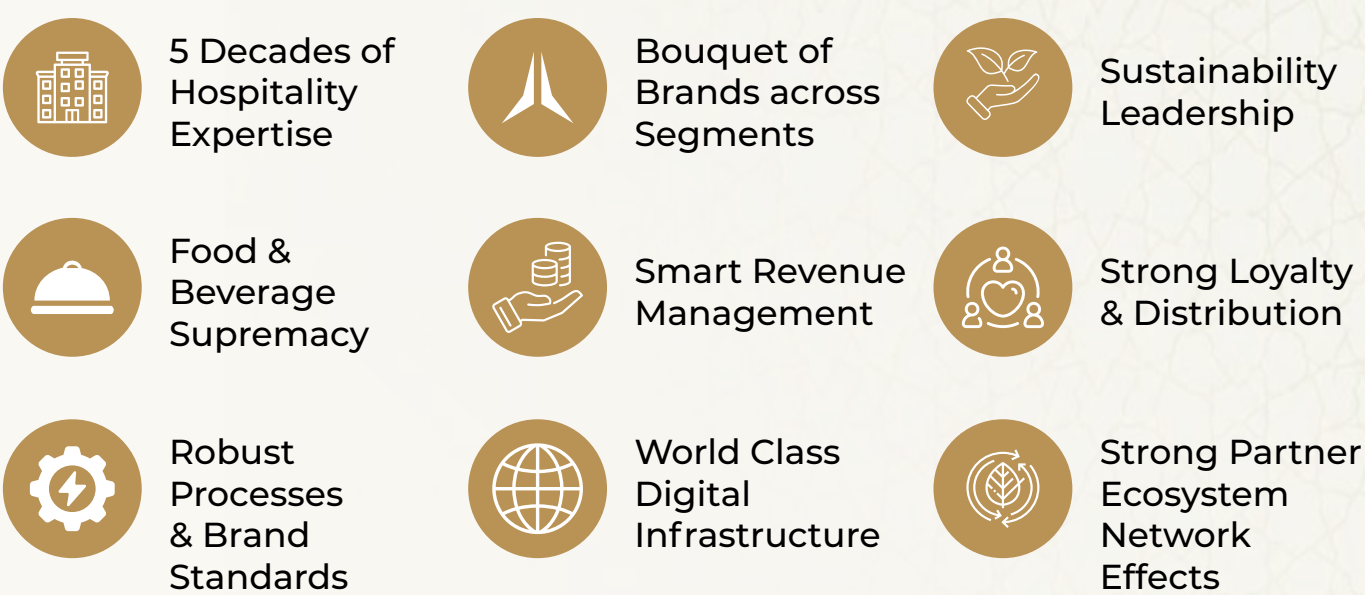
New Hotel Signings



New Hotel Openings



Strengths & Differentiators



Owned Projects in Pipeline FY 25-26

Project	Location	Target Opening
Expansion	Bhubaneswar	2027
New Builds	Puri	2027
	Visakhapatnam	2029
	Yashobhoomi, New Delhi	2030

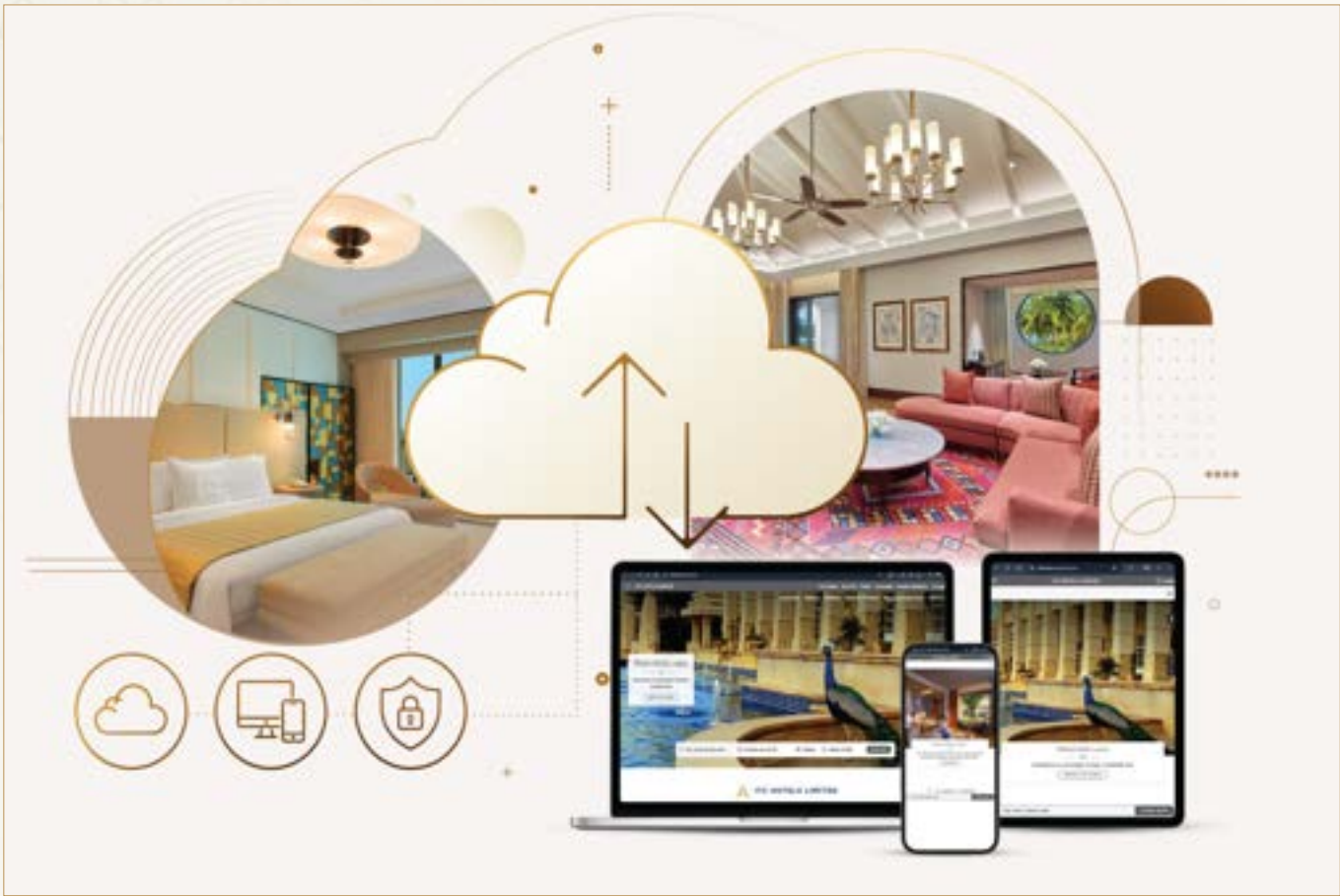
Digital Transformation:

Enabling Scalable Growth

Building the Digital Core

A focused shift towards a unified, enterprise-grade digital foundation. Designed to enable scale, consistency, and faster deployment across a growing portfolio.

PROPERTY SYSTEMS	PAAS PLATFORM	DATA LAKE	CRM ENGINE	ANALYTICS & AI
OWNED/MANAGED	CLOUD-FIRST CORE	UNIFIED DATA	OMNICHANNEL	INTELLIGENCE



Platform Thinking: Unified Architecture:

Standardized cloud-first architecture with a common technology stack, enabling seamless connectivity, governance and faster onboarding.



Data Architecture & Governance:

Building a data lake to centralize the data ecosystem enabling governed access and faster insight-led decision-making.



CRM & Automation Backbone:

Scaled the enterprise CRM and automation workflows to drive personalized engagement and operational efficiency.



Digital Products & Guest Experience:

Enhanced website and mobile application, introduced mobile key and QR-based service access to enhance seamless, intuitive guest journeys.



Direct Channels & Demand Generation:

Scaled performance marketing and SEO-led strategies driving direct bookings and stronger guest engagement.



Artificial Intelligence & Advanced Analytics:

A structured approach to AI-led transformation has been scaled organisation-wide, focusing on revenue growth, cost optimisation and guest experience.



Information Security & Cyber Resilience:

Implemented layered security controls including WAF, DLP, EDR, AI-powered anti-malware and advanced compliance through privacy frameworks safeguarding enterprise operations and data.



People Powering : *Distinctive Hospitality*



Our people philosophy is anchored in inclusivity, capability, customer-centricity, well-being and service excellence. During FY 2025-26, the Company continued to strengthen its human capital agenda through focused investments in talent, learning, rewards and employee experience nurturing a high-performing culture and advancing its standing as an employer of choice in hospitality. These efforts remained closely aligned with the Company's commitment to distinctive guest experiences, recognising that service leadership is shaped by engaged, capable and values-led teams across every touchpoint.



Talent Acquisition

A more focused talent strategy strengthened hiring quality through sharper outreach, disciplined assessment and role-aligned selection. This enabled the Company to attract talent aligned not only to functional requirements, but also to the service values and cultural ethos that define its hospitality promise.



Campus & Industry Partnerships

Deeper engagement with campuses, hospitality institutes and specialist partners helped broaden access to future-ready talent. These partnerships also strengthened the early talent pipeline and created opportunities to connect with emerging professionals who bring energy, adaptability and fresh perspectives to the organisation.



Learning & Development

Learning interventions across digital and blended platforms continued to build functional, behavioural and leadership capability, while deepening a customer-centric mindset. The learning agenda was designed to support continuous growth, strengthen execution excellence and equip teams to respond with agility to evolving business and guest expectations.



Service Excellence

Capability building continued to reinforce customer-centricity, elevate guest focus and strengthen the culture of service excellence across the organisation. By embedding these principles more deeply into everyday behaviours, the Company continued to enhance consistency, responsiveness and the overall quality of the guest experience.



Total Rewards

A compelling employee value proposition was further strengthened through competitive, equitable and performance-linked rewards. This continued focus on recognition and reward helped reinforce a culture of accountability, motivation and sustained contribution across roles and levels.



Well-Being & Inclusion

Well-Being, parental support, childcare assistance and inclusive workplace practices remained integral to the Company's people commitment. Together, these measures contributed to a more supportive and enabling environment, helping employees thrive both professionally and personally.



Gender Diversity

20%



Persons with Disability

145



Trust Index

95%

India Top 100: 88%



Pride

96%

India Top 100: 90%



Respect for People

95%

India Top 100: 87%

Independent and confidential employee feedback collected by Great Place To Work®

External Recognition

Reflecting these efforts, the Company ranked among India's Top 5 Best Companies to Work For 2025 by Great Place to Work® India, highlighting its strong organisational culture.



#5 India's Best Companies to Work For 2025



Top 10 India's Best Workplaces for Millennials



Top 50 India's Best Workplaces for Women



Among Top 50 Best Workplaces in Asia

Sustainability

With Purpose

Responsible Luxury

Sustainability at ITC Hotels Limited reflects a legacy of **responsible growth** built over decades. Anchored in our core values and driven by a focus on long-term value creation, this philosophy integrates **Environmental, Social and Governance (ESG) principles** at the heart of our strategy and operations.

ITCHL advances **environmental stewardship** through green infrastructure, resource efficiency, circularity and **renewable energy**, delivering **LEED Platinum®** and **LEED® Zero certified, climate-resilient properties**.



This is complemented by an inclusive workforce philosophy and community engagement approach, alongside a structured governance framework supported by established management systems to drive accountability and continuous improvement.

50
GLORIOUS
YEARS

Greening the Future: Environmental Leadership

Rooted in decades of responsible growth, sustainability leadership is driven by a **forward-looking philosophy** that anticipates change and invests ahead of the curve. Early decisive adoption of **green building practices** has defined its **environmental stewardship**, embedding sustainability into core operations.



During the year, four more properties, namely ITC Grand Bharat, ITC Narmada, Welcomhotel Bhubaneswar, and ITC Gardenia, were certified as **LEED® Zero Water Hotels**.

23 Hotel chain with the world's largest Number of USGBC **LEED Platinum®** Certified hotels

12 World's First USGBC **LEED® Zero Carbon** Certified Hotels

12 Leading Hotel Chain with USGBC **LEED® Zero Water** Certified Hotels

Climate Action & Decarbonisation

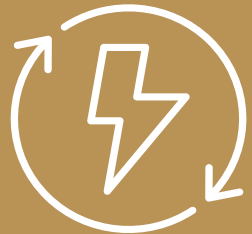
Aligned with global climate goals and the ITP Hotel Decarbonisation Report, ITC Hotels Limited has sustained its leadership in low-carbon operations.

Decarbonisation Performance:

- Consistently surpassing 2030 sectoral targets for six consecutive years
- Sustaining long-term 2050-aligned trajectories



Energy Transition & Renewable Scale-up



- Commissioning of new 3.3MW Wind Turbine Generator for ITC Narmada
- Enhanced Renewable Energy capacity to 51.2MW
- Fuel Switch Initiatives- Progressive shift towards electrification of fossil fuel operated equipment

Decarbonisation Strategies:

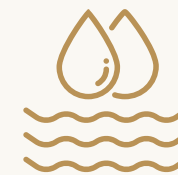
Reduced reliance on volatile fossil fuel supply chains, enhancing operational resilience across properties.

Expanded **carbon-neutral** EV charging infrastructure, supporting lower-carbon mobility for guests and employees.



Water Stewardship: Beyond Neutrality

- Optimisation of wastewater treatment and reuse systems
- Advancing water-positive outcomes through **atmospheric water generators** and STPs



- Replenishing shared water resources beyond consumption

Circular Economy & Waste Management

- Segregation and quantification of food waste at source
- Rescued food is repurposed/upcycled through organic waste converters or biogas plants
- Embedded circularity across operations and guest experience touchpoints



Sunya Aqua

Sunya Aqua exemplifies responsible water stewardship, mitigating single-use plastic bottles through in-house purified water served in reusable glass bottles via a zero-mile model.



Social Impact & Community Custodianship



At ITC Hotels, Responsible Luxury extends beyond operational excellence to fostering resilient communities and thriving ecosystems. During the year, the Company advanced urban ecological stewardship through the upkeep of landscaped public spaces in New Delhi, enhancing green cover, environmental quality and public wellbeing.

Climate action efforts were further strengthened through afforestation initiatives across the Delhi-NCR and Mumbai Metropolitan Region, with a sustained focus on ecological restoration and biodiversity enhancement.

In parallel, ITC Hotels expanded community initiatives through scholarships at WGSMA Manipal, culinary training at Chhindwara, skill development programmes in Mumbai, apprenticeship training across India and its rural development programme in Chail, Himachal Pradesh; promoting women-led entrepreneurship, digital learning, and sustainable livelihoods.

EHS Leadership: Safety as a Shared Value



ITC Hotels remains committed to providing a safe and healthy environment for guests, employees and service partners through a proactive EHS framework anchored in Safety by Design and Safety by Culture.

Safety By Design

Engineering excellence as the first line of defence.

- Best-in-Class Engineering Standards
- Technological Advancement & Automation
- Systematic Hazard Elimination
- Resilient Infrastructure

Safety By Culture

Every individual. Every day. Every action.

- EHS Training & Capability Building
- Learning Through Case Studies
- Leadership Engagement & Safety Dialogues
- Embedding Safety Ownership

Sustainable Supply Chain

ITC Hotels advances responsible sourcing through supplier engagement, audits and capability-building initiatives.



ITC Sonar, Kolkata

Looking Ahead

FY 2025–26 marked a significant milestone in ITC Hotels’ sustainability journey, reinforcing its leadership while laying the foundation for the next phase of progress. Guided by its 2030 Sustainability Goals, the Company remains focused on expanding renewable energy adoption, advancing net-zero and water-positive pathways, strengthening ESG governance and assurance frameworks and enhancing resilience across climate, safety and supply chain systems.



ITC Hotels will continue to strengthen Responsible Luxury as a source of competitive advantage, embedding sustainability into guest experiences, asset stewardship and long-term value creation. Sustainability remains a continuous journey driven by innovation, foresight and enduring stakeholder value.



2030 Sustainability Goals

Sustainability Attributes	2030 Goal**
● Renewable Energy Share (Overall)	90%
● Renewable Electricity Share	95%
● Specific Energy Reduction*	31%
● Specific Emissions Reduction*	90%
● Specific Water Reduction*	40%

*Baseline Year: 2018–19 **For Scope 1 and 2



Awards & Accolades



Welcomhotel Pine N Peak, Pahalgam

Awards & Accolades



World Sustainable Travel & Hospitality Awards (WSTHA)



Condé Nast Traveller Top 50 Restaurants

Celebrating Excellence



World Quality Congress & Awards 2025: Organisation with Highest Quality Orientation

ITC Hotels Limited



Best 'Sustainability Initiative Award' at the IRec Awards 2025

ITC Hotels Limited



Mementos Udaipur



ITC Grand Goa

Board of Directors

Chairperson and Non-Executive Director
Sanjiv Puri

Managing Director
Anil Chadha

Non-Executive Directors

Kamal Bali
Indu Bhushan
Supratim Dutta
Mukesh Gupta
Prathivadibhayankara Rajagopalan Ramesh
Vrinda Sarup
Rajendra Kumar Singhi

Board Committees

Audit Committee

P. R. Ramesh	Chairperson
K. Bali	Member
M. Gupta	Member
A. Thakar	Invitee
G. Chadha (Head of Internal Audit)	Invitee
Representative of the Statutory Auditors	Invitee
D. Dinesh	Secretary

CSR and Sustainability Committee

S. Puri	Chairperson
I. Bhushan	Member
A. Chadha	Member
V. Sarup	Member
D. Dinesh	Secretary

Nomination and Remuneration Committee

V. Sarup	Chairperson
S. Puri	Member
P. R. Ramesh	Member
D. Dinesh	Secretary

Securityholders Relationship Committee

I. Bhushan	Chairperson
K. Bali	Member
R. K. Singhi	Member
D. Dinesh	Secretary

Independent Directors Committee

K. Bali	Member
I. Bhushan	Member
M. Gupta	Member
P. R. Ramesh	Member
V. Sarup	Member

Strategic and Executive Management Committee

A. Chadha	Chairperson
S. Bose	Member
A. Thakar	Member
D. Dinesh	Secretary

Chief Financial Officer
Ashish Thakar

Company Secretary
Diwaker Dinesh

General Counsel
Ashish Rao

Statutory Auditors
S. R. Batliboi & Co. LLP
Chartered Accountants
Gurugram

Registered Office

Virginia House
37, Jawaharlal Nehru Road
Kolkata 700 071
Telephone no.: 033 2288 9371

Corporate Office

ITC Green Centre
10 Institutional Area, Sector 32
Gurugram 122 001
Telephone no.: 0124 417 1717

CIN: L55101WB2023PLC263914

Website: www.itchotels.com

e-mail: investorservices@itchotels.com

Registrar and Share Transfer Agent KFin Technologies Limited

Selenium Building, Tower-B, Plot Nos. 31 & 32
Financial District, Nanakramguda, Serilingampally
Hyderabad, Rangareddy - 500 032
Telephone nos.: 040 7961 1000 and 1800 309 4001 (toll free)
e-mail: einward.ris@kfintech.com
Website: www.kfintech.com

Your Directors

Sanjiv Puri

Mr. Sanjiv Puri (63), DIN: 00280529, was appointed as the Chairperson and Non-Executive Director of the Company with effect from 24th April, 2024. He is an alumnus of IIT Kanpur, and Wharton School of Business, USA.

Mr. Puri is the Chairperson & Managing Director of ITC Limited ('ITC'). He joined ITC in January 1986 and in a career spanning over four decades at ITC and its subsidiaries, he has held several leadership positions across businesses. He has also served as the Managing Director of ITC Infotech India Limited, a wholly owned subsidiary of ITC, from May 2006 to August 2009, and that of Surya Nepal Private Limited, a joint venture subsidiary company of ITC in Nepal, between October 2001 and April 2006.

Presently, Mr. Puri is the Chairman of the Board of Governors of IIT Gandhinagar, Chairperson-in-charge of the Board of Governors of Indian Institute of Information Technology, Vadodara, Chairman of the Advisory Council of the CII-ITC Centre of Excellence for Sustainable Development and Chairman of the CII International Council. He is also a Director on the Board of US-India Strategic Partnership Forum and a Member of the Governing Board of the National Council of Applied Economic Research.

Mr. Puri is a Past President of CII, the apex business and industry association in the country. He has served as the Chairman of the Expert Group constituted by the Fifteenth Finance Commission of the Government of India to promote agri-exports, Member of the technology discussion group 'Farm to Table - driving India's agriculture sector digitally' constituted by NITI Aayog and Member of the BRICS Business Council - India Chapter. He was also the Chairman of the 'Action Council on ESG in Business' under the aegis of Business 20 India, the official dialogue forum with the global business community during India's G20 Presidency, as well as Co-Chair of the 'Business Commission to Tackle Inequality' set up by the World Business Council for Sustainable Development, Geneva.

Mr. Puri has been recognised amongst 'India's Top 100 Influential People powering Technology & Innovation' by MIT Sloan Management Review India. He was conferred with the 'AIMA - JRD TATA Corporate Leadership Award' by AIMA and 'Sir Jehangir Ghandy Medal for Industrial and Social Peace' by XLRI, Jamshedpur. Earlier, he was honoured with the 'Business Leader of the Year Award' by AIMA, 'Best CEO Award' by Business Today, and 'Transformational Leader Award 2022-23' by the Asian Centre for Corporate Governance and Sustainability. He was named by Fortune India as the 'Best CEO in the FMCG category' in 2025 and featured as part of 'Best CEOs 2024 in the Diversified Conglomerate category'. He has also been presented with the 'IMPACT Person of the Year 2020 Award' by exchange4media, a leading online news platform, 'Distinguished Alumnus Award of the year 2018' by IIT Kanpur, and bestowed with an Honorary Doctorate by XIM University, Bhubaneswar.

Other Directorships

Name of the entity	Position
ITC Limited *	Chairperson & Managing Director
ITC Infotech India Limited	Chairperson & Non-Executive Director
ITC Infotech Limited, UK #	Chairperson & Non-Executive Director
ITC Infotech (USA), Inc. #	Chairperson & Non-Executive Director
Surya Nepal Private Limited #	Chairperson & Non-Executive Director
Indian School of Business	Member, Executive Board
Invest India	Non-Executive Director

Committee Membership of other entities

Name of the entity	Committee	Position
ITC Limited	CSR and Sustainability Committee	Chairperson
	Nomination & Compensation Committee	Member

Kamal Bali

Mr. Kamal Bali (67), DIN: 00688141, was appointed as an Independent Director of the Company with effect from 14th December, 2024.

An Engineering Graduate from IIT Roorkee and an alumnus of St. Joseph's Academy Dehradun, Mr. Bali began his professional career as a management trainee with the Eicher Group in 1981. He has an illustrious career spanning over four decades in the automotive industry. Prior to spearheading the Volvo Group India as its Managing Director, he has worked with leading Indian and multi-national organisations such as Escorts, SAME Deutz Fahr, amongst others, in senior executive positions.

Mr. Bali is presently a Member of the Board of Governors of IIT Gandhinagar, and of the Governing Board of Shri Dharmasthala Manjunatheshwara Institute for Management Development, Mysuru. He is also an Invitee Member on the Board of Governors of XIM University, Bhubaneswar.

In December 2019, Mr. Bali was knighted with one of Sweden's highest honours in the Royal Order of the Polar Star, Commander by their Majesties, the King and Queen of Sweden. He is a recipient of the prestigious '2019 Machinist Lifetime Achievement Award' by the Times of India Group and was also felicitated with the 'Bharat Ratna Sir M. Visvesvaraya Memorial Award 2023' by the Governor of Karnataka and the 'Inspiring CEO 2021' Award by the Economic Times.

Other Directorships

Name of the entity	Position
Volvo Group India Private Limited	Managing Director
Volvo Financial Services (India) Private Limited	Non-Executive Director
Swedish Chamber of Commerce India	Non-Executive Director
Federation of European Business in India	Non-Executive Director

Committee Membership of other entities

Name of the entity	Committee	Position
Volvo Group India Private Limited	Corporate Social Responsibility Committee	Chairperson
Volvo Financial Services (India) Private Limited	Audit Committee Corporate Social Responsibility Committee	Chairperson Member

Indu Bhushan

Dr. Indu Bhushan (65), DIN: 09302960, was appointed as an Independent Director on the Board of the Company with effect from 14th December, 2024.

Dr. Bhushan is a retired IAS Officer (1983 batch) with over four decades of experience across governance, global development and health systems. He holds a Doctorate and a Masters Degree of Philosophy in Health Economics and Masters in Health Sciences from the Johns Hopkins University, USA, besides being a Chartered Financial Analyst from the CFA Institute, USA. He is an alumnus of IIT BHU and IIT Delhi, from where he completed his B. Tech in Electrical Engineering and Post Graduate Diploma in Control, Systems and Instrumentation, respectively.

Dr. Bhushan began his IAS career in Uttar Pradesh and Rajasthan. He has also worked as a senior economist with the World Bank Group in Washington D.C., and then joined the Asian Development Bank ('ADB'), Manila, where he held several leadership roles, including Director General of East Asia and Strategy & Policy Departments. After ADB, he served as the founding Chief Executive Officer of Ayushman Bharat Pradhan Mantri Jan Arogya Yojana.

Dr. Bhushan is a recipient of numerous accolades including the 'Population Award' from the Government of Vietnam, the 'Global Achievement Award' from Johns Hopkins University, the 'E-Governance Gold Medal' from the Government of India, and the Distinguished Alumnus Award from IIT - BHU.

Other Directorships

Name of the entity	Position
United Spirits Limited*	Independent Director
Colgate-Palmolive (India) Limited*	Independent Director
Balrampur Chini Mills Limited*	Independent Director
Godrej Properties Limited*	Independent Director
HDFC Securities IFSC Limited	Independent Director
Godrej Projects Development Limited	Independent Director
Apollo Healthco Limited	Independent Director
Cult.fit Private Limited	Independent Director
Vidhi Centre For Legal Policy	Non-Executive Director
Swasth Digital Health Foundation	Non-Executive Director
Nathealth Foundation	Non-Executive Director

Committee Membership of other entities

Name of the entity	Committee	Position
United Spirits Limited	Corporate Social Responsibility & Environmental, Social and Governance Committee	Chairperson
	Nomination and Remuneration Committee	Member
Colgate-Palmolive (India) Limited	ESG & Corporate Social Responsibility Committee	Chairperson
	Audit Committee	Member
Balrampur Chini Mills Limited	Audit Committee	Chairperson
	Nomination and Remuneration Committee	Member
	Corporate Social Responsibility Committee	Member
Godrej Properties Limited	Audit Committee	Chairperson
	Nomination and Remuneration Committee	Member
	Corporate Social Responsibility Committee	Member
Apollo Healthco Limited	Corporate Social Responsibility Committee	Chairperson
	Audit Committee	Member
	Nomination & Remuneration Committee	Member

Supratim Dutta

Mr. Supratim Dutta (59), DIN: 01804345, was appointed as a Non-Executive Director of the Company with effect from 24th April, 2024.

Mr. Dutta is the Wholetime Director & Chief Financial Officer ('CFO') of ITC. A qualified Chartered Accountant and Cost Accountant, Mr. Dutta joined ITC in November 1990. In a career spanning over 35 years at ITC, he has held senior positions in the finance function, both at the business and corporate level. Before becoming the CFO, he held the position of the Corporate Financial Controller of ITC. He has handled various aspects of finance including Planning, Treasury, M&A, Accounting, Taxation, Information Technology, Investor Relations and business strategy. He has also served as a Member of the World Business Council for Sustainable Development's CFO Network.

Mr. Dutta is a Member of the CII National Committee on Financial Reporting. He was honoured with the 'Group CFO of the Year – Large Enterprise Award' at the Economic Times CFO Awards 2025.

Other Directorships

Name of the entity	Position
ITC Limited*	Wholetime Director & Chief Financial Officer
Russell Credit Limited	Chairperson & Non-Executive Director
ITC Integrated Business Services Limited	Chairperson & Non-Executive Director
Gold Flake Corporation Limited	Chairperson & Non-Executive Director
Greenacre Holdings Limited	Chairperson & Non-Executive Director
ITC Infotech India Limited	Non-Executive Director
ITC Infotech Limited, UK [#]	Non-Executive Director
ITC Infotech (USA), Inc. [#]	Non-Executive Director
Surya Nepal Private Limited [#]	Non-Executive Director
WelcomHotels Lanka (Private) Limited [#]	Non-Executive Director

Committee Membership of other entities

Name of the entity	Committee	Position
ITC Limited	Securityholders Relationship Committee	Member
Russell Credit Limited	Audit Committee	Chairperson
	CSR Committee	Chairperson
	Nomination and Remuneration Committee	Member
ITC Infotech India Limited	Audit Committee	Chairperson
	Nomination and Remuneration Committee	Member

Mukesh Gupta

Mr. Mukesh Gupta (64), DIN: 06638754, was appointed as an Independent Director on the Board of the Company with effect from 26th November, 2024.

Mr. Gupta holds a Bachelors Degree in Science and a Masters Degree in Business Administration (Human Resources).

Mr. Gupta joined the Life Insurance Corporation of India ('LIC') in 1984 and retired as its Managing Director on 30th September, 2021. During his long tenure of 37 years, he worked across diverse set of roles building multi-dimensional experience in different capacities, especially in insurance and marketing. He held prominent positions in the corporate office and five major zones of LIC, including Executive Director (Personnel) and Executive Director (Bancassurance) at Corporate office, Marketing Manager of Bikaner Division, Senior Divisional Manager of two Divisions viz., Amritsar and Hyderabad, Regional Manager (Bancassurance & Alternate Channels) of LIC's South Central Zone, Regional Manager (Marketing) of Western Zone, and Zonal Manager of the Central Zone.

Other Directorships

Name of the entity	Position
DCM Shriram International Limited*	Independent Director
Runwal Enterprises Limited	Independent Director
CFM Asset Reconstruction Private Limited	Independent Director
Runwal Residency Private Limited	Independent Director
WelcomHotels Lanka (Private) Limited [#]	Non-Executive Director

Committee Membership of other entities

Name of the entity	Committee	Position
DCM Shriram International Limited	Nomination & Remuneration Committee	Chairperson
	Audit Committee	Member
Runwal Enterprises Limited	Nomination and Remuneration Committee	Chairperson
	Audit Committee	Member
	Stakeholders Relationship Committee	Member
CFM Asset Reconstruction Private Limited	Audit Committee	Chairperson
	Nomination and Remuneration Committee	Member
	Corporate Social Responsibility Committee	Member

Prathivadibhayankara Rajagopalan Ramesh

Mr. Prathivadibhayankara Rajagopalan Ramesh (71), DIN: 01915274, was appointed as a Non-Executive Director of the Company with effect from 30th April, 2024, and as an Independent Director with effect from 26th November, 2024.

Mr. Ramesh, a Commerce Graduate from the Osmania University, Hyderabad, and a Fellow Member of the Institute of Chartered Accountants of India ('ICAI'), has over 40 years of experience in the accounting profession. He has served as the Chairman of Deloitte India, and also as a Member of the Deloitte Global Board and Deloitte Asia Pacific Board.

Mr. Ramesh has been associated with various regulatory & industry bodies and the ICAI. He was a Member of SEBI's High Powered Advisory Committee dealing with settlements of enforcement actions, SEBI Committee on Disclosures and Accounting Standards, IRDAI's Standing Committee on Accounting Issues and the Committee for Reforming the Regulatory Environment for doing Business in India set up by the Ministry of Corporate Affairs.

Mr. Ramesh is an empanelled expert on International Financial Reporting Standards with the International Monetary Fund, Chairman of the Insolvency Research Foundation, and Member of the Committees on Corporate Governance and Regulatory Affairs of CII.

Other Directorships

Name of the entity	Position
Cipla Limited*	Independent Director
Nestle India Limited*	Independent Director
Crompton Greaves Consumer Electricals Limited*	Independent Director
Tejas Networks Limited*	Independent Director
Larsen & Toubro Limited*	Independent Director
Cyient Limited*	Independent Director
Air India Limited	Independent Director
Air India Express Limited	Independent Director
L&T Realty Properties Limited	Independent Director
Forum for Indian Accounting Research	Non – Executive Director

Committee Membership of other entities

Name of the entity	Committee	Position
Cipla Limited	Audit Committee	Chairperson
Nestle India Limited	Audit Committee	Chairperson
	Nomination and Remuneration Committee	Member
Crompton Greaves Consumer Electricals Limited	Audit Committee	Member
Tejas Networks Limited	Nomination and Remuneration Committee	Chairperson
	Audit Committee	Member
Larsen & Toubro Limited	Audit Committee	Chairperson

Committee Membership of other entities (Contd.)

Name of the entity	Committee	Position
Cyient Limited	Audit Committee	Member
Air India Limited	Audit Committee	Chairperson
	Nomination and Remuneration Committee	Member
Air India Express Limited	Corporate Social Responsibility Committee	Member

Vrinda Sarup

Ms. Vrinda Sarup (69), DIN: 03117769, was appointed as an Independent Director on the Board of the Company with effect from 26th November, 2024.

Ms. Sarup, a Masters in History from Delhi University, is a retired IAS Officer with administrative experience of more than 38 years. She joined IAS in 1981 and was the Secretary - Food and Public Distribution and also Union Secretary - School Education and Literacy in the Government of India. She has held eminent positions in the Government of Uttar Pradesh including posts of Principal Secretary - Finance and Principal Secretary - Technical & Vocational Education. She has worked closely with various International Organisations including the World Bank, Department of International Development of U.K., UNICEF, the European Union and the World Food Programme. She is currently the Managing Trustee of the World Food Programme Trust for India.

Other Directorships

Name of the entity	Position
International Travel House Limited*	Independent Director
SIS Limited*	Independent Director
Australian Council for Educational Research (India)	Independent Director

Committee Membership of other entities

Name of the entity	Committee	Position
International Travel House Limited	Nominations & Remuneration Committee	Chairperson
	Audit Committee	Member
	Stakeholders Relationship Committee	Member
SIS Limited	Corporate Social Responsibility Committee	Member

Rajendra Kumar Singhi

Mr. Rajendra Kumar Singhi (61), DIN: 00009931, was appointed as a Non-Executive Director of the Company with effect from 24th April, 2024.

Mr. Singhi is the Executive Vice President and Company Secretary of ITC. He is a Fellow Member of the Institute of Company Secretaries of India (‘ICSI’) and a Law Graduate. He joined ITC in August 1988 and has close to four decades of experience in corporate laws and governance related matters.

Mr. Singhi has been the Chairman of the Corporate Governance Committee of The Bengal Chamber of Commerce and Industry, Co-Chairman of the Governance Committee of CII Eastern Region, and a Member of the Secretarial Standards Board of ICSI and also of the CII National Committee on Regulatory Affairs. He is presently a Member of the Working Groups constituted by SEBI and NITI Aayog for review of the SEBI Listing Regulations and the Companies Act, respectively.

In 2020-21, he was awarded with the ‘Governance Professional of the Year Award’ by ICSI for his contribution towards adoption of effective governance processes in ITC.

Other Directorships

Name of the entity	Position
Russell Credit Limited	Non-Executive Director
ITC Infotech India Limited	Non-Executive Director
WelcomHotels Lanka (Private) Limited#	Non-Executive Director
Surya Nepal Private Limited#	Non-Executive Director
ITC Infotech Limited, UK#	Non-Executive Director
ITC Infotech (USA), Inc.#	Non-Executive Director

Committee Membership of other entities

Name of the entity	Committee	Position
Russell Credit Limited	Nomination and Remuneration Committee	Chairperson
	Audit Committee	Member
	CSR Committee	Member
ITC Infotech India Limited	Audit Committee	Member
	Nomination and Remuneration Committee	Member
	Corporate Social Responsibility Committee	Member

Anil Chadha

Mr. Anil Chadha (56), DIN: 08073567, was appointed as a Non-Executive Director of the Company with effect from 24th April, 2024, and as the Managing Director with effect from 1st January, 2025.

An alumnus of the Welcomgroup Graduate School of Hotel Administration, Manipal, Mr. Chadha joined ITC in 1992. He was appointed as the Divisional Chief Executive of the erstwhile Hotels Business of ITC in 2021, and prior to that he was the Chief Operating Officer of the business since December 2019.

Apart from a brief hiatus of one and a half years, he has spent his entire career with ITC heading its key hotel properties in New Delhi, Agra, Chennai, Kolkata and Bengaluru. He was also responsible for the Southern region as Area Manager. In 2017, he was elevated to Vice President (South) and later took over as Vice President - Operations of the Hotels Business in April 2019.

Mr. Chadha is presently the Co-Chair of the CII National Committee on Tourism and Hospitality and a Member of the Executive Committee of the Hotel Association of India.

Mr. Chadha has received several recognitions in the hospitality industry including the ‘Excellence in Leadership Award by FICCI-Travel & Tourism Excellence Awards 2026, ‘Distinguished ITC Chairman Alumni Award 2022’ by the Welcomgroup Graduate School of Hotel Administration, Manipal, ‘Best CEO 2022’ by WE Global Employees Choice Award, ‘Hotelier of the Year’ by BBC Food Awards 2018, ‘General Manager of the Year’ by Business World Hotelier in 2016, ‘Hotelier of the Year’ by Vir Sanghvi in Hindustan Times (Brunch) 2014 and ‘Food & Beverage Manager of the Year’ by Federation of Hotel & Restaurant Associations of India in 2001.

Other Directorships

Name of the entity	Position
International Travel House Limited*	Chairperson & Non – Executive Director
Gujarat Hotels Limited*	Chairperson & Non – Executive Director
Fortune Park Hotels Limited	Chairperson & Non – Executive Director
WelcomHotels Lanka (Private) Limited#	Chairperson & Non – Executive Director
Maharaja Heritage Resorts Limited	Non – Executive Director

* Denotes Indian entity whose securities are listed on a recognised stock exchange.

Denotes foreign entity.

Notes:

1. Other Directorships and Committee Memberships of Directors are as on 31st March, 2026.

2. Committee Memberships cover Committees under the Companies Act, 2013 viz., Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee of Indian entities.

Committee Membership of other entities

Name of the entity	Committee	Position
International Travel House Limited	Nominations & Remuneration Committee	Member
Gujarat Hotels Limited	Nominations and Remuneration Committee	Member

Report on Corporate Governance

The Directors present the Company’s Report on Corporate Governance pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’).

The Company has a robust corporate governance framework that serves as the foundation for the ethical, transparent, and responsible conduct of its business. This framework is designed to promote the principles of trusteeship, transparency, accountability, empowerment and ethical conduct, while safeguarding the interests of all stakeholders.

GOVERNANCE PHILOSOPHY

The Company defines Corporate Governance as a systemic process by which companies are directed and controlled to enhance their wealth-generating capacity and to ensure that the organisation is managed in a manner that meets stakeholders’ aspirations and societal expectations.

The Company’s Corporate Governance structure is based on two core principles, namely –

- (i) Management must have the executive freedom to drive the enterprise forward without undue restraints; and
- (ii) This freedom of management should be exercised within a framework of effective accountability.

The Company believes that any meaningful policy on Corporate Governance must empower the executive management of the Company. At the same time, Governance should create a mechanism of checks and balances to ensure that the decision-making powers vested in the executive management should be used with care and responsibility to meet stakeholders’ aspirations and societal expectations.

From this definition and core principles of Corporate Governance emerge the cornerstones of the Company’s governance philosophy, namely trusteeship, transparency, empowerment and accountability, control, and ethical corporate citizenship. The Company believes that the practice of each of these creates the right corporate culture that fulfils the purpose of Corporate Governance.

Trusteeship

Trusteeship represents a coalition of interests, namely those of the shareholders, other providers of capital, business associates, customers, guests, employees and society at large. This belief therefore casts a responsibility of trusteeship on the Board to protect and enhance shareholder value as well as to ensure that the Company fulfils its obligations and responsibilities to the other stakeholders. Inherent in the concept of trusteeship is the responsibility to ensure equity, namely that the rights of all shareholders, large or small, are protected.

Transparency

Transparency means explaining the Company’s policies and actions to those to whom it has responsibilities. Externally, this means maximum appropriate disclosures without compromising the Company’s strategic interests and internally, this means openness in the Company’s relationship with its employees and the conduct of its business. The Company believes transparency enhances accountability.

Empowerment and Accountability

Empowerment is an essential concomitant of the Company’s first core principle of governance that management must have the freedom to drive the enterprise forward. The Company believes that empowerment is a process of actualising the potential of its employees. It unleashes creativity and innovation throughout the organisation by truly vesting decision-making powers at the most appropriate levels in the organisational hierarchy. The Company believes that empowerment combined with **accountability** provides an impetus to performance and improves effectiveness, thereby enhancing shareholder value.

Control

Control is a necessary concomitant of the Company’s second core principle of governance that freedom of management should be exercised within a framework of appropriate checks and balances. Control prevents misuse of power, facilitates timely management response to change, and ensures that business risks are pre-emptively and effectively managed.

Ethical Corporate Citizenship

Ethical Corporate Citizenship means setting high standards of ethical behaviour, both internally within the organisation as well as in external relationships. Ethical standards should be adhered to ensure integrity, transparency, and accountability in dealing with all the stakeholders. Unethical behaviour corrupts organisational culture and undermines stakeholder value. Corporate Governance processes in the Company continuously reinforce and help actualise the Company’s belief in ethical corporate citizenship.

THE GOVERNANCE STRUCTURE

The practice of Corporate Governance in the Company takes place at two interlinked levels:

- (a) Strategic supervision by the Board of Directors; and
- (b) Strategic and executive management by the Strategic and Executive Management Committee headed by the Managing Director and supported by senior managers.

The two-tier governance structure ensures that:

- (a) Strategic supervision (on behalf of Shareholders), being free from involvement in the task of strategic management of the Company, can be conducted with objectivity, thereby sharpening accountability of management; and
- (b) Strategic and executive management of the Company remains focused on enhancing the quality, efficiency, and effectiveness of the business to achieve best-in-class performance within the direction and framework approved by the Board.

The day-to-day operational management of an individual hotel unit vests with the respective General Manager.

The core roles of the key entities flow from this structure. These roles, in turn, determine the core responsibilities of each entity. In order to enable them to discharge their core responsibilities, the governance process empowers each entity with the requisite delegated powers.

The governance structure of the Company is also available on its website at <https://www.itchotels.com/corporate/essential-information>.

ROLES OF VARIOUS ENTITIES

Board of Directors ('Board'): The primary role of the Board is that of trusteeship to protect and enhance shareholder value through strategic supervision of the Company and its wholly owned subsidiaries. As trustees, the Board ensures that the Company has clear goals aligned to shareholder value and its growth. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholders' aspirations and societal expectations. The Board, as part and parcel of its functioning, annually reviews its role and also evaluates its performance and that of the Board Committees & the Directors, including the Managing Director.

Board Committees: The roles of the Board Committees are determined by the Board from time to time, synopsis of which is provided under the heading 'Committees of the Board'.

Strategic and Executive Management Committee ('SEMC'): The primary role of the SEMC is strategic and executive management of the Company within Board approved directions / framework, and realisation of Company goals. The SEMC operates under the strategic supervision of the Board.

Chairperson: The primary role of the Chairperson of the Company is to provide leadership to the Board, and support management of critical external relationships including shareholder issues. He presides over the Board Meetings and leads & assists the Board in setting and realising the Company's strategic vision and related short & long-term goals. He ensures that the Directors are enabled and encouraged to play a full part in the activities of the Board. He also presides over General Meetings of Shareholders.

Managing Director: The Managing Director holds overall responsibility for the strategic and executive management of the Company. His primary role is to provide leadership to the SEMC for realising the Company goals in accordance with the charter approved by the Board, and to ensure that the SEMC functions in accordance with the Company's Governance policies and in compliance with the Board directives, with guidance from the Chairperson of the Company, wherever necessary. He ensures that the SEMC Members are enabled and encouraged to play a full part in the activities of the Committee. He is also responsible to ensure that the Board is kept informed on all matters of importance to enable it to discharge its role and responsibilities.

Non-Executive Director: Non-Executive Directors, including Independent Directors, play a critical role in imparting balance to the Board processes by bringing independent judgement on issues of strategy, performance, resources, standards of Company conduct, etc.

SEMC Member: The SEMC Member contributes to the strategic and executive management of the Company within Board approved directions / framework. A SEMC Member accountable for a unit / function (Line SEMC Member), assumes responsibility for its strategic and executive management, including governance processes and senior management effectiveness.

BOARD OF DIRECTORS

Composition

The Company's Board is a balanced Board with at least 50% of the total strength of the Board comprising Independent Directors. The Non-Executive Directors, including Independent Directors, are all drawn from amongst eminent professionals, with experience in business / finance / law / public administration and enterprises. The Board is also required to have balance of skills, competencies, experience and diversity of perspectives appropriate to the Company and its business. The Directors of the Company possess the skills, expertise and competencies, as identified by the Board and provided in the Annexure forming part of this Report.

In terms of the applicable regulatory requirements read with the Articles of Association of the Company, the strength of the Board shall not be fewer than six nor more than fifteen. The present strength of the Board is nine comprising the Chairperson, two other Non-Executive Non-Independent Directors, five Non-Executive Independent Directors including a Woman Director, and the Managing Director.

Composition of the Board as on 31st March, 2026:

Category	No. of Directors	Percentage to total no. of Directors
Non-Executive Independent Directors	5	55.56
Chairperson and other Non-Executive Non-Independent Directors	3	33.33
Managing Director	1	11.11
Total	9	100.00

Director	Category	No. of other Directorships as on 31st March, 2026 *	No. of Membership(s)/ Chairpersonship(s) of Audit Committee/ Stakeholders Relationship Committee of other Indian public limited companies as on 31st March, 2026	
			Member	Chairperson
S. Puri	Chairperson & Non-Executive Director	7	Nil	Nil
K. Bali	Independent Director	4	Nil	Nil
I. Bhushan	Independent Director	11	4	2
M. Gupta	Independent Director	5	3	Nil
P. R. Ramesh	Independent Director	10	7	4
V. Sarup	Independent Director	3	2	Nil
S. Dutta	Non-Executive Director	10	3	2
R. K. Singhi	Non-Executive Director	6	2	Nil
A. Chadha	Managing Director	5	Nil	Nil

* Details with respect to other Directorships are provided under the section 'Your Directors' in the Report and Accounts.

Meetings and Attendance

The Company's Governance Policy requires the Board to meet at least five times in a financial year. During the financial year 2025-26, the intervening period between two Board Meetings was well within the maximum gap of 120 days prescribed under the Listing Regulations.

Board Agenda

Meetings are governed by a structured agenda. The Board Members, in consultation with the Chairperson, may bring up any matter for the consideration of the Board.

All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. Agenda papers are circulated seven days prior to the Board Meeting.

Information placed before the Board

In terms of the Company's Governance Policy, all statutory and other significant & material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of Shareholders. The following in particular are tabled for the Board's approval / periodic review or information:

- Annual Business Plan and capital budgets.
- Periodic review of Company's performance.
- Quarterly, half-yearly, and annual performance.
- External Audit Reports (through the Audit Committee).
- Half-yearly reports on progress of CSR programmes, projects and activities (through the CSR and Sustainability Committee).
- Status of business risk exposures, their management and related action plans (through the Risk Management Committee).
- Succession planning for Senior Management (through the Nomination and Remuneration Committee).
- Statutory compliance reports.
- Show cause, demand, prosecution and adjudication notices, if any, from revenue authorities which are considered materially important, including any exposure that exceeds 1% of the Company's net worth, and their outcome.
- Default, if any, in payment of dues to any major creditor.
- Transactions involving substantial payment towards goodwill, brand equity or intellectual property.
- Any possible product or service related liability claims of a substantial nature that exceed 1% of the Company's net worth and their outcome.
- Information on strikes, lockouts, retrenchment, fatal or serious accidents, material pollution issues, etc.

- Significant court judgement or order passing strictures, if any, on the conduct of the Company or a subsidiary of the Company or any employee, which could negatively impact the Company's image.
- Significant development in Human Resources / Industrial Relations.
- Quarterly details of foreign exchange exposures.
- Write-offs / disposals of fixed assets, inventories, receivables, advances, claims, etc. as part of the Financial Results / Financial Statements on a half-yearly basis.
- Non-compliance, if any, of any regulatory, statutory or listing requirements and in relation to shareholders' services.

Post-meeting follow-up system

The Governance processes in the Company include post-meeting follow-up, review and reporting process for action taken / pending on decisions of the Board and the SEMC.

Details of Board Meetings during the financial year 2025-26

Five meetings of the Board were held as follows:

Sl. No.	Date	Board Strength	No. of Directors present
1	15th May, 2025	10	10
2	16th July, 2025	10	10
3	24th October, 2025	10	10
4	20th January, 2026	10	10
5	19th March, 2026	9	9

Attendance at Board Meetings and at Annual General Meeting ('AGM') during the financial year 2025-26

Sl. No.	Director	No. of Board Meetings attended	Attendance at last AGM
1	S. Puri	5	Yes
2	K. Bali	5	Yes
3	I. Bhushan	5	Yes
4	A. Chadha	5	Yes
5	S. Dutta	5	Yes
6	M. Gupta	5	No
7	P. R. Ramesh	5	Yes
8	R. K. Singhi	5	Yes
9	V. Sarup	5	Yes
10	T. Pandey*	4	Yes

*Resigned as Non-Executive Director w.e.f. close of work on 5th March, 2026.

COMMITTEES OF THE BOARD

Currently, there are five Board Committees viz., the Audit Committee, the Nomination and Remuneration Committee, the Securityholders Relationship Committee, the CSR and Sustainability Committee and the Independent Directors Committee. The terms of reference of these Committees are determined by the Board, other than the Independent Directors Committee, the terms of reference of which are as prescribed under law. Meetings of Board Committees are normally convened by the respective Committee Chairperson. Matters requiring the Board's attention / approval, as emanating from the Board Committee Meetings, are placed before the Board with clearance of the Committee Chairperson. All recommendations made by the Board Committees during the year were accepted by the Board. Minutes of the Board Committees Meetings are placed before the Board. The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

I. AUDIT COMMITTEE

The Audit Committee provides reassurance to the Board on the existence of an effective internal control environment that ensures:

- efficiency and effectiveness of operations;
- safeguarding of assets and adequacy of provision for all liabilities;
- reliability of financial and other management information, and adequacy of disclosures; and
- compliance with all relevant statutes.

The role of the Committee includes the following:

- To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- To recommend the appointment, remuneration and removal of the Auditors;
- To approve engagement of the Auditors for rendering other services;
- To recommend the appointment of the Chief Financial Officer of the Company;
- To approve transactions with related parties, including modifications thereto;
- To evaluate the Company's internal financial controls and risk management systems;
- To scrutinise inter-corporate loans and investments;
- To review with the management, the following:
 - Annual financial statements and Auditor's Report thereon;
 - Quarterly and half-yearly financial results and Limited Review Report thereon;

(ix) To review the following:

- Management discussion and analysis of financial condition & results of operations, and matters required to be included in the Directors' Responsibility Statement;
- Adequacy of internal control systems and the Company's statement on the same, in consultation with the management, the Statutory Auditors and the Internal Auditors;
- Adequacy of Internal Audit function, including the structure of Internal Audit Department;
- Adequacy and effectiveness of internal control systems laid down in the Company for compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015;
- Appointment and remuneration of the Head of Internal Audit;
- Synopsis of significant findings in the Internal Audit Reports and follow-up thereon;
- Statutory Auditors' independence and performance, and effectiveness of the audit process;
- System for maintenance, storage, retrieval, security, etc. of books of accounts in the electronic form;
- Functioning of Whistleblower mechanism in the Company;
- Annual financial statements, including investments, of subsidiary companies;
- Utilisation of loans and / or advances and investments by the Company to / in the subsidiary companies.

Composition

The Audit Committee presently comprises three Independent Directors. The Chairperson of the Committee is also an Independent Director. The Chief Financial Officer, the Head of Internal Audit and the representative of the Statutory Auditors are Invitees to the meetings of the Audit Committee. The Head of Internal Audit is the Coordinator and the Company Secretary is the Secretary to the Committee. All members of the Committee are financially literate; the Chairperson of the Committee has accounting and financial management expertise.

The names of the members of the Audit Committee, including its Chairperson, are provided under the section 'Board of Directors and Committees' in the Report and Accounts.

Meetings and Attendance during the financial year 2025-26

Details of Audit Committee Meetings

Seven meetings of the Audit Committee were held as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	28th April, 2025	3	3
2	15th May, 2025	3	3
3	16th July, 2025	3	3
4	14th October, 2025	3	3
5	24th October, 2025	3	3
6	20th January, 2026	3	3
7	13th March, 2026	3	3

Attendance at Audit Committee Meetings

Member	No. of Meetings attended
P. R. Ramesh	7
K. Bali	7
M. Gupta	7

II. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee, inter alia, identifies persons qualified to become Directors and recommends to the Board the appointment, remuneration and removal of the Directors & Senior Management. The Committee's role also includes formulation of criteria for evaluation of performance of the Directors & the Board as a whole, and administration of the Employee Stock Option Scheme and Employee Stock Appreciation Rights Scheme of the Company.

Composition

The Nomination and Remuneration Committee presently comprises two Independent Directors and the Chairperson of the Company. The Chairperson of the Committee is an Independent Director. The Company Secretary is the Secretary to the Committee.

The names of the members of the Nomination and Remuneration Committee, including its Chairperson, are provided under the section 'Board of Directors and Committees' in the Report and Accounts.

Meetings and Attendance during the financial year 2025-26

Details of Nomination and Remuneration Committee Meetings

Four meetings of the Nomination and Remuneration Committee were held as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	16th July, 2025	3	3
2	24th October, 2025	3	3
3	20th January, 2026	3	3
4	19th March, 2026	3	3

Attendance at Nomination and Remuneration Committee Meetings

Member	No. of Meetings attended
V. Sarup	4
S. Puri	4
P. R. Ramesh	4

Remuneration Policy

The Company's Remuneration strategy is a key and vital component of the broader Human Resource strategy of the Company. The Remuneration strategy, whilst focusing on remuneration and related aspects of performance management, is aligned with and reinforces the employee value proposition of a superior quality of work life that includes an enabling work environment, an empowering & engaging work culture, and opportunities to learn and grow. The underlying objective is to create a high performance culture that inspires employees to deliver the Company's promise to its stakeholders. The Company's Remuneration strategy is anchored on being market competitive, performance driven and long-term oriented, while recognising the enduring impact of talent on business performance.

The Company's Remuneration Policy may be accessed on its website at <https://www.ithotels.com/RemunerationPolicy.pdf> . There was no change in the Policy during the year.

Remuneration of Directors

Remuneration of the Managing Director is determined by the Board on the recommendation of the Nomination and Remuneration Committee, subject to the approval of the Shareholders. Apart from fixed elements of remuneration and benefits / perquisites, the Managing Director is eligible for performance bonus, linked to his individual performance and the overall performance of the Company. He is also eligible for

Long Term Incentives, including Stock Appreciation Rights, as may be determined by the Nomination and Remuneration Committee / the Board, based on financial measures and strategic priorities of the Company; grant of the Stock Appreciation Rights is also linked to individual performance amongst other criteria. The elements of the compensation ensure alignment of the priorities of the Managing Director with the long-term interests of stakeholders.

Non-Executive Directors, including Independent Directors, are entitled to remuneration by way of commission for each financial year, ranging between ₹ 25,00,000/- and ₹ 40,00,000/-, individually, as approved by the Shareholders. Non-Executive Directors' commission is determined by the Board, based, inter alia, on the Company's performance and regulatory provisions. Non-Executive Directors are also entitled to sitting fees for attending the meetings of the Board and its Committees. The sitting fees as fixed by the Board are ₹ 50,000/- for each meeting of the Board, ₹ 40,000/- for each meeting of the Audit Committee, Nomination and Remuneration Committee, CSR and Sustainability Committee and Independent Directors Committee, and ₹ 10,000/- for each meeting of the Securityholders Relationship Committee; sitting fees for each meeting of the Risk Management Committee is ₹ 40,000/-.

Details of Remuneration paid to the Directors during the financial year ended 31st March, 2026

(₹ in lakhs)

Director	Basic / Consolidated Salary	Allowances	Perquisites and other benefits	Performance Bonus / Long Term Incentives / Commission	Sitting Fees	Total
S. Puri [#]	-	-	-	-	-	-
K. Bali	-	-	-	4.25	5.80	10.05
I. Bhushan	-	-	-	4.25	4.90	9.15
S. Dutta [#]	-	-	-	-	-	-
M. Gupta	-	-	-	4.25	6.90	11.15
P. R. Ramesh	-	-	-	4.25	7.30	11.55
V. Sarup	-	-	-	4.25	5.30	9.55
R. K. Singhi [#]	-	-	-	-	-	-
T. Pandey [§]	-	-	-	4.25 [*]	3.10 [@]	7.35
A. Chadha	68.64	116.16	37.15	197.18	-	419.13

[#] Have waived their right to receive sitting fees and commission from the Company.

[§] Resigned as Non-Executive Director w.e.f. close of work on 5th March, 2026.

^{*} Paid to the Financial Institution, the Director represented.

[@] Includes ₹ 0.60 Lakh paid to the Financial Institution, the Director represented.

During the year, there were no other pecuniary relationships or transactions of the Non-Executive Directors with the Company.

Employee Stock Option Scheme and Employee Stock Appreciation Rights Scheme

- Pursuant to the Scheme of Arrangement for demerger, the Company, during the financial year 2024-25, granted stock options under the 'ITC Hotels – Special Purpose Employee Stock Option Scheme' on a one-time basis to eligible employees holding stock options under the employee stock option schemes of ITC Limited ('ITC ESOP Schemes'). Each Option entitles the holder thereof to apply for and be allotted ten Equity Shares of the Company of ₹ 1/- each upon payment of the exercise price during the exercise period.
- During the financial year, the Board, pursuant to the authority vested in it by the Members, has approved the ITCHL Employee Stock Appreciation Rights Scheme 2025 ('ESAR Scheme'), in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('the SBEB Regulations').

The eligible employees including the Managing Director of the Company were granted, during the year, 1,33,830 Equity Settled Stock Appreciation Rights ('ESARs') at 'market price' as defined under the SBEB Regulations.

In terms of the ESAR Scheme, the ESAR Grantees are entitled to apply for and be allotted, upon payment of ₹ 1/- per share, Equity Shares equivalent to appreciation for the total number of ESARs exercised, computed in the manner specified in the ESAR Scheme. The exercise period commences from the date of vesting of ESARs and expires at the end of five years from the date of such vesting.

Options / ESARs vest as per the following schedule:

From the date of grant of the Options / ESARs *	% of Options / ESARs vest
On completion of 12 months	30%
On completion of 24 months	30%
On completion of 36 months	40%

^{*} The vesting period in respect of Options will be adjusted with the period during which the Optionees held corresponding Options granted under ITC ESOP Schemes.

Details of shareholding of Directors and ESARs granted during the financial year

Director	No. of Equity Shares of ₹ 1/- each held (singly / jointly) as on 31st March, 2026	No. of ESARs granted during the financial year
S. Puri	1,73,544	Nil
K. Bali	10	Nil
I. Bhushan	Nil	Nil
A. Chadha	8,565	18,850
S. Dutta	1,01,773	Nil
M. Gupta	Nil	Nil
P. R. Ramesh	Nil	Nil
V. Sarup	Nil	Nil
R. K. Singhi	67,903	Nil

Service Contract, Severance Fee and Notice Period

The appointment of the Managing Director is governed by the resolutions passed by the Board and the Shareholders, read with the service rules of the Company. The terms of his appointment are also governed by the Service Contract which continues to be in force. Letters of appointment are issued by the Company to the Independent Directors detailing their roles, duties, responsibilities, etc.

With respect to notice period and payment of severance fee, the service rules of the Company read with the statutory provisions apply.

Performance Evaluation

Performance evaluation of the Board, the Board Committees and the individual Directors was carried out by the Board in accordance with the Policy approved by the Nomination and Remuneration Committee; brief details of such evaluation are provided in the 'Report of the Board of Directors & Management Discussion and Analysis', forming part of the Report and Accounts.

III. SECURITYHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee of the Board, under the nomenclature 'Securityholders Relationship Committee', primarily oversees redressal of shareholders and investor grievances, approves rematerialisation of shares, and allots shares upon exercise of Stock Options / ESARs. The Committee also reviews adherence to the service standards adopted by its Registrar and Share Transfer Agent and related activities, and the measures taken for effective exercise of voting rights by the Shareholders.

Composition

The Securityholders Relationship Committee presently comprises three Non-Executive Directors, including two Independent Directors. The Chairperson of the Committee is an Independent Director. The Company Secretary is the Secretary to the Committee.

The names of the members of the Securityholders Relationship Committee, including its Chairperson, are provided under the section ‘Board of Directors and Committees’ in the Report and Accounts.

Meetings and Attendance during the financial year 2025-26

Details of Securityholders Relationship Committee Meetings

Twelve meetings of the Securityholders Relationship Committee were held as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	14th May, 2025	3	3
2	30th June, 2025	3	3
3	12th July, 2025	3	3
4	22nd July, 2025	3	3
5	2nd August, 2025	3	3
6	19th August, 2025	3	3
7	17th September, 2025	3	3
8	22nd October, 2025	3	3
9	17th November, 2025	3	2
10	19th December, 2025	3	3
11	16th January, 2026	3	3
12	19th March, 2026	3	3

Attendance at Securityholders Relationship Committee Meetings

Member	No. of Meetings attended
I. Bhushan ¹	12
K. Bali ²	1
R. K. Singhi	11
T. Pandey ³	11

¹ Appointed as Chairperson of the Committee w.e.f. 19th March, 2026.
² Appointed as Member w.e.f. 19th March, 2026.
³ Ceased to be Chairperson and Member of the Committee w.e.f. close of work on 5th March, 2026.

IV. CSR AND SUSTAINABILITY COMMITTEE

The role of the CSR Committee of the Board, under the nomenclature ‘CSR and Sustainability Committee’, is inter alia to review, monitor and provide strategic direction to the Company’s CSR and Sustainability practices and guide the Company in integrating its social and environmental objectives with the business strategies. Formulating and monitoring the CSR Policy, the Sustainability Policies and the annual CSR Action Plan, including making recommendation to the Board as necessary, form part of the role of the Committee.

Composition

The CSR and Sustainability Committee presently comprises the Chairperson of the Company, the Managing Director and two Independent Directors. The Chairperson of the Company is the Chairperson of the Committee. The Company Secretary is the Secretary to the Committee.

The names of the members of the CSR and Sustainability Committee, including its Chairperson, are provided under the section ‘Board of Directors and Committees’ in the Report and Accounts.

Meetings and Attendance during the financial year 2025-26

Details of CSR and Sustainability Committee Meetings

Two meetings of the CSR and Sustainability Committee were held as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	15th May, 2025	4	4
2	24th October, 2025	4	4

Attendance at CSR and Sustainability Committee Meetings

Members	No. of Meetings attended
S. Puri	2
I. Bhushan	2
A. Chadha	2
V. Sarup	2

V. INDEPENDENT DIRECTORS COMMITTEE

The statutory role of the Independent Directors Committee of the Board is to review the performance of the Non-Independent Directors, including the Chairperson of the Company and the Board, and also to assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

Composition

The Independent Directors Committee presently comprises all the Independent Directors of the Company.

The names of the members of the Independent Directors Committee are provided under the section ‘Board of Directors and Committees’ in the Report and Accounts.

Meeting and Attendance during the financial year 2025-26

Details of Independent Directors Committee Meeting

One meeting of the Independent Directors Committee was held during the financial year 2025-26 as follows:

Date	Committee Strength	No. of Members present
28th April, 2025	5	5

Attendance at Independent Directors Committee Meeting

Member	Attendance at the Meeting
P. R. Ramesh	Yes
K. Bali	Yes
I. Bhushan	Yes
M. Gupta	Yes
V. Sarup	Yes

OTHER COMMITTEES

RISK MANAGEMENT COMMITTEE

The role of the Risk Management Committee of the Company is, inter alia, to approve the risk management framework of the Company, and review the results of risk identification, prioritisation & risk mitigation plans and the measures taken for cyber security. Formulation of the Risk Management Policy and review of the implementation, effectiveness and adequacy of the risk management plans, systems & processes of the Company form part of the role of the Committee.

Composition

The Risk Management Committee presently comprises two Non-Executive Directors including one Independent Director, the Managing Director and the Chief Financial Officer of the Company. The Head of Risk function is the Secretary to the Committee.

The names of the members of the Risk Management Committee, including its Chairperson, are provided as follows.

Meetings and Attendance during the financial year 2025-26

Details of Risk Management Committee Meetings

Three meetings of the Risk Management Committee were held as follows:

Sl. No.	Date	Committee Strength	No. of Members present
1	2nd May, 2025	4	4
2	7th October, 2025	4	4
3	19th March, 2026	4	4

Attendance at Risk Management Committee Meetings

Member	No. of Meetings attended
S. Dutta (Chairperson)	3
A. Chadha	3
M. Gupta	3
A. Thakar	3

STRATEGIC AND EXECUTIVE MANAGEMENT COMMITTEE

The primary role of the SEMC is strategic and executive management of the Company within Board approved direction / framework and realisation of Company goals. The SEMC, inter alia, formulates the Company’s Business Plan, including objectives and strategies, capex and investments, organisational policies, systems and processes, monitors performance of hotel units / corporate functions, allocates resources and operates under the strategic supervision of the Board.

Composition

The SEMC presently comprises the Managing Director, the Chief Financial Officer and the Executive Vice President-HR and Learning & Development. The Managing Director is the Chairperson of the Committee. The composition of the SEMC is determined by the Board on the recommendation of the Nomination and Remuneration Committee. The Company Secretary is the Secretary to the SEMC.

The names of the members of the SEMC, including its Chairperson, are provided under the section ‘Board of Directors and Committees’ in the Report and Accounts.

Meetings

The SEMC normally meets once a month. Minutes of SEMC Meetings are placed before the Board. Matters requiring the Board's attention / approval, as emanating from the SEMC Meetings, are placed in the form of notes backed by comprehensive background information.

SUBSIDIARY COMPANIES

All subsidiaries of the Company are managed by their respective Board of Directors in the best interest of those companies and their shareholders. The annual financial statements of the subsidiary companies, including their investments, are reviewed by the Audit Committee of the Company. Performance review reports of the subsidiary companies are placed before the Board of the Company on a half-yearly basis. The Minutes of Board Meetings of the subsidiary companies, including details of significant transactions & arrangements entered into by them, are also placed before the Board of Directors of the Company.

The Company's Policy for determination of a material subsidiary may be accessed on its website at <https://www.itchotels.com/MaterialSubsidiary.pdf>.

The Company has one material subsidiary in terms of the aforesaid Policy, required details of which are given below:

Name of the material subsidiary	WelcomHotels Lanka (Private) Limited
Date of incorporation	23rd April, 2012
Place of incorporation	Colombo, Sri Lanka
Name of the Statutory Auditors	Messrs. Deloitte Associates, Chartered Accountants
Date of appointment of the Statutory Auditors	9th September, 2025

FAMILIARISATION PROGRAMME FOR DIRECTORS

The Company believes that a Board, which is well informed / familiarised with the Company and its affairs, can contribute significantly to effectively discharge its role of trusteeship in a manner that fulfils stakeholders' aspirations and societal expectations. In pursuit of this, the Directors of the Company are updated on material changes / developments in the socio-economic environment, industry and competitive scenario and on matters significantly affecting the Company to enable them to take well informed and timely decisions. The Directors are also kept abreast on all business related matters including risk assessment & minimisation procedures, CSR & sustainability interventions and new initiatives proposed by the Company. Induction programme is organised by the Company for the Non-Executive Directors joining the Board.

Further details may be accessed on the Company's website at <https://www.itchotels.com/Familiarisation-Program.pdf>.

MEANS OF COMMUNICATION

Timely disclosure of consistent, comparable, relevant and reliable information on the Company's financial performance is at the core of good governance. Towards this end, the Company leverages the following channels of communication:

Website	The Company's website www.itchotels.com provides comprehensive information on the Company's business, sustainability initiatives, official news releases, key Company Policies, shareholding pattern, and contact details of persons responsible for assisting investors and handling investor grievances. An exclusive section on 'Investor Relations' serves to inform and service Shareholders, enabling them to access information at their convenience.
Email id for investors	The Company has a designated email id, i.e. investorservices@itchotels.com , for investor services.
Media Releases	The 'Investor Relations' section of the Company's website includes all major media releases from the Company and relevant media reports.
Investor Presentations	The Investor Presentations on the quarterly results are sent to the Stock Exchanges and also made available on the Company's website.
Annual Report	The Report and Accounts, including the Standalone and Consolidated Financial Statements, the Report of the Board of Directors and the Auditors' Reports, are sent to the Shareholders of the Company, and are also made available on the Company's website. The Report of the Board of Directors, forming part of the Report and Accounts, includes all aspects of Management Discussion and Analysis as required under the Listing Regulations.
Financial Results	The quarterly, half-yearly and annual financial results along with Media Statement and Presentation on Company's Financial Performance are available on the Company's website. Extracts of these results are published in 'Business Standard' on an all-India basis and 'Bartaman' from Kolkata.
Other disclosures / filings	All material events and important information relating to the Company are submitted to the Stock Exchanges and are also made available on the Company's website.

CODE OF CONDUCT

The Code of Conduct is applicable to the Directors, Senior Management and employees of the Company. The Code is derived from three interlinked fundamental principles, viz. good corporate governance, good corporate citizenship and exemplary personal conduct in relation to the Company's business and reputation. The Code covers the Company's commitment to sustainable development, concern for health, safety and environment, a gender friendly workplace, transparency and auditability, legal compliance, avoidance of conflict of interest, and the philosophy of leading by example. The Code is available on the Company's website at <https://www.itchotels.com/corporate/essential-information>.

Declaration as required under the Listing Regulations	
All Directors and Senior Management of the Company have affirmed compliance with the Code of Conduct for the financial year ended 31st March, 2026.	
New Delhi, 15th May, 2026	A. Chadha Managing Director

WHISTLEBLOWER POLICY

Synopsis of the Whistleblower Policy of the Company is provided in the 'Report of the Board of Directors & Management Discussion and Analysis', forming part of the Report and Accounts. The said Policy may be accessed on the Company's website at <https://www.itchotels.com/Whistleblower-Policy.pdf>.

POLICY ON RELATED PARTY TRANSACTIONS

The Policy may be accessed on the Company's website at <https://www.itchotels.com/Policy-on-RPTs.pdf>.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Code of Conduct for Prevention of Insider Trading, inter alia, prohibits trading in the shares of the Company by the Directors and employees while in possession of unpublished price sensitive information in relation to the Company.

DETAILS OF SENIOR MANAGEMENT

The details of Senior Management of the Company as on 31st March, 2026 are provided below:

Sl. No.	Name	Designation
1.	Ashish Thakar	Chief Financial Officer
2.	Sanjay Bose	Executive Vice President - HR and Learning & Development
3.	Mohit Aggarwal	Vice President – Finance
4.	Bhaskar Malla Bujor Baruah	Chief Development Officer
5.	Atul Bhalla	Vice President – Operations (North and West)
6.	Diwaker Dinesh	Company Secretary
7.	Sudhir Gupta ¹	Vice President - Procurement
8.	Vidyaprakash Prabhakaran Menon	Vice President – Projects
9.	Arif Musa Patel	Chief Commercial Officer
10.	Amandeep Singh Sarna ²	Chief Digital and Information Officer
11.	Zubin Sarosh Songadwala	Vice President – Operations (South and East)
12.	Hebbagilu Chandrashekara Vinayaka	Vice President - Technical Services, EHS and Sustainability

¹Appointed w.e.f. 24th October, 2025.

²Appointed w.e.f. 1st April, 2025.

Apart from the above, there were no changes in the Senior Management during the year.

OTHER DISCLOSURES / CONFIRMATIONS

- During the last three years, there was neither any instance of non-compliance by the Company nor any penalty / stricture imposed on the Company by the Stock Exchanges / Securities and Exchange Board of India ('SEBI') / Statutory Authorities with respect to any matter related to the capital markets.
- There are no inter-se relationships between the Directors and Key Managerial Personnel of the Company.
- During the year, the Company has not entered into any materially significant related party transaction which may have potential conflict with the interest of the Company at large.

- The Senior Management of the Company did not enter into any material financial and commercial transaction during the year, in which they had personal interest that may have had potential conflict with the interest of the Company at large.
- During the year, the Company was not required to obtain credit rating for any debt instrument, fixed deposit programme or any other scheme involving mobilisation of funds.
- The Company has not raised any funds through preferential allotment or qualified institutional placement.
- None of the Directors of the Company has been debarred or disqualified from being appointed or continuing as a Director by the SEBI / Ministry of Corporate Affairs / Statutory Authorities; Certificate from the Company's Secretarial Auditors confirming the same is annexed to this Report.
- During the year, the Company or its subsidiaries have not provided any loans or advances (being in the nature of loans) to firms / companies in which Directors of the Company are interested.
- Details with respect to Secretarial Auditors of the Company and confirmation by the Board regarding independence of the Independent Directors, are provided in the 'Report of the Board of Directors & Management Discussion and Analysis', forming part of the Report and Accounts.
- During the financial year under review, the Company received one (1) complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the same was disposed of during the year. Further, no complaint was pending for more than ninety days and also at the end of the year.
- The total fees paid during the financial year 2025-26 by the Company and its subsidiaries to Messrs. S.R. Batliboi & Co. LLP, Statutory Auditors, and all entities in the network firm / network entities which are part of the network of which the Statutory Auditors are a member firm, aggregate ₹ 1.74 Crores.
- Mr. Diwaker Dinesh, Company Secretary, is the Compliance Officer under the Listing Regulations.
- The Company has not been informed of any agreement and there are no agreements with the Company that require disclosure under Regulation 30A of the Listing Regulations.

- The Company does not deal in commodities and hence the disclosure pursuant to the SEBI Master Circular dated 30th January, 2026 is not required to be given. The details of foreign exchange exposures and hedging activities of the Company are provided in the 'Notes to the Financial Statements', forming part of the Report and Accounts.

DISCRETIONARY REQUIREMENTS UNDER THE LISTING REGULATIONS

The status of compliance with the discretionary requirements under the Listing Regulations is provided below:

- 1. Separate posts of Chairman and the Managing Director or the Chief Executive Officer:** The Company has a Chairperson in non-executive capacity and a Managing Director.
- 2. Chairman's Office:** The Chairperson's Office is maintained by the Company and expenses towards performance of the Chairperson's duties, if any, are borne by the Company.
- 3. Shareholder Rights:** The financial results and significant events of the Company are being posted on the Company's website under the 'Investor Relations' section.
- 4. Audit Opinion:** The Statutory Auditors have issued an unmodified audit opinion on the Company's Financial Statements for the year ended 31st March, 2026.
- 5. Internal Audit:** The Head of Internal Audit reports to the Audit Committee of the Board.
- 6. Meeting of Independent Directors Committee:** One meeting of the Independent Directors Committee of the Board was held during the year, details of which are disclosed under the heading 'Committees of the Board – V. Independent Directors Committee'.

CONFIRMATION OF COMPLIANCE

It is confirmed that the Company has complied with the requirements prescribed under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

The Certificate from your Company's Secretarial Auditors, Messrs. S. N. Ananthasubramanian & Co., Company Secretaries, confirming compliance with the conditions of Corporate Governance is annexed to the 'Report of the Board of Directors & Management Discussion and Analysis', forming part of the Report and Accounts.

SHAREHOLDER INFORMATION

Details of Annual General Meeting

Date	Thursday, 6th August, 2026.
Venue	The AGM will be held on electronic platform.
Time	10:30 a.m. (IST).
Record Date for Final Dividend	Thursday, 21st May, 2026.
Dividend Payment Date	Between Monday, 10th August, 2026 and Friday, 14th August, 2026.

Since the Company's incorporation, two AGMs were held, details of which are given below:

AGM	Financial Year	Venue	Date	Time	Special Resolution passed
1st	2023-24	Virginia House 37 Jawahar Lal Nehru Road Kolkata 700 071	25th July, 2024	10:30 a.m. (IST)	None
2nd	2024-25	The AGM was held on electronic platform.	11th August, 2025	10:30 a.m. (IST)	None

Postal Ballot through e-voting

During the financial year, Special Resolutions for granting, offering and issuing Stock Appreciation Rights to the eligible employees of the Company and its subsidiary companies were passed by the Shareholders. The Board of Directors of the Company appointed Mr. R. L. Auddy, Senior Solicitor and Partner, Messrs. Sandersons & Morgans, Advocates & Solicitors, as the Scrutinizer for scrutinizing the postal ballot through e-voting. Brief details pertaining to the said postal ballot are provided below:

Date of Postal Ballot Notice	24th October, 2025
Date of completion of despatch of Postal Ballot Notice	18th November, 2025
Period of e-voting	19th November to 18th December, 2025
Date of declaration of voting results	19th December, 2025

The detailed voting results on the aforesaid Resolutions are available on the Company's website at <https://www.itchotels.com/shareholders-events> .

No special resolution is proposed to be passed through postal ballot.

Financial Calendar

Financial Year 2026-27 (1st April – 31st March)		
1	First Quarter Results	July / August 2026
2	Second Quarter and Half-Year Results	October / November 2026
3	Third Quarter Results	January / February 2027
4	Fourth Quarter and Annual Results	May 2027

Listing of Shares on Stock Exchanges with Stock Code

Stock Exchange	Stock Code
BSE Limited ('BSE') Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	544325
National Stock Exchange of India Limited ('NSE') Exchange Plaza, Plot No. C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai 400 051	ITCHOTELS

The Listing Fees for the financial year 2026-27 have been paid to BSE and NSE.

Shareholder / Investor complaints

During the year, the Company did not receive any complaint, and no complaint was pending at the end of the year. The designated e-mail ID of the Company for investor complaints is **investorservices@itchotels.com**.

The Company also monitors investor complaints made through the BSE Listing Portal, NSE Electronic Application Processing System (NEAPS) Portal, SEBI Complaint Redressal System (SCORES) Portal, and Online Dispute Resolution (ODR) Portal.

Registrar and Share Transfer Agent

Messrs. KFin Technologies Limited are the Registrar and Share Transfer Agent ('RTA') of the Company. They manage all the relevant corporate registry services for the Equity Shares of the Company. The correspondence details of the Company and the RTA are given hereunder:

Address for Correspondence

Company	RTA
Registered Office : Virginia House, 37 Jawahar Lal Nehru Road Kolkata 700 071 Telephone no.: 033 2288 9371 Corporate Office : ITC Green Centre, 10 Institutional Area, Sector 32 Gurugram 122 001 Telephone no.: 0124 417 1717 e-mail: investorservices@itchotels.com Website: www.itchotels.com	KFin Technologies Limited Unit: ITC Hotels Limited Selenium Building, Tower B, Plot Nos. 31 and 32 Financial District, Nanakramguda, Serilingampally Hyderabad, Rangareddy 500 032 Telephone nos.: 040-7961 1000 and 1800 309 4001 (toll free) e-mail: einward.ris@kfintech.com Website: www.kfintech.com

Shareholders holding shares in the dematerialised form should address their correspondence to the respective Depository Participant, other than for Report and Accounts, which should be addressed to the Company or the RTA.

Shareholders are requested to provide their DP ID & Client ID / folio number, e-mail address and contact number to facilitate prompt and efficient investor servicing.

Share Transfer System

No share transfers in the certificate form were required to be effected by the Company during the financial year 2025-26.

Dematerialisation of Shares and liquidity

The shares of the Company are traded in the dematerialised form under both the Depository Systems in India - National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL'). The International Securities Identification Number (ISIN) allotted to the Company's shares under the Depository System is INE379A01028.

The Company's equity shares are liquid and regularly traded on BSE and NSE.

The status of dematerialisation of the Company's shares as on 31st March, 2026 is given below:

Mode of Holding	No. of Equity Shares	% of total issued share capital
Demat with NSDL	1,95,81,42,172	94.01
Demat with CDSL	12,48,34,134	5.99
Certificate Form	3	-
Total	2,08,29,76,309	100

Distribution of Shareholding as on 31st March, 2026

No. of Shares Slab	No. of Shareholders	%	No. of Shares	%
1 – 5000	24,16,539	99.65	20,35,21,076	9.77
5001 – 10000	4,934	0.20	3,51,00,412	1.69
10001 – 20000	2,071	0.09	2,89,29,136	1.39
20001 – 30000	524	0.02	1,29,55,412	0.62
30001 – 40000	241	0.01	83,95,573	0.40
40001 – 50000	140	0.01	64,54,673	0.31
50001 – 100000	237	0.01	1,65,13,539	0.79
100001 and above	315	0.01	1,77,11,06,488	85.03
Total	24,25,001	100.00	2,08,29,76,309	100.00

The Company has not issued any Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or any other Convertible Warrants.

Hotel Locations

The Company operates various hotels, details of which are annexed to this Report.

Service of Documents

In accordance with the regulatory requirements, the Notice of the 3rd AGM and the Report and Accounts 2026 will be sent through electronic mode to those Shareholders who have registered their e-mail address with the Company or the Depositories; a communication providing web-links for accessing these documents will be sent to the other Shareholders. Physical copies of the Notice and the Report and Accounts will be provided to the Shareholders upon request.

Shareholders holding shares in dematerialised form are requested to register / update their e-mail address with their respective Depository Participant. Shareholders holding shares in certificate form are requested to register / update their e-mail ids by submitting a duly filled and signed Form ISR-1 along with documents prescribed in the form to the Company / RTA.

Transfer of shares to the Investor Education and Protection Fund

Pursuant to the Scheme of Arrangement for demerger, the Company has transferred the shares to the Investor Education and Protection Fund established by the Central Government ('IEPF'), in respect of those shareholders of ITC Limited ('ITC') whose shares were earlier transferred to the IEPF and lying unclaimed as on the Record Date i.e., 6th January, 2025. Out of total shares transferred, 39,56,710 shares are lying with the IEPF as on 31st March, 2026.

The Company has also transferred to the IEPF, the net proceeds from sale of fractional entitlements in respect of such shareholders. Such shares and the proceeds can be claimed from IEPF by applying in the prescribed Form No. IEPF-5. Steps for filing the said form are available on the Company's website at **<https://www.itchotels.com/dividend-iepf>**.

Disclosures with respect to shares lying in Unclaimed Suspense / Escrow Demat Accounts

Particulars	Unclaimed Suspense Demat Account ¹		Escrow Demat Account ²	
	No. of Shareholders	No. of Equity Shares	No. of Shareholders	No. of Equity Shares
Aggregate number of shareholders and the outstanding shares lying as on 1st April, 2025	690	1,48,967	8,930	44,92,356
Number of shareholders who approached the Company for transfer of shares during the year	7	2,118	400	4,26,465
Number of shareholders to whom shares were transferred from suspense / escrow account during the year	7	2,118	393	4,11,625
Aggregate number of shareholders and the outstanding shares held as on 31st March, 2026	683	1,46,849*	8537	4,080,731*

¹ The equity shares were transferred in respect of ordinary shares held by ITC in its Unclaimed Suspense Account as on the Record Date.

² In accordance with the Scheme of Arrangement for demerger, the equity shares in respect of those Shareholders (i) holding ordinary shares of ITC in the certificate form and who had not provided details of their demat accounts; (ii) whose shares could not be credited due to rejection by depositories, were credited to the Escrow Demat Account.

* The voting rights in respect of these shares will remain frozen till the rightful owners claim the shares.

Annexure to the Report on Corporate Governance

SKILLS, EXPERTISE AND COMPETENCIES OF DIRECTORS

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board is required to identify the skills, expertise, and competencies of the Directors in the context of the Company's business.

Accordingly, the skills, expertise, and competencies of the Board as applicable to its business are identified as stated below:

1. Organisational Purpose

Ability to comprehend the socio-economic, regulatory, and competitive environment, both domestic and global, in which the Company is operating and insight to identify opportunities and challenge for the Organisation.

Ability to appreciate Company's philosophy of building synergy between serving the society and creating economic value for the Company, and contribute towards the same.

2. Strategic Insight

Ability to evaluate competitive corporate and business strategies and, based thereon, contribute towards progressive refinement of the Company's strategies for fulfilment of its goals.

Ability to comprehend strategy of organisation, in the context of its unique sources of competitive advantage and assess its strengths and weaknesses.

3. Organisational Capacity Building

Acumen to evaluate organisational capacity and readiness across relevant parameters and provide guidance on bridging gaps in capacity building.

Ability to understand the talent market and the Company's talent quotient so as to help fine tune strategies to attract, retain and nurture competitively superior talent.

Ability to appreciate and critique business critical areas such as finance, marketing, legal, information technology, public advocacy, human resources, general management capabilities, etc.

4. Stakeholder Value Creation

Ability to understand the organisation processes for shareholder value creation and its contributory elements and critique interventions towards value creation for the other stakeholders.

5. Commercial and Financial Acumen

Commercial and Financial acumen to understand and critique the Company's financial performance and evaluate the Company's strategies and action plans in the context of their financial outcomes.

6. Risk Management

Ability to appreciate key risks impacting the Company's business and contribute towards development of systems and controls for risk mitigation while reviewing and refining the same periodically.

7. Compliance

Ability to appreciate compliance systems and processes of the Company and contribute towards further strengthening the same.

8. Sustainability

Ability to appreciate the Sustainability strategies, goals, and initiatives of the Company and to support the Company's commitment in this area.

9. Policy Evaluation

Ability to comprehend the Company's governance philosophy and contribute towards its refinement periodically. Ability to evaluate policies, systems, and processes in the context of the Company's business and review the same periodically.

10. Culture Building

Ability to contribute to the Board's role towards promoting an ethical and collaborative organisational culture, eliminating conflict of interest, and setting & upholding the highest standards of ethics, integrity, and organisational conduct.

11. Board Cohesion

Ability to comprehend the statutory roles and responsibilities of a Director and of the Board as a whole.

Ability to encourage and sustain a cohesive working environment through collective wisdom and to listen to multiple views and thought processes and synergise the same for organisational benefit.

Annexure to the Report on Corporate Governance

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members
ITC HOTELS LIMITED
CIN: L55101WB2023PLC263914
Virginia House, 37 Jawaharlal Nehru Road
Russel Street, Kolkata 700 071
West Bengal, India

We have examined the following documents:

- (i) Declaration of non-disqualification as required under Section 164 of the Companies Act, 2013 ('the Act');
- (ii) Disclosure of concern or interest as required under Section 184 of the Act;

(hereinafter referred to as 'relevant documents')

as submitted by the Directors of **ITC Hotels Limited** ('the Company') to the Board of Directors of the Company ('the Board') for the FY 2025-26 and the FY 2026-27 and the relevant registers, records, forms and returns maintained by the Company and made available to us for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V - Para C - Clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. We have considered non-disqualification to include non-debarment by Regulatory / Statutory Authorities.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these, based on our verification.

Based on our examination as aforesaid and such other verifications carried out by us as deemed necessary and adequate (including status of Director Identification Number (DIN) on the portal www.mca.gov.in), in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorised representatives, we hereby certify that none of the Directors on the Board of the Company, as listed hereunder for the financial year ended 31st March, 2026, have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India / Ministry of Corporate Affairs or any such Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in the Company
1.	Mr. Sanjiv Puri	00280529	24-04-2024
2.	Mr. Kamal Bali	00688141	14-12-2024
3.	Dr. Indu Bhushan	09302960	14-12-2024
4.	Mr. Anil Chadha	08073567	24-04-2024
5.	Mr. Supratim Dutta	01804345	24-04-2024
6.	Mr. Mukesh Gupta	06638754	26-11-2024
7.	Mr. Prathivadibhayankara Rajagopalan Ramesh	01915274	30-04-2024
8.	Ms. Vrinda Sarup	03117769	26-11-2024
9.	Mr. Rajendra Kumar Singhi	00009931	24-04-2024

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.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report for the financial year ended 31st March, 2026.

For **S. N. ANANTHASUBRAMANIAN & Co.**
Company Secretaries
ICSI Unique Code: P1991MH040400
Peer Review Cert. No.: 5218/2023
S. N. Ananthasubramanian
Founding Partner
FCS: 4206 | COP No.: 1774
ICSI UDIN: F004206H000282759

5th May, 2026 | Thane

Annexure to the Report on Corporate Governance

OWNED HOTELS

Agra

- ITC Mughal
Taj Ganj
Agra, Uttar Pradesh 282 001

Ahmedabad

- ITC Narmada
Judges Bungalow Road
Vastrapur
Ahmedabad, Gujarat 380 015

Amritsar

- Welcomhotel Amritsar
Raja Sansi, Ajnala Road
Amritsar, Punjab 143 101

Bengaluru

- ITC Gardenia
1, Residency Road
Bengaluru, Karnataka 560 025
- ITC Windsor
25, Windsor Square Golf Course Road
Bengaluru, Karnataka 560 052
- Welcomhotel Bengaluru
46, Richmond Road
Bengaluru, Karnataka 560 025

Bhubaneswar

- Welcomhotel Bhubaneswar
D/1, Mz. Dumuduma
District Khordha
Bhubaneswar, Odisha 751 019

Chennai

- ITC Grand Chola
63, Mount Road, Guindy
Chennai, Tamil Nadu 600 032
- Welcomhotel Chennai
Cathedral Road
Chennai, Tamil Nadu 600 086

Coimbatore

- Welcomhotel Coimbatore
1266/14, West Club Road
Race Course Area
Coimbatore, Tamil Nadu 641 018

Goa

- ITC Grand Goa Resort & Spa
Arossim Beach Road
Cansaulim, Goa 403 712

Guntur

- Welcomhotel Guntur
4-5-10 Vidyanagar Ring Road
Guntur, Andhra Pradesh 522 007

Hyderabad

- ITC Kohenur
Plot No. 5
Hyderabad Knowledge City, Madhapur
Hyderabad, Telangana 500 081

Jaipur

- ITC Rajputana
Palace Road
Jaipur, Rajasthan 302 006

Kolkata

- ITC Sonar
1, JBS Haldane Avenue
Kolkata, West Bengal 700 046
- ITC Royal Bengal
1, JBS Haldane Avenue
Kolkata, West Bengal 700 046

Mumbai

- ITC Maratha
Sahar
Mumbai, Maharashtra 400 099

New Delhi

- ITC Maurya
Sardar Patel Marg,
Diplomatic Enclave
New Delhi 110 021
- Sheraton New Delhi
District Centre, Saket
New Delhi 110 017

LICENSED HOTELS
Ahmedabad

20. **Fortune Park, Ahmedabad**
Ellis Bridge
Ahmedabad, Gujarat 380 006

Gurugram

21. **ITC Grand Bharat***
P.O. Hasanpur
Tauru District Mewat
Gurugram, Haryana 122 105

Port Blair

22. **Welcomhotel Bay Island***
Marine Hill
Port Blair, Andaman & Nicobar Islands 744 101

Vadodara

23. **Welcomhotel Vadodara***
R. C. Dutt Road, Alkapuri
Vadodara, Gujarat 390 007

HOTELS UNDER OPERATING SERVICES / FRANCHISING AGREEMENTS
Ahmedabad

24. **Welcomhotel Ahmedabad**
15 Ashram Road, Dandi Kuch Circle
Ahmedabad, Gujarat 380 013

Aurangabad

25. **Welcomhotel Rama International**
R - 3, Chikalthana, Jalna Road
Aurangabad, Maharashtra 431 003

Belagavi

26. **Welcomhotel Belagavi**
Sy No-167, Plot Nos. 20 & 20 Part
Kakati Industrial Area, Kakati
Belagavi, Karnataka 591 113

Bodh Gaya

27. **Welcomhotel Bodh Gaya**
Gaya Bodhgaya Road, Sujata
Bodh Gaya, Bihar 824 233

Chail

28. **Welcomhotel Chail**
Tavleen Chail, Bhalawag Forest
Kandaghat-Chail-Kufri Road Near Janedghat
Shimla, Himachal Pradesh 173 217

Chennai

29. **Welcomhotel GST Road Chennai**
1, GST Road, SP Kovil
Maraimalai Nagar
Chennai, Tamil Nadu 603 204

Colombo

30. **ITC Ratnadipa***
21 Galle Face Center Road
Colombo 001 00
Sri Lanka

Dehradun

31. **Welcomhotel Dehradun**
97, Rajpur Rd, Chander Lok Colony
Dehradun, Uttarakhand 248 001

Dharamshala

32. **Storii Amoha Retreat**
Village Diktu, P.O. Jheol, District Kangra
Tehsil Dharamshala, Himachal Pradesh 176 001

Goa

33. **Storii Shanti Morada**
8/123, Bairo Alto Vaddo, Saligao
North Goa, Goa 403 511

34. **Storii Moira Riviera Goa**
Tin Manas Bambordem
Moirra, Bardez
North Goa, Goa 403 507

Hyderabad

35. **ITC Kakatiya***
6-3-1187, Begumpet
Hyderabad, Telangana 500 016

Jabalpur

36. **Welcomhotel Jabalpur**
Old Tilwara Road, Bargi Hills Sagra
Jabalpur, Madhya Pradesh 482 003

Jaipur

37. **Mementos Jaipur**
Village Natata, Near Kukas
Jaipur, Rajasthan 302 028

38. **Storii Castle Kanota**
Castle Kanota, Kanotagarh,
Village Kanota, Agra Road,
Jaipur, Rajasthan 303 012

Jaisalmer

39. **Storii Jaisalmer**
Plot No. 7, Jodhpur-Jaisalmer Road
Jaisalmer, Rajasthan 345 001

Jawai

40. **Storii Jawai**
Khasra no. 35/9, 35/7, Village Bera
Tehsil Bali
District Pali, Rajasthan 306 126

Jim Corbett

41. **Welcomhotel Jim Corbett**
Village Kyari, Tehsil Salt Ramnagar
District Almora, Uttarakhand 263 646

Jodhpur

42. **Welcomhotel Jodhpur**
Khasra No. 53 Uchiyada Road
Jodhpur, Rajasthan 342 027

Katra

43. **Welcomhotel Katra**
9 Shrine View, SMVD Chowk
Katra, Jammu & Kashmir 182 301

Khimsar

44. **Welcomhotel Khimsar Fort & Dunes**
P.O. Khimsar
District Nagaur, Rajasthan 341 025

Kolkata

45. **Storii Devasom Resort & Spa**
RR Plot No. 10, Basanti Highway
P.O. Bhojerhat
Kolkata, West Bengal 743 502

Kufri

46. **Storii Narindera Orchards Kufri**
New Kufri, Gallukalan, Tehsil-Theog
District Shimla, Himachal Pradesh 171 209

Mamallapuram

47. **Welcomhotel Kences Palm Beach**
No. 53, Devaneri Village
East Coast Road, District Chengalpattu
Mamallapuram, Tamil Nadu 603 104

Manali

48. **Welcomhotel Hamsa**
Village Buruwa
Manali, Himachal Pradesh 175 103

49. **Storii Urvashi's Retreat**
Shanag Road P. O. Bahang,
Manali, Himachal Pradesh 175 103

Mashobra

50. **Welcomhotel Shimla**
Village Patengali (Tarapur) P.O. Mashobra
Shimla, Himachal Pradesh 171 007

Mohali

51. **Welcomhotel Mohali**
Site no. 252, Airport road
Sector 67, Sahibzada Ajit Singh Nagar
Mohali, Punjab 160 062

Mumbai

52. **ITC Grand Central®**
287, Dr. B. Ambedkar Road Parel
Mumbai, Maharashtra 400 012

Mussoorie

53. **Welcomhotel The Savoy**
Library Bazar, Gandhi Chowk P.O. Savoy
Mussoorie, Uttarakhand 248 179

New Delhi

54. **Welcomhotel Dwarka**
Plot No. 3, Sector – 10 District Centre
Dwarka, New Delhi 110 075

55. **Welcomhotel Delhi-Gurugram Highway**
49/2/1, Kapashera, NH – 48
New Delhi 110 037

Pahalgam

56. **Welcomhotel Pine-n-Peak**
Aru Road, Near Amusement Park
Pahalgam, Jammu & Kashmir 192 126

Prayagraj

57. **Welcomhotel Prayagraj**
16, Tashkent Marg, Civil Lines,
Prayagraj, Uttar Pradesh 211 001

Sirmaur

58. **Storii Akanni Naina Tikkar**
Village Thalpa, P.O Nainatikkar, Tehsil Pachad
District Sirmaur, Himachal Pradesh 173 229

Solan

59. **Storii Solan**
Village - Kaba Dhar Guda
Solan, Himachal Pradesh 173 229

Udaipur

60. **Mementos Ekaya Udaipur**
Raya, Near Eklingji Temple
Udaipur, Rajasthan 313 324

Visakhapatnam

61. **Welcomhotel Deveen Grand Bay**
Beach Road,
Visakhapatnam, Andhra Pradesh 530 002

HOTELS UNDER CONSTRUCTION
Puri

62. **Project at Puri**
Plot Nos. 360 (P) & 321 (P)
New Marine Drive Road, Sipasarubali
Puri, Odisha 752 001

Vishakhapatnam

63. **Project at Vishakhapatnam**
Survey No. 68, Block No. 7
Waltair Road, Siripuram
Vishakhapatnam, Andhra Pradesh 530 003

** owned by subsidiaries of the Company.*

owned by associate of the Company.

@ owned by ITC Limited of which the Company is an associate.

**HOTELS UNDER OPERATING SERVICES /
FRANCHISING AGREEMENTS OF SUBSIDIARY**
Fortune Park Hotels Limited
Ahmedabad

1. **Fortune Landmark Ahmedabad**
Ashram Road
Ahmedabad, Gujarat 380 013
2. **Fortune Select SG Highway Ahmedabad**
Near Palladium Mall, SG Highway
Ahmedabad, Gujarat 380 054

Amritsar

3. **Fortune Inn Heritage Walk Amritsar**
Near Post Office, Chowk Fawara
Amritsar, Punjab 143 001
4. **Fortune Ranjit Vihar Amritsar**
Opp. Rose Garden, Ranjit Vihar
Loharka Road
Amritsar, Punjab 143 008

Aligarh

5. **Fortune Park Aligarh**
3747/1, Near Agrasen Sewa Sadan G.T. Road
Aligarh, Uttar Pradesh 202 001

Bengaluru

6. **Fortune Park JP Celestial Bengaluru**
5/43, Race Course Road
Bengaluru, Karnataka 560 009
7. **Fortune Select JP Cosmos Bengaluru**
No.49, Cunningham Crescent Road
Behind Fortis Hospital
Bengaluru, Karnataka 560 052

Bhubaneswar

8. **Fortune Park Sishmo Bhubaneswar**
86/A-1, Gautam Nagar
Bhubaneswar, Odisha 751 014

Chennai

9. **Fortune Beach Resort ECR Chennai**
3/314, Raja Road, Suddhanandapuram, ECR, Uthandi
Chennai, Tamil Nadu 600 119

Dahej

10. **Fortune Park Dahej**
Plot No. Z/4/3, SEZ Part 1 Tal: Vagra
District Bharuch
Dahej, Gujarat 392 130

Dalhousie

11. **Fortune Park Dalhousie**
Near Gandhi Chowk, Subhash Bowli Road
District Chamba
Dalhousie, Himachal Pradesh 176 304

New Delhi

12. **Fortune Park East Delhi**
Plot D, Community Centre, Vivek Vihar
Opp. IP University (East Delhi Campus)
Near Yamuna Sports Complex
New Delhi 110 092

Durgapur

13. **Fortune Park Pushpanjali Durgapur**
C71/A, Shahid Khudiram Sarani, City Centre
Durgapur, West Bengal 713 216

Gandhinagar

14. **Fortune Inn Haveli Gandhinagar**
Plot No 235, Sector 11
Gandhinagar, Gujarat 382 011

Ghaziabad

15. **Fortune District Centre Ghaziabad**
Plot No.1, Sector-23, Sanjay Nagar, District Centre
Ghaziabad, Uttar Pradesh 201 002

Goa

16. **Fortune Miramar Goa**
Off Miramar Beach
Panaji, Goa 403 001
17. **Fortune Resort Benaulim Goa**
1795/H, Calwaddo, Benaulim Salcete
Goa 403 716
18. **Fortune Select Candolim Goa**
Sy no. 20/1-C & 1-D, Baman Vaddo, Candolim
Bardez, Goa 403 515

Gurugram

19. **Fortune Select Global Gurgaon**
Global Arcade, M.G. Road
Gurugram, Haryana 122 002
20. **Fortune Park Orange Sidhrawali Gurgaon**
K.M. Stone 67, NH-8, Sidhrawali
Gurugram, Haryana 122 413

Haldwani

21. **Fortune Walkway Mall Haldwani**
Nainital Road, PO Kathgodam
Nainital, Uttarakhand 263 126

Haridwar

22. **Fortune Park Haridwar**
296/2, NH 58
Sidcul Turn, Bahadarabad
Haridwar, Uttarakhand 249 402

Hoshiarpur

23. **Fortune Park Hoshiarpur**
Bharwain Road, VPO Chohal
Opp. Mata Vaishno Devi Temple
Hoshiarpur, Punjab 146 024

Hosur

24. **Fortune Hosur**
422/2A, Sipcot Phase II, Krishnagiri Highway
Hosur, Tamil Nadu 635 109

Hubballi

25. **Fortune Park Airport Road Hubballi**
Opp. Hubballi Airport, Gokul Road
Hubballi, Karnataka 580 027

Jalandhar

26. **Fortune Avenue Jalandhar**
296-297, Lajpat Nagar
Jalandhar, Punjab 144 001

Kalimpong

27. **Fortune Resort Kalimpong**
Basuripul, Upper Cart Road
Kalimpong, West Bengal 734 301

Kasauli

28. **Fortune Select Forest Hill Mahiya Kasuali**
Village Mahiya, P.O, Bhojnagar
District Solan, Himachal Pradesh 173 229

Katra

29. **Fortune Park Katra**
Railway Station Road
Katra, Jammu & Kashmir 182 301

Ekta Nagar

30. **Fortune Statue of Unity Ekta Nagar**
Statue of Unity, Main Road, Near Rewa Bhavan
Ekta Nagar, Gujarat 393 151

Khajjiar

31. **Fortune Khajjiar**
Khajjiar
Dist. Chamba, Himachal Pradesh 176 304

Kolkata

32. **Fortune Park Panchwati Kolkata**
Kona Expressway Howrah
Kolkata, West Bengal 711 403

Kufri

33. **Fortune Park Kufri Shimla**
Kufri Valley, PO-Fagu New Kufri
Tehsil-Theog, Shimla, Himachal Pradesh 171 209

Kochi

34. **Fortune Airport Road Kochi**
NH – 544, Nedumbassery – P.O.
Ernakulam
Kochi, Kerala 683 585

Lucknow

35. **Fortune Park BBD Lucknow**
29/7, Rana Pratap Marg
Lucknow, Uttar Pradesh 226 001

Madurai

36. **Fortune Pandiyan Hotel Madurai**
Race Course
Madurai, Tamil Nadu 625 002

Manipal

37. **Fortune Valley View Manipal**
Madhav Nagar, Udupi
Manipal, Karnataka 576 104

Mcleod Ganj

38. **Fortune Park Moksha Mcleod Ganj**
Strawberry Hills, Satobari, Near Dal Lake, Mcleod Ganj
Dharamshala Cantt., Himachal Pradesh 176 216

Mumbai

39. **Fortune Select Exotica Navi Mumbai**
Plot No. 16, Sector 19-D, Vashi
Navi Mumbai, Maharashtra 400 705

40. **Fortune Park LakeCity Thane**
Jupiter Medi-park, Eastern Express Highway
Thane West, Maharashtra 400 601

Mussoorie

41. **Fortune Resort Grace Mussoorie**
Library Bazaar, Gandhi Chowk
Mussoorie, Uttarakhand 248 179

Mysore

42. **Fortune JP Palace Mysore**
No. 3, Abba Road, Nazarbad
Mysore, Karnataka 570 007

Noida

43. Fortune Sector 27 Noida
Block I, Plot 1A, Sector 27
Noida, Uttar Pradesh 201 301

Nepal

44. Fortune Resort & Wellness Spa
10, Bhaktapur, Sanga
Nepal 448 00

Ooty

45. Fortune Resort Sullivan Court Ooty
123, Selbourn Road
Ooty, Tamil Nadu 643 001

Pahalgam

46. Fortune Pahalgam
Circuit Road, Ganshibal
Pahalgam, Jammu & Kashmir 192 126

Palampur

47. Fortune Park Palampur
Main Bazar, Palampur Road, Berachah, Palampur
Distt. – Kangra, Himachal Pradesh 176 061

Puri

48. Fortune Beachfront Puri
Sipasarubali, Baliapanda
Puri, Odisha 752 001

Rajkot

49. Fortune Park JPS Grand
150 Feet Ring Road, Near Mavdi Circle
Rajkot, Gujarat 360 004

Srinagar

50. Fortune Resort Heevan Srinagar
Gupt Ganga, Ishber Nishat
Srinagar, Jammu & Kashmir 191 121

Siliguri

51. Fortune Select Siliguri
Eastern Bypass Road, Baikunthapally
PO - Sevoke Road
Jalpaiguri, West Bengal 734 001

Tiruppur

52. Fortune Park Tiruppur
SF. No. 331/4T1A, 15, Velampalayam Road
Anupparpalayam Pudur
Tiruppur, Tamil Nadu 641 652

Tirupati

53. Fortune Select Grand Ridge Tirupati
Shilparamam, Tiruchanoor Road
Tirupati, Andhra Pradesh 517 501

Vadodara

54. Fortune Inn Promenade Vadodara
Near Akota Gardens
Vadodara, Gujarat 390 020

Vapi

55. Fortune Park Galaxy Vapi
National Highway 48, G.I.D.C.
Vapi, Gujarat 396 195

Vellore

56. Fortune Park Vellore
7th East Main Road, Gandhi Nagar
Vellore, Tamil Nadu 632 006

Vijayawada

57. Fortune Murali Park Vijayawada
40-1-28, MG Road, Labbipet
Vijayawada, Andhra Pradesh 520 010

Visakhapatnam

58. Fortune Inn Sree Kanya Visakhapatnam
47-10-34 & 35, Dwaraka Nagar Diamond
Park-Sreekanya Road
Visakhapatnam, Andhra Pradesh 530 016

Landbase India Limited
OWNED GOLF CLUB
Gurugram

Classic Golf & Country Club
P.O. Hasanpur, Tauru Dist.
Mewat, Haryana 122 105

**HOTELS UNDER OPERATING SERVICES /
FRANCHISING AGREEMENTS OF JOINT VENTURE**
Maharaja Heritage Resorts Limited
Ahmedabad

1. WelcomHeritage Mani Mansion
Shantikunj, Paldi Cross Roads, Paldi
Ahmedabad, Gujarat 380 006

Amritsar

2. WelcomHeritage RanjitVilas
Village Heir Airport Road
Amritsar, Punjab 143 001

Bera

3. WelcomHeritage Cheetahgarh Resort & Spa
Rotela Lake, Varawal Circle
Bera Pali, Rajasthan 306 126

Corbett

4. WelcomHeritage Tarangi Ramganga Resort
Village Jhamaria, P.O. Sankar, Marchula, NH-121
Jhamaria, Uttarakhand 244 715

Dharamshala

5. WelcomHeritage Grace Hotel
558, Old chari, Road, Kotwali Bazar Road
Dharamshala, Himachal Pradesh 176 215

Hissar

6. WelcomHeritage Sheikhpura Kothi
VPO Sheikhpura, Petwar Road, Hansi
Hissar, Haryana 125 033

Jaipur

7. WelcomHeritage Traditional Haveli
AC-4-C, Gayatri Marg
Sawai Jai Singh Highway Bani Park
Jaipur, Rajasthan 302 016

Jaisalmer

8. WelcomHeritage Kalyan Bhawan
Gandhi Chowk Road, Sadar Bazar, Kishan Ghat
Jaisalmer, Rajasthan 345 001

9. WelcomHeritage Mandir Palace
Gandhi Chowk Road, Sadar Bazar, Kishan Ghat
Jaisalmer, Rajasthan 345 001

10. WelcomHeritage Mohangarh Fort
Mohangarh Road, Shri Mohangarh
Jaisalmer, Rajasthan 345 033

Jodhpur

11. WelcomHeritage Bal Samand Lake Palace
BSF STC, Mandore Road
Jodhpur, Rajasthan 342 026

Kasauli

12. WelcomHeritage Santa Roza
Mauza kot, District Solan
Kasauli, Himachal Pradesh 173 225

Mount Abu

13. WelcomHeritage Connaught House
Rajendra Marg
Mount Abu, Rajasthan 307 501

Mcleod Ganj

14. WelcomHeritage Natraj
Ward No.3, Mcleod Ganj, Upper Dharamshala
Kangra, Himachal Pradesh 176 219

Mussoorie

15. WelcomHeritage Kasmanda Palace
The Mall Road
Mussoorie, Uttarakhand 248 179

Nainital

16. WelcomHeritage Ashdale
High Court Road, Sherwani
Nainital, Uttarakhand 263 002

Ooty

17. WelcomHeritage Ayatana Ooty
Athigaratty, Muttinadu
Ooty, Tamil Nadu 643 004

18. WelcomHeritage Fernhills Royal Palace
Fernhills Post Nilgiris
Ooty, Tamil Nadu 643 003

Palampur

19. WelcomHeritage Taragarh Palace,
PO Taragarh, Kangra Valley, Baijnath
Palampur, Himachal Pradesh 176 081

Panchmarhi

20. WelcomHeritage Golf View
Mahadev Road
Panchmarhi Cantt., Madhya Pradesh 461 881

Panchkula

21. WelcomHeritage Ramgarh
The Quila, NH-73, near Sector 28
Ramgarh, Panchkula, Haryana 134 118

Panjim

22. WelcomHeritage Panjim Inn
E-212, 31st January Road, Fontainhas
Altinho, Panaji, Goa 403 001

Pench

23. WelcomHeritage Jungle Home
Post Avarghani, Turiya Gate, Nagpur Jabalpur Highway
Pench National Park
Seoni, Madhya Pradesh 480 881

Pragpur

24. WelcomHeritage Judge's Court
Jai Bhawan
Pragpur, Himachal Pradesh 177 107

Prayagraj

25. WelcomHeritage Badi Kothi
918/572 Nirala Marg, Buxi Khurd, Daraganj
Prayagraj (Allahabad), Uttar Pradesh 211 006

Ranakpur

26. WelcomHeritage Maharani Bagh Orchard Retreat
Sadri, Pali
Ranakpur, Rajasthan 306 702

Ranikhet

27. WelcomHeritage Windsor Lodge
Kalika Estate, Dadgallia
Ranikhet, Uttarakhand 263 645

Ranthambore

28. WelcomHeritage Mount Valley Resort
Vivekanandapuram Colony, Sawai Madhopur, Bhuderda
Ranthambhore, Rajasthan 322 001

Ratanpur

29. WelcomHeritage Akashganga Heritage Hills Resort & Spa
Bhehana, Bichhiwara-Dungarpur Highway
Ratanpur, Rajasthan 314 804

Rishikesh

30. WelcomHeritage Arka Resort & Spa
Patti Talla, Village Kund Silogi
Lansdowne Road, Dhangu 2
Rishikesh, Uttarakhand 246 173

Sandur

31. WelcomHeritage Shivavilas Palace
No: 97, Palace Road, Bellary
Sandur, Karnataka 583 119

Shimla

32. WelcomHeritage Elysium Resort & Spa
Near Geeta Mandir, Tutikandi
Shimla, Himachal Pradesh 171 004

Srinagar

33. WelcomHeritage Grand
Parraypora, Airport Road, Baghat
Srinagar, Jammu and Kashmir 190 005

34. WelcomHeritage Gurkha Houseboats
Opp. Nageen Club, Nageen Lake
Srinagar, Jammu and Kashmir 190 006

Solan

35. WelcomHeritage Parv Vilas Resort & Spa
Gandhigram, Kasauli Hills
Solan, Himachal Pradesh 173 229

Tadoba

36. WelcomHeritage Tadoba Vanya Vilas Resort & Spa
Khasra No 41, Chaiti Tukum
Kolara Gate Tadoba, Chimur
Chandrapur, Maharashtra 442 903

Report of the Board of Directors

& Management Discussion and Analysis

For the Financial Year ended 31st March, 2026

MACRO-ECONOMIC ENVIRONMENT

• Global Economy

The global economy remained resilient and grew by 3.4% during the year (previous year 3.3%) amid heightened uncertainty and volatility in the macroeconomic environment. Technology led investments, selective fiscal and monetary support, and easing inflationary pressures supported underperformance of few other sectors in 2025. Advanced Economies grew at 1.9%, marginally higher than 1.8% growth in the previous year, supported by growth in European Union and Japan. Growth in the Developing Economies moderated slightly to 4.4% (previous year 4.5%). Escalation of geopolitical tensions in West Asia from February-March 2026 led to heightened energy market volatility and further weighed on trade sentiment, adding to the global macroeconomic uncertainty.

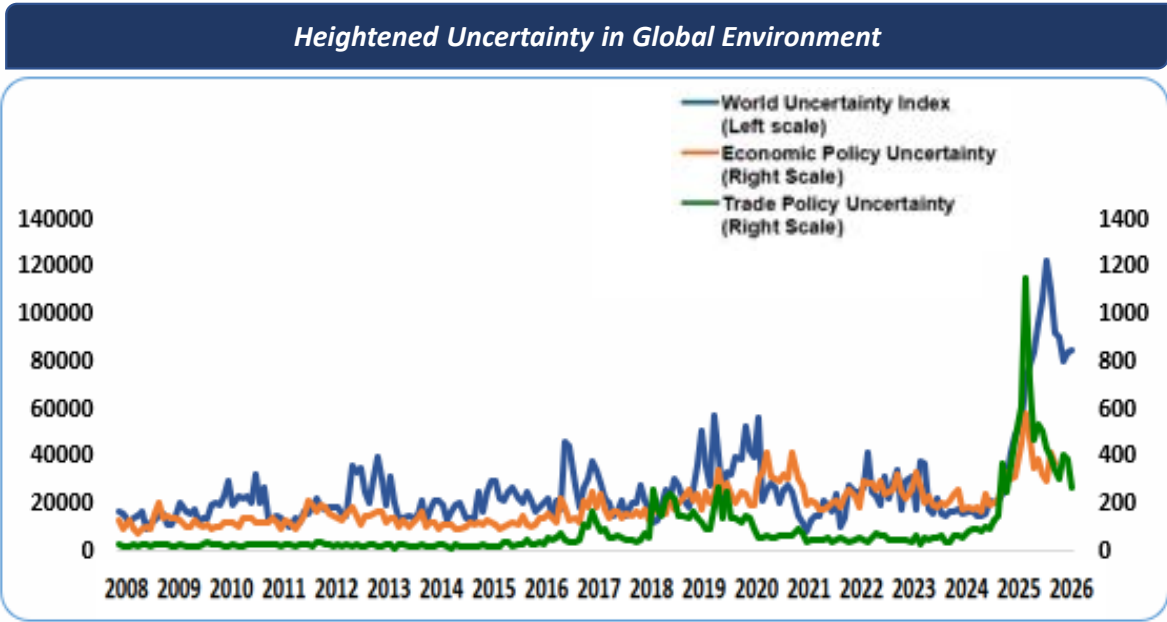
Looking ahead, as per IMF's estimates, global growth is projected to moderate to 3.1% in 2026, with a modest recovery to 3.2% in 2027. Global inflation is estimated to rise to 4.4% in 2026, from 4.1% in 2025, primarily driven by higher energy and food prices. The outlook reflects stable growth in Advanced Economies and a moderation in

Emerging Markets, alongside risks from elevated inflation, geopolitical developments and persistent trade frictions.

• Indian Economy

Amidst a volatile and uncertain global environment during the year, India reaffirmed its status as the fastest growing major economy with 7.6%¹ growth in Real GDP, up from 7.1% in FY 2024-25 and 7.2% in FY 2023-24. Domestic demand continued to anchor growth on the back of supportive fiscal and monetary policies, reduced income tax rates, GST rate rationalization across sectors, and benign inflation levels. Both services and manufacturing sectors delivered robust growth of 9% and 11.5% respectively over the previous year.

Since March 2026, the West Asia conflict has emerged as significant source of uncertainty. The resultant supply-side disruption and elevated energy prices, raises the risk of inflationary pressures in the near-term, while also weighing on private consumption and investor sentiment. Despite near-term pressures, the Indian economy continues to demonstrate



Source: IMF World Economic Outlook Apr'26

¹ IMF and MoSPI second advance estimates

resilience and is expected to grow at an estimated 6.5% in FY 2026-27. With ongoing structural reforms across sectors, supported by a large domestic market and investment-led expansion, the economy is relatively well placed to maintain its growth momentum over the medium-to-long term.

INDUSTRY INSIGHTS

• **Global Tourism & Hospitality Industry**

Over the last five decades, global tourism has expanded steadily, with international arrivals increasing from about 222 million in 1975 to 1.5 billion in 2025. This growth has been enabled by rising incomes, improved connectivity, technological progress, digital platforms, and supportive tourism policies. The sector has also demonstrated remarkable resilience, recovering from successive global disruptions and sustaining its long-term growth trajectory. During the year, Travel & Tourism contributed about 9.8% of global GDP amounting to USD 11.6 trillion and grew by 4.1% over the previous year, outpacing overall global economic growth. It supported approximately 366 million jobs worldwide, representing about 10.9% of total employment, and accounted for nearly one-third of new jobs created globally, underscoring its importance for global economic activity, employment, and livelihoods. Travel demand remained robust underpinned by rising middle class consumption, the resurgence of long haul travel, and structural growth in emerging markets. Reflecting this momentum, global air passenger traffic and capacity grew by 5.3% and 5.2%, respectively, in 2025 over the previous year².

As per UN Tourism's World Tourism Barometer, international tourist arrivals in 2025 grew by 4% over the previous year,

exceeding pre-pandemic levels despite elevated geopolitical and trade-related uncertainties.

Going forward, international tourism is expected to grow faster than the broader economy, supported by resilient travel demand, improved air connectivity, and ongoing recovery in the Asia Pacific region. However, geopolitical tensions, particularly in West Asia, together with elevated travel costs and macroeconomic uncertainties, remain key monitorables for the sector's near-term outlook.

• **Indian Tourism & Hospitality Industry**

During the year, the Indian hospitality industry delivered steady growth amid a challenging operating environment, with demand affected intermittently by external developments. After a strong start to the financial year, travel activity was impacted by geopolitical tensions, aviation related disruptions, adverse weather events, and the West Asian conflict, which resulted in deferment of travel decisions and softer travel momentum. Domestic air passenger traffic grew modestly Y-o-Y while foreign tourist arrivals (excluding Bangladesh) grew by 4.2% Y-o-Y, marginally up pre-pandemic levels. India's increasing prominence as a destination for large-format conferences, diplomatic engagements, and cultural events further supported MICE and business travel demand, with the country hosting several national and international events, including the India AI Impact Summit 2026 and the World Health Summit.

According to Horwath HTL, the overall supply of branded hotel rooms across the country expanded by 7.8% Y-o-Y, while demand grew at a higher pace of 9.1% during the same period. Out of the new supply added in 2025, nearly 41% pertained to the premium segment (i.e. upscale and above). Majority of the new supply in 2025 is estimated to have been

added outside the top ten markets of India. During the year, branded hotels' occupancy reached 64%, rising 110 bps over last year, while Average Daily Rates (ADRs) increased to ₹ 8,624, reflecting a strong 8.6% growth. Revenue per Available Room (RevPAR) reached ₹ 5,522, growing by 10.8% Y-o-Y.

The Indian hospitality industry is at an inflection point, with large-scale investments in transport infrastructure expected to reshape travel over the medium term. The seven new high speed rail corridors, announced in the recent Union Budget 2026-27, along with the recently commissioned airports in Navi-Mumbai and Noida, and Delhi-Dehradun Expressway are expected to progressively reduce travel times between major urban and leisure centres in the years to come. These developments should support greater regional mobility, deepen tourism flows beyond large metros, and create new growth opportunities for the hospitality sector.

Looking ahead, the growth in room demand is likely to continue to outpace supply growth, particularly in the top ten markets. Hotel ADRs are also expected to grow, particularly in the premium segment backed by rising consumer propensity to pay. Travel demand is also expected to progressively extend beyond India's top ten cities into emerging business, pilgrimage, and leisure hubs, supporting a broader expansion of the Indian tourism and hospitality market.

The outlook for India's hospitality sector remains positive, supported by sustained growth in domestic tourism in recent years. Domestic travel has emerged as a structural and stable demand driver for the hospitality sector, spanning leisure, business travel, destination weddings, MICE, and religious tourism. Short-haul leisure trips, pilgrimage-led travel, improved connectivity, and better infrastructure are aiding the expansion of hospitality demand beyond the large metros to Tier-II and Tier-III cities. Traveller preferences are shifting towards heritage, wellness, spiritual, and nature-based experiences, while greater adoption of technology across bookings, pricing, and guest engagement is enhancing operational efficiency and reach. The breadth of domestic demand has reduced reliance on inbound travel and improved sector resilience; policy measures such as GST rate rationalisation, income tax reduction, and monetary easing are expected to further support discretionary consumption in the near term.

BUSINESS OF THE COMPANY

The year marked five decades since the commencement of the Hotels business of your Company in 1975 with Welcomhotel Chennai. Over the last five decades, the Business has evolved from a single landmark hotel into one of India's leading hospitality enterprise, underpinned by iconic properties, strong brand equity, superior guest experiences, and widely acclaimed cuisine brands, while also being recognised as a global exemplar in sustainable hospitality.

Your Company today stands amongst India's fastest growing hospitality companies, with a diverse portfolio comprising of 155 operating hotels with over 14,200 keys. Your Company is recognized for its world-class properties, distinct brand architecture, signature culinary offerings, and superior service standards. Anchored in its 'Responsible Luxury' philosophy, the Company embeds sustainability across design, operations, and guest experience.

PERFORMANCE HIGHLIGHTS FY 2025-26

Your Company delivered a resilient performance amid a challenging and volatile operating environment during the year. Leveraging its strong brand equity, depth of operational expertise, and people-first culture, the Company responded with agility and focused execution. The focus across hotels remained firmly on delivering superior guest experiences, consistently upholding service excellence, smart revenue management, and driving cost efficiencies. Investments were stepped up in capability building, brand management, talent upskilling, and technology upgradation towards securing long-term growth and value creation.

Rooted deeply in Indian hospitality, your Company continued to be the preferred choice for global dignitaries and travellers seeking an authentic yet modern luxury experience, underpinned by responsible and sustainable practices. During the year, the Company was recognised as the 'Best Luxury Hotel Chain' at the Travel + Leisure India's Best Awards 2026 for the 9th consecutive year, underscoring its leadership in luxury hospitality. In recognition of its unwavering commitment to sustainability, the Company was awarded 'World's Leading Sustainable Organisation' as well as 'World's Leading Sustainable Employer' at the World Sustainable Travel & Hospitality Awards 2025. Your Company was also certified as a 'Great Place to Work', achieving a #5 ranking in India and #45 in Asia, reaffirming its position as an employer of choice.

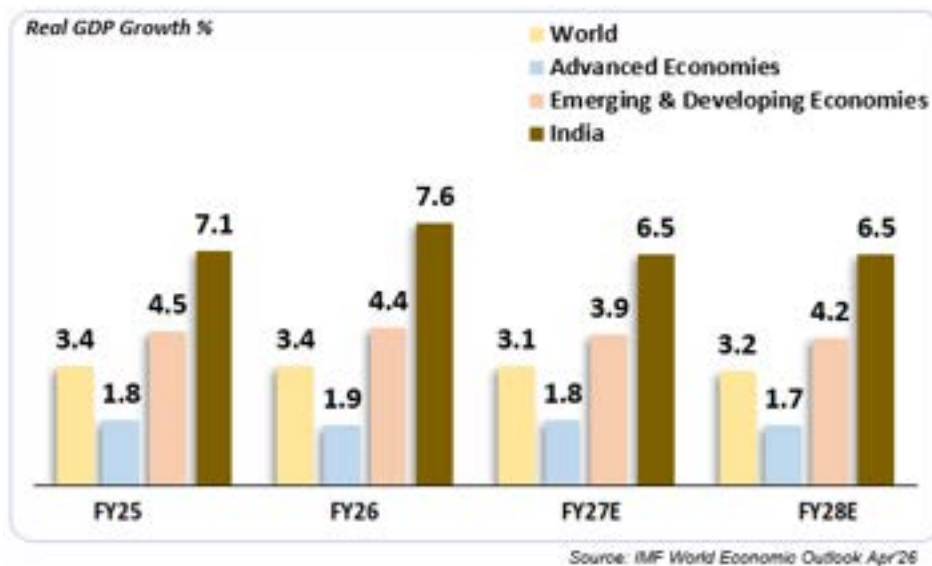
ITC Ratnadipa sustained its RevPAR leadership position in Colombo and delivered positive EBITDA for the year. The hotel also featured in Conde Nast Traveller's 'Hot List 2025', further strengthening the Company's recognition on a global scale. In parallel, Sapphire Residences, Colombo commenced handover of luxury apartments during the year. Designed to offer a seamless blend of branded residences, hospitality services, and sustainability-led living, Sapphire Residences continue to garner strong interest from buyers.

During the year, the Company continued to deliver consistently across all its strategic pillars while staying true to its enduring commitment to excellence in hospitality and its ability to create long-term value for all stakeholders.

• **Brand Landscape**

During FY 2025-26, the Company continued to strengthen its brand equity across its diverse hotel portfolio by strengthening its brand architecture. Your Company houses

India reaffirms its position as the fastest growing major economy



² IATA December 2025

a comprehensive suite of brands spanning hotel brands, signature cuisine brands, experience-led brands, and distinct accommodation formats. This multi-layered brand architecture enables the Company to effectively address varied guest segments and travel occasions, while remaining firmly anchored to the core principles of Indian hospitality, uncompromising quality, and Responsible Luxury.

During the year, 'ITC Hotels' reinforced its leadership position in the luxury segment. The Company's flagship properties received several accolades: ITC Maurya was recognised as the 'Favourite Indian Business Hotel', while ITC Grand Chola was awarded the 'Favourite Indian Hotel for Food & Drink' at the Condé Nast Traveller – Readers' Travel Awards 2025. ITC Grand Bharat was conferred the 'Best Hotel for Weddings', and ITC Royal Bengal was recognised as the 'Best Celebration Hotel' at the Travel + Leisure India's Best Awards 2025. The luxury portfolio expanded during the year with the signing of an 'ITC Hotels' branded hotel in Patna, one of the emerging trading and business destinations. As at 31st March 2026, the brand 'ITC Hotels' comprised of a portfolio³ of 17 hotels with 4,929 keys. The Company's lifestyle luxury and boutique brands, Mementos and Storii, continued to gain strong traction within their respective segments. During the year, new Storii properties opened across marquee locations, including scenic hill destinations such as Kufri and Sirmaur, heritage locations like Jaipur, and wildlife regions such as Jawai. Collectively, Mementos and Storii now comprise a portfolio³ of 28 hotels with over 1,800 keys, to cater the growing consumer preference for experiential and curated stays.

Your Company launched a new premium hospitality brand 'Epiq Collection' for upcoming projects in Puri, Tirupati, and Jaipur. Designed to accelerate the Company's premiumization journey, plans are on the anvil to scale up the 'Epiq Collection' brand to approximately 1,000 keys over the medium term, offering elevated, locally inspired experiences

under a unified premium identity while supporting rapid expansion of its hospitality footprint.

The 'Welcomhotel' brand continued to play a pivotal role in your Company's expansion strategy, with rapid growth across Tier 2, pilgrimage and leisure destinations. New hotels opened during the year at prominent spiritual destinations such as Prayagraj and Bodh Gaya, and at urban centres of Dehradun and Mohali, along with the expansion of the existing property in Aurangabad. Welcomhotel Pine N Peak, Pahalgam, earned notable recognition, including the Condé Nast Traveller 'Gold List 2025' and 'Best Family Hotel/Resort – Editor's Choice' at the Travel + Leisure India's Best Awards 2025. The brand achieved a significant milestone during the year, crossing a portfolio³ of 50 hotels with 5900 keys.

In the mid-market to upscale segment, Fortune Hotels maintained its steady growth trajectory. During the year, new Fortune properties opened in Kochi and Siliguri, strengthening presence across commercial, leisure, and transit hubs. The brand today comprises a portfolio³ of 86 hotels with over 6,600 keys. The heritage hospitality brand WelcomHeritage continued to expand its footprint with new openings at Rishikesh and Ratanpur. As at year end, WelcomHeritage has a portfolio³ of 38 hotels with over 1,150 keys

During the year, your Company refreshed its loyalty ecosystem 'Club ITC', aimed at deepening customer engagement, enhancing lifetime value, and supporting sustained revenue growth. The refreshed programme offers near real-time earning and redemption, improved transparency, and a seamless experience across stays, dining, and celebrations, supported by industry-leading earn rates and the introduction of a lifetime Platinum Select tier. Enhanced dining benefits under 'Club ITC Culinaire', expanded redemption options, and integration across guests and intermediaries have further evolved the platform into a unified, technology-enabled travel and lifestyle ecosystem.

Your Company's food & beverage (F&B) portfolio continued to be distinguished for its award-winning culinary excellence and signature dining experiences, receiving industry recognition across leading global and national platforms. Your Company was honored at the Travel + Leisure India's Delicious Dining Awards 2025 with 'Best Service (Hotels Category)'. Signature restaurants such as 'Avartana' at ITC Grand Chola and 'Bukhara' at ITC Maurya consistently featured in prestigious forums including the Condé Nast Traveller 'Top 50 Restaurants Awards 2025' and Tatler 'Best Restaurants Asia-Pacific 2025'.

Alongside these recognitions, the Company continued to strengthen and expand its F&B footprint with extension of legacy brands like 'Kebabs & Kurries' across Mementos Jaipur, Welcomhotel Bhubaneswar, Welcomhotel Prayagraj, and Welcomhotel Mohali. 'Edo' was relaunched with a new concept and a renewed look at ITC Gardenia at Bengaluru. 'Edo' brings Japan's popular izakaya dining culture to Bengaluru with small plates served in a relaxed seating, surrounded by interiors that take inspiration from Japanese pop art. After the success of the newly refurbished 'Fabelle' Chocolate Boutique at ITC Maurya in the previous year, the Company upgraded its other 'Fabelle' outlets at ITC Grand Chola, ITC Gardenia, and ITC Maratha during the year. Emerging business verticals such as Gourmet Couch, Nutmeg, Flavours, and curated festive and corporate gifting continued to scale, driven by focused innovation in products, packaging, and go-to-market initiatives.

The Company continued to demonstrate its F&B excellence at Bharat Mandapam, catering for several high-profile national and international events, including the 'India AI Impact Summit' and 'WHO World Health Summit' reflecting scale, execution excellence, and institutional confidence in the Company's culinary capabilities.

• **Asset-Right Growth**

Your Company's asset-right growth strategy continues to be a key driver of its expansion, leveraging its well-known hospitality brands and operational excellence to enable partnerships with asset owners. This approach has allowed the Company to expand its geographical footprint and accelerate growth across segments, resulting in the managed portfolio expanding significantly in the last five years. Over the last 24 months, the Company has signed 63 hotels with over 5,800 keys and opened 29 hotels with over 2,300 keys, sustaining a pace of opening at least one hotel per month. With a continued focus on premiumisation of its hotel portfolio, your Company aims to scale its operating portfolio to 250 hotels with over 22,000 keys over the next 5 years, with nearly 2/3rd of the keys are planned to be under the managed and franchised formats. Enabling this vision, the Company today has a pipeline of 69 hotels with over 7100 keys. The Company also continues to selectively scale its owned portfolio through strategic investments in high-potential locations, reinforcing a balanced growth strategy aligned with long-term value creation. Construction activity is progressing on key projects, including a new premium hotel at Puri and the addition of a new accommodation and banqueting block at Welcomhotel Bhubaneswar. Further, development has commenced on new hotel projects at Yashobhoomi, New Delhi and Visakhapatnam.

During the year, your Company successfully won the bid from India International Convention and Exhibition Centre Limited (IICC Ltd) for a land parcel at Yashobhoomi Complex in New Delhi, on a long term lease for the development and operation of a luxury hotel. With completion targeted by 2030, the upcoming hotel is expected to benefit from Yashobhoomi's positioning as a global destination for conventions, exhibitions, and marquee events. The upcoming hotel at Visakhapatnam is positioned to cater to the city's growing demand from the IT sector, data centres,



**Welcomhotel Bodh Gaya
Hotel & Convention Centre**



Storii Jawai



**Epiq Collection Puri
slated to open in 2027**



**Luxury Hotel Planned at
Yashobhoomi Complex, New Delhi**

³ Including pipeline

industrial, and port-led business travel, while strengthening the Company's presence on the eastern coast.

During the year, your Company successfully completed renovation of room inventory at your Company's luxury hotels at Chennai, Bengaluru, Kolkata, and Delhi. Further, 'Cubbon Pavillion' at ITC Gardenia, 'Madras Pavillion' at ITC Grand Chola, and 'Aravali Pavillion' at ITC Grand Bharat were also completely renovated during the year. In order to cater to the growing demand for banqueting events, a 5800 sqft. banquet space at Sheraton New Delhi and 2600 sqft. at ITC Grand Chola were added during the year. The iconic lobby of ITC Maurya at New Delhi also underwent significant renovation and upgradation during the year. These regular refurbishments of the product portfolio have ensured that the Company's assets remain contemporary and address the evolving needs of its guests.

Digital First Initiatives

Your Company continued to advance its digital agenda during the year with a focus on strengthening enterprise capabilities, enhancing guest experience, and supporting long-term growth. The emphasis remained on building an integrated, scalable, and future-ready digital ecosystem across the organization. Guest-facing applications continued to evolve, with digital enhancements to guest interfaces, loyalty engagement, and direct channels. Investments in digital engagement and performance-led marketing supported stronger direct relationships with guests and improved customer interaction.

The Company continues to strengthen its technology and data foundation. Enterprise platforms, digital infrastructure, and data capabilities were further scaled during the year to support operational consistency, improved decision-making, and greater agility across the portfolio. Several initiatives are underway towards creating a more connected and well-governed digital environment capable of supporting future growth and intelligent applications. Your Company also advanced its capabilities in automation, analytics, and artificial intelligence through a structured three-pillar framework focused on revenue enhancement, guest experience improvement, and operational efficiency. Pilot initiatives were progressed during the year, alongside efforts to strengthen digital content and creative capabilities. These initiatives are intended to support more personalised experiences, deeper customer engagement, and improved organizational responsiveness over time.

Significant investments continue to be made in information security and digital resilience, reflecting the importance of safeguarding guest trust, ensuring operational continuity, and aligning with evolving regulatory requirements. Cybersecurity capabilities, governance frameworks, and data protection measures were further strengthened during the year.

Overall, Your Company's digital ecosystem continued to mature in scale, coherence, and capability. These investments reflect a future ready strategic orientation

towards building a digitally enabled, data-informed, and experience-led organization positioned to support future growth and evolving guest expectations.

Responsible Luxury

During the year, your Company not only sustained its leadership position in sustainable hospitality but also surpassed several of its own previous benchmarks. Your Company was recognized as the 'World's Leading Sustainable Organisation', 'World's Leading Sustainable Employer', 'World's Leading Sustainable Marketing Campaign', and 'World's Leading Sustainable Food & Nutrition Initiative' at World Sustainable Tourism & Hospitality Awards 2025. The Company was also conferred with the 'Excellence in Decarbonization (Corporate Category)' Award at ISHRAE Conclave, the 'Organisation with Highest Quality Orientation' Award by World Quality Congress, and the 'Best Sustainability Initiatives' Award at IRec Awards 2025, amongst several other accolades during the year.

The Company's long-standing focus on sustainability-led hotel operations continued to deliver tangible outcomes during the year across water stewardship and energy efficiency. During the year, ITC Grand Bharat, ITC Narmada, Welcomhotel Bhubaneswar, and ITC Gardenia were certified as 'LEED® Zero Water Hotels', thereby distinguishing ITC Hotels as the leading hotel chain globally to have 12 LEED® Zero Water Certified Hotels in the world. Your Company has surpassed the '2030 sectoral emission targets' for the sixth consecutive year and has also sustained 2050 emission level targets aligned with COP 21 for twelve of its hotels, consistent with your Company's 2030 sustainability goals.

Your Company has, over the years, proactively strengthened its operational resilience by transitioning from fossil fuel-based energy systems to increased electrification and renewable-aligned solutions across kitchens, laundries, boilers, and hot water systems. This long-term, system-led approach, embedded in the Company's ethos of Responsible Luxury, has reduced dependence on volatile fuel supply chains, enhanced operational resilience, and integrated sustainability into core infrastructure planning. The overall owned renewable energy portfolio now stands at 51.2 MW, after commissioning of a 3.3 MW wind turbine at Rajkot, Gujarat during this year. Currently, more than half of your Company's electricity consumption is from renewable sources. Your Company continues to evaluate avenues to further enhance the share of renewable energy in its portfolio and further reduce carbon emission levels in the coming years. Your Company has undertaken several initiatives during the year, towards mitigating plastic waste and pollution in its areas of operations and continues to take industry leading initiatives with Global Tourism Plastics Initiative (GTPI) led by UNEP (United Nations Environment Programme) and UN Tourism.

FINANCIAL PERFORMANCE

Results of operations for the year ended 31st March, 2026

Standalone Financial Results

Your Company delivered a resilient performance during the year amidst a challenging operating environment. External factors created temporary fluctuations in demand, which briefly affected occupancy levels, however ADRs witnessed growth on the back of pro-active and smart revenue management. The Food & Beverages segment also delivered a robust performance contributing significantly to the overall revenue growth of your Company. This was driven by sustained growth momentum in banqueting and event catering segment along with innovative culinary offerings across the Company's specialty restaurants and takeaway vertical. Your Company's investments in digital innovation and talent development further strengthened its competitive position, resulting in improved guest experience and stakeholder value.

The following table sets forth financial information for your Company for the year ended 31st March, 2026.

₹ in crores			
	Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
I	Revenue From Operations	3583.19	3279.27
II	Other Income	177.32	53.72
III	Total Income (I+II)	3760.51	3332.99
IV	EXPENSES		
	Consumption of food, beverage, etc.	328.97	318.76
	Employee benefits expense	693.74	604.20
	Finance costs	11.33	11.32
	Depreciation and amortization expense	293.66	297.30
	Other expenses	1270.18	1167.48
	Total expenses (IV)	2597.88	2399.06
V	Profit before exceptional items and tax (III-IV)	1162.63	933.93
VI	Exceptional Items	(51.30)	-
VII	Profit before tax (V+VI)	1111.33	933.93
VIII	Tax Expense:		
	Current Tax	277.65	212.47
	Deferred Tax	4.42	23.05
IX	Profit for the year (VII-VIII)	829.26	698.41
X	Other Comprehensive Income (net of tax)	(17.76)	0.93
XI	Total Comprehensive Income for the year (IX+X)	811.50	699.34

Major head-wise analysis of income and expenses is as below:

(a) Income

Total Income for the current year increased to ₹ 3,760.51 crores, reflecting an increase of 13% from the previous year. The summary of Total Income is provided in the table below:

₹ in crores			
Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025	% change
Rooms	1847.73	1706.97	8%
Food and beverages	1415.05	1317.97	7%
Management & operating fees etc.	128.42	90.52	42%
Others (including membership fees etc.)	164.25	130.52	26%
Gross Revenue from sale of products and services	3555.45	3245.98	10%
Other Operating Income	27.74	33.29	-17%
Revenue From Operations	3583.19	3279.27	9%
Other Income	177.32	53.72	230%
Total Income	3760.51	3332.99	13%

- (i) Rooms Revenue for the year increased to ₹ 1847.73 crores, reflecting an increase of 8% from the previous year. Overall occupancy stood at 74%, rising by 128 bps, and ADRs reached ₹ 13,368, growing by 6% from the previous year, driven by robust performance across all segments like Retail, Contracted, MICE, Weddings, and Crew.
- (ii) Food & Beverages Revenue for the year increased to ₹ 1415.05 crores, reflecting an increase of 7% from the previous year, led by sustained growth in banquets, outdoor catering, specialty restaurants, in-room dining, and takeaway verticals.
- (iii) Management & operating fees etc. for the year increased to ₹ 128.42 crores, reflecting an increase of 42% from the previous year, driven by stabilisation of managed properties including ITC Ratnadipa, Colombo, Sri Lanka which were commissioned in the previous year and opening of new managed properties across key business, pilgrimage, and leisure destinations such as Mohali, Prayagraj, Bodh Gaya, Dehradun, Kufri, Sirmour, Jaipur etc. during the year, along with a full year contribution from ITC Grand Central, Mumbai.
- (iv) Others (including membership fees etc.) and Other Operating Income for the year stood at ₹ 164.25 crores and ₹ 27.74 crores respectively. These include income from spa, laundry, health club, membership income, internet revenue, retail spaces, and revenue earned from other ancillary services.
- (v) Other Income of ₹ 177.32 crores represents income from investments and bank deposits, along with dividend income from Group companies and other non-operating gains and losses.

(b) Expenses

Total Expenses for the current year increased to ₹ 2597.88 crores. While Total Income during the current year increased by 13% from the previous year, Total Expenses increased by 8% from the previous year. Variances under each expenditure head are explained below:

(i) Consumption of food, beverage, etc.

₹ in crores			
Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025	% change
Consumption of food, beverage, etc.	328.97	318.76	3%
% of Food & beverages revenue	23.2%	24.2%	-94 bps

Consumption of food, beverage, etc. as a % of Food & beverages revenue reduced by 94 bps, supported by efficiency in procurement and operations despite increase in input costs.

(ii) Employee benefit expense

₹ in crores			
Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025	% change
Employee benefit expense	693.74	604.20	15%
% of Revenue from Operations	19.4%	18.4%	+94 bps

Employee benefit expense as a percentage of Revenue from Operations increased by 94 bps mainly on account of full year effect of certain independent entity costs including set up of new corporate functions, pursuant to demerger.

(iii) Finance costs

₹ in crores			
Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025	% change
Finance Costs	11.33	11.32	0%

Finance costs primarily include interest expenses on lease liabilities arising from hotel license arrangements.

(iv) Depreciation and amortization expense

₹ in crores			
Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025	% change
Depreciation and amortization expense	293.66	297.30	-1%

Depreciation and amortization expense for the year comprises depreciation on existing Property, Plant & Equipment, Intangible Assets, and Right of Use Assets along with renovations and routine capital expenditures undertaken during the year.

(v) Other expenses

₹ in crores			
Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025	% change
Other expenses	1270.18	1167.48	9%
% of Revenue from Operations	35.4%	35.6%	-15 bps

Other expenses include power and fuel, repair and refurbishments, sales promotion, information technology services, and other similar items. Power and fuel as a % of Revenue from Operations during the current year reduced by 52 bps over the previous year on account of various energy saving initiatives implemented and addition of renewable energy asset at Gujarat during the year. It also includes variable expenses such as consumption of stores & spares, hotel reservation and marketing expenses, bank and credit card charges, commissions etc. which are in line with increase in business activity.

(c) Exceptional Items

₹ in crores		
Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Exceptional items	(51.30)	-

Exceptional Items for the current year represent estimated one time impact on recognition of past service cost with respect to gratuity and compensated absences pursuant to notifications issued by the Ministry of Labour & Employment dated 21st November, 2025 bringing into force the provisions of the Code on Wages, 2019,

the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020.

(d) Tax Expense

₹ in crores			
Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025	% change
Tax expense	282.07	235.52	20%

Tax expense for the current year increased in line with increase in profits in the current year.

(e) Profit for the year

₹ in crores			
Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025	% change
Profit for the year	829.26	698.41	19%
% of Total Income	22.1%	21.0%	+110 bps

Profit after tax increased to ₹ 829.26 crores, reflecting an increase of 19% Y-o-Y, driven by sustained growth in ADRs and occupancy levels reflecting strong underlying demand. Robust revenue growth across all segments and higher other income combined with effective cost management initiatives resulted in higher profit after tax in the current year.

The Directors of your Company are pleased to recommend a Final Dividend of ₹ 1 per share for the financial year ended 31st March, 2026. Total cash outflow on account of Dividend will be ₹ 208.30 crores.

PROFITS AND RETAINED EARNINGS

₹ in crores

PROFITS	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Profit before exceptional items and tax	1162.63	933.93
Exceptional Items	(51.30)	-
Profit before tax	1111.33	933.93
Tax expense:		
Current Tax	277.65	212.47
Deferred Tax	4.42	23.05
Profit for the year	829.26	698.41
Other Comprehensive Income (net of tax)	(17.76)	0.93
Total Comprehensive Income for the year	811.50	699.34

STATEMENT OF RETAINED EARNINGS*	For the year ended 31st March, 2026	For the year ended 31st March, 2025
At the beginning of the year	268.16	1.10
Add: Profit for the period	829.26	266.11
Add: Other Comprehensive Income (net of tax)	(17.76)	0.95
Add: Transfers from Share Options Outstanding Account on options exercise and lapse [#]	0.23	...
At the end of the year	1079.89	268.16

*Since the Appointed Date under the Demerger Scheme was 1st January, 2025, profit of the Demerged Undertaking up to 31st December, 2024 has not been considered under Retained Earnings.

[#]Figures presented as “...” are below the rounding off norm adopted by the Company.

CONSOLIDATED FINANCIAL RESULTS

The Consolidated Financial Statements comprise your Company and its subsidiaries (referred collectively as the ‘Group’) and the Group’s interest in associates and joint ventures prepared in accordance with Ind AS, as applicable to your Company. The Consolidated Financial Statements are prepared based on a line by line consolidation of the financial statements of the subsidiaries and by applying the equity method of accounting for joint ventures and associates.

The Financial Results have been prepared in accordance with the prescribed Accounting Standards (Ind AS). The following table sets forth consolidated financial information for your Company for the year ended 31st March, 2026.

₹ in crores

	For the year ended 31st March, 2026	For the year ended 31st March, 2025
I Revenue From Operations	4139.40	3559.81
II Other Income	191.94	66.30
III Total Income (I+II)	4331.34	3626.11
IV EXPENSES		
Consumption of food, beverage, etc.	374.24	363.15
Real estate development cost	138.54	-
Employee benefits expense	782.89	692.51
Finance costs	7.93	6.64
Depreciation and amortization expense	416.51	402.35
Other expenses	1419.95	1293.27
Total expenses (IV)	3140.06	2757.92
V Share of profit / (loss) of Associates and Joint Venture	11.87	15.87
VI Profit before exceptional items and tax (III-IV+V)	1203.15	884.06
VII Exceptional items	(80.17)	-
VIII Profit before tax (VI+VII)	1122.98	884.06
IX Tax Expense:		
Current Tax	290.46	220.79
Deferred Tax	11.26	25.63
X Profit for the Year (VIII-IX)	821.26	637.64
XI Other Comprehensive Income (net of tax)	116.09	120.94
XII Total Comprehensive Income for the year (X+XI)	937.35	758.58

NOTES ON SUBSIDIARIES
WelcomHotels Lanka (Private) Limited

WelcomHotels Lanka (Private) Limited, a wholly-owned subsidiary of your Company, was incorporated in Sri Lanka in April 2012 with the objective of developing a mixed-use development project comprising of a 352 key luxury hotel (ITC Ratnadipa) and a super-premium residential apartment complex (Sapphire Residences) on 5.86 acres of prime sea-facing land in Colombo. ITC Ratnadipa commenced operations in April 2024.

The Sri Lankan economy continued its recovery during FY 2025-26, marking a second consecutive year of strong growth, supported by improving macro-economic stability. The year witnessed record tourist arrivals and relative stability in the external environment, despite disruptions arising from adverse weather conditions including Cyclone Ditwah. While economic momentum remained firm through most of the year, heightened geopolitical tensions in West Asia in March 2026 affected food and energy prices and caused supply chain disruptions in the economy.

Notwithstanding the operational challenges caused by the aforesaid disruptions, ITC Ratnadipa sustained its strong growth trajectory during the year. The hotel reinforced its position as the RevPAR leader in the Colombo market and achieved positive EBITDA in its first full year of operations, reflecting strength of the brand and operational excellence. While elevated real estate taxes in Sri Lanka have tempered the sales momentum of Sapphire Residences, the recent commencement of apartment handovers is expected to support a pickup in sales velocity.

During the year ended 31st March, 2026, the company recorded a total income of LKR 1309.06 crores (previous year LKR 455.07 crores) and Total Comprehensive Loss of LKR 246.30 crores which includes exceptional loss of LKR 88.16 crores pertaining to inventory damage due to cyclone in Sri Lanka (previous year loss LKR 419.62 crores).

Your Company’s investment in WLPL stood at ₹ 3,815 crores as at 31st March, 2026.

Landbase India Limited

The company owns and operates the Classic Golf & Country Club, a premier golfing destination in the Delhi NCR region. Spread across a sprawling estate of 300 acres, the club features South Asia's first 27-hole signature golf course designed by the legendary Jack Nicklaus, comprising an 18-hole championship course and a 9-hole canyon course. Complemented by a state-of-the-art clubhouse and integrated sports complex, the facility offers a world-class golfing and leisure experience, positioning it among the leading golf destinations in India. The club is also a member of "Asian Tour Destination", an exclusive network of world class golf venues, which has direct ties to the Asian Tour.

During the year, the club hosted various prestigious tournaments & events ranging from junior, professional, and corporate tournaments including European Challenge Tour Event, for the third year in a row. The club continued to make efforts to promote Junior golf and in addition to the partnership with US Kids Golf, the club entered into a partnership with JAGA (Junior Asian Golf Academy). JAGA offers an internationally accredited hybrid learning environment where students are taught by qualified international and local teachers, combined with practicing and competing at the highest level of golf, administered & monitored by professional staff.

The company also owns 'ITC Grand Bharat' – a 104-key all suite luxury retreat in Gurugram, which has been licensed to your Company. The retreat, an oasis of unhurried luxury, is co-located with the Classic Golf & Country Club. During the year, the retreat made notable progress in the Corporate MICE segment, establishing itself as a preferred venue for senior leadership meetings and large-format corporate events, while continuing to reinforce its position as a premier residential wedding destination in the country.

During the year ended 31st March 2026, the company recorded a Total Income of ₹ 54.01 Cr. (previous year ₹ 47.49 Cr.) and Net Profit of ₹ 14.98 Cr. (previous year ₹ 14.44 Cr). Total Comprehensive Income for the year stood at ₹ 14.67 Cr. (previous year ₹ 14.42 Cr.).

Srinivasa Resorts Limited

The company owns ITC Kakatiya – a 188-key luxury hotel located in Hyderabad, which is operated and marketed by your Company. ITC Kakatiya is a LEED® Platinum Certified Hotel under Environmental Building Category from the United States Green Building Council.

The hotel recorded robust Y-o-Y growth in revenues and margin expansion, driven by the comprehensive renovation programme completed recently. During the year, another 83 rooms underwent renovation in the lean season, ensuring minimal disruption to operations while being ready for the peak period. The hotel continued to invest in a range of energy-saving initiatives and sustainable technologies aimed to optimize energy consumption levels and reduce its overall power and fuel costs. During the year, ITC Kakatiya

reinforced its positioning as a preferred luxury destination for guests in Hyderabad.

During the year ended 31st March, 2026, the company recorded Total Income of ₹ 94.36 crores (previous year: ₹ 80.94 crores) and Net Profit of ₹ 13.66 crores (previous year: ₹ 9.59 crores). Total Comprehensive Income for the year stood at ₹ 13.81 crores (previous year: ₹ 9.45 crores).

Fortune Park Hotels Limited

The company caters to the midmarket to upscale segments and continues to forge new alliances and expand its footprint. During the year, three hotels with 246 keys were launched, including its first hotel in Kerala, namely Fortune Airport Road, Kochi. The company has also signed 9 new alliances during the year and as on 31st March, 2026, it has 86 hotels with 6624 keys across India and Nepal. Of these, 59 hotels with 4417 keys are currently operational while the balance 27 hotels are in various stages of development, and are slated to be commissioned over the medium term. During the year, the company was recognized as 'Best Upscale Hotel Chain' at Today's Traveller Awards 2025 and 'Best Premier Business & Leisure Hotel Chain in India' at VETA 2026.

During the year ended 31st March, 2026, the company recorded a Total Income of ₹ 70.89 crores (previous year: ₹ 65.62 crores) and Net Profit of ₹ 23.78 crores (previous year: ₹ 17.30 crores). Total Comprehensive Income for the year stood at ₹ 23.96 crores (previous year: ₹ 17.23 crores).

The Board of Directors of the company has recommended a dividend of ₹ 50 per Equity Share of ₹ 10 each for the year ended 31st March, 2026 (previous year ₹ 20 per Equity Share).

Bay Islands Hotels Limited

The company owns a 46-key hotel, Welcomhotel Bay Island in Port Blair which is licensed to your Company. The hotel continues to offer a unique gateway to the Andamans with its strategic location, excellent architectural design, superior product, and service quality.

During the year ended 31st March, 2026, the company recorded a Total Income of ₹ 4.55 crores (previous year ₹ 4.36 crores) and Net Profit of ₹ 3.37 crores (previous year: ₹ 3.30 crores). Total Comprehensive Income for the year stood at ₹ 3.41 crores (previous year: ₹ 3.30 crores).

The Board of Directors of the company has recommended a dividend of ₹ 500 per Equity Share of ₹ 100 each for the year ended 31st March, 2026 (previous year ₹ 200 per Equity Share).

NOTE ON JOINT VENTURE

Maharaja Heritage Resorts Limited

Maharaja Heritage Resorts Limited is a joint venture of your Company with Jodhana Heritage Resorts Private Limited. The company's portfolio consists of palaces, forts, and

resorts in popular historical, nature and wildlife destinations, providing guests with distinct and differentiated experiences.

During the year, two new hotels were commissioned at Rishikesh and Ratanpur (Rajasthan) and two new alliances were entered for hotels at Mount Abu and Palanpur (Gujarat). As on 31st March, 2026, the company has 39 alliances with 1185 keys across India. Of these, 36 hotels with 1078 keys are in operation while the balance 3 hotels are in various stages of development.

Business operations of the company were severely impacted in the first half of the year as a consequence of geopolitical disruptions and adverse weather events which affected leisure properties in North India.

During the year ended 31st March, 2026, the company recorded a Total Income of ₹ 6.87 crores (previous year ₹ 8.04 crores) and Net Profit of ₹ 0.46 crore (previous year ₹ 0.94 crore). Total Comprehensive Income for the year stood at ₹ 0.38 crore (previous year ₹ 0.92 crore).

NOTES ON ASSOCIATES

International Travel House Limited

The company provides end-to-end business travel solutions to its customers. During FY 2025-26, business travel was affected by travel disruptions, geopolitical developments, and rising fares. The company continued to operate with a focus on established standards of quality, safety, and customer service. Cost-optimisation measures and operating efficiencies implemented over prior years continued during the year and are expected to partially offset external cost pressures.

Digital initiatives remained a focus area, supporting improvements in operational efficiency, productivity, and customer experience. During the year under review, the company implemented a SaaS-based solution for end-to-end automation of mobility service fulfilment. The implementation resulted in process standardisation and improved internal efficiencies. The company also obtained ISO 27001:2022 certification, demonstrating compliance with recognised information security management system standards.

As part of its sustainability initiatives, the company was awarded the EcoVadis Bronze Medal, reflecting progress in environmental, social and governance (ESG) practices. During the year, the company inducted an additional 52 electric vehicles into its fleet.

The Board of Directors has recommended a dividend of ₹ 5.50 per Equity Share of ₹ 10 each for the financial year ended 31st March 2026, subject to shareholder approval (previous year: ₹ 5.50 per Equity Share).

Gujarat Hotels Limited

The company owns a 133 keys hotel, Welcomhotel Vadodara, which is operated by your Company under an Operating License Agreement.

The Board of Directors of the company has recommended a dividend of ₹ 3 per Equity Share of ₹ 10 each for the year ended 31st March, 2026 (previous year ₹ 3 per Equity Share).

INTERNAL FINANCIAL CONTROLS

The Corporate Governance Policy guides the conduct of affairs of your Company and clearly delineates the roles, responsibilities, and authorities at both levels of its two-tiered governance structure and key functionaries involved in governance. The Code of Conduct guides Directors and employees towards good corporate governance, good corporate citizenship, and exemplary personal conduct in relation to the Company's business and reputation. The Corporate Governance Policy and the Code of Conduct stand widely communicated across the enterprise at all times and together with the Planning & Review Processes and the Risk Management Framework, provide the foundation for Internal Financial Controls with reference to your Company's Financial Statements.

Such Financial Statements are prepared on the basis of the Material Accounting Policies that are carefully selected by management and approved by the Audit Committee and the Board. The Accounting Policies are reviewed and updated from time to time. These, in turn, are supported by a set of operational policies and Standard Operating Procedures (SOPs). Your Company uses Enterprise Resource Planning (ERP) systems as a business enabler and also to maintain its books of accounts.

The SOPs, in tandem with transactional controls built into the ERP systems, ensure appropriate segregation of duties, tiered approval mechanisms, and maintenance of supporting records. The Information and Digital Management Policy reinforces the control environment. The systems, SOPs, and controls are reviewed by Management and adherence to the policies and procedures is audited by Internal Audit, whose findings and recommendations are reviewed by the Audit Committee and tracked through until implementation.

Your Company has in place adequate internal financial controls with reference to the Financial Statements. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial information; complying with applicable statutes; safeguarding assets from unauthorised use; ensuring that transactions are carried out with adequate authorisation and complying with defined Policies and Procedures. Such controls have been assessed during the year, after taking into consideration the essential components of 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. Based on the results of such assessment carried out by the management, no reportable material weakness or significant deficiency in the design or operation of internal financial controls was observed. Nonetheless, your Company recognises that any internal control framework, no matter how well designed, has inherent limitations and accordingly, regular audit and review processes ensure that such systems are reinforced on an ongoing basis.

RISK MANAGEMENT

Your Company continues to focus on a system-based approach to business risk management as per the framework laid down in the Risk Management policy approved by the Board. The key elements of your Company's Risk Management Framework are outlined below:

- The Corporate Governance Policy, approved by the Board, clearly lays down the roles and responsibilities of the various entities in relation to risk management covering a range of responsibilities, from the strategic to the operational.
- Centrally issued policies and procedures bring robustness to the process of ensuring that business risks are effectively addressed.
- Appropriate structures are in place to proactively monitor and manage the inherent risks at a property level as well as across corporate functions.
- A strong and independent Internal Audit function conducts risk focused audits across all Hotel properties enabling identification of areas where risk management processes may need to be strengthened and assists operating management in formulation of control procedures.
- The annual planning exercise of your Company requires the Strategic and Executive Management Committee ("SEMC") to clearly identify the top risks and set out mitigation strategies and action plans along with agreed timelines and accountabilities. Action plans for execution of the Risk mitigation strategies are regularly monitored and reviewed by SEMC. Quarterly status updates on compliance with the risk management policies and systems are provided to the Corporate Risk Management Cell.
- The Corporate Risk Management Cell led by the Head of Risk supports the hotel properties as well as Corporate functions in assessing mitigation strategies for the prioritised risks and in developing processes for monitoring and mitigation of such risks. This includes focused interactions with managers at the Hotel properties / Corporate functions in respect of key identified risks and corresponding mitigation plans along with review of progress against the agreed timelines for putting in place the mitigation measures.

In line with your Company's Risk Management Policy, individual hotel properties continue to manage risks, including testing of business continuity plans, for their respective units. The Corporate functions have drawn up policies and standards for risk management as relevant for their respective domains; this includes creation and testing of business continuity plans, communication of the plans within the function as well as to the Hotel properties, and monitoring compliance thereof.

Your Company has adopted the ISO 31000 Risk Management Standard and accordingly, the Risk Management systems and processes prevalent in the Business operations have been independently assessed to be compliant with the said global Standard.

Digital transformation is a key driver for future growth of your Company. Leveraging state of the art digital platforms, technologies, and infrastructure across the value chain, the Company is accelerating digital marketing, digital commerce, and digitally enabled operations to drive superior stakeholder value. The adoption of cutting-edge digital technologies including Cloud computing, Internet of Things (IoT), advanced Data Analytics, Artificial Intelligence and Machine Learning (AI/ML), Robotic Process Automation (RPA), and secure mobile platforms continued to expand during the year. While these initiatives enable innovation and growth, they also contribute to an evolving risk landscape in an increasingly complex and heightened cyber threat environment.

To address the risks emanating from an increasingly complex and heightened cyber threat environment, rapidly evolving nature of cyber threats, and the growing sophistication of threat actors, a Cyber Security Committee, led by the Chief Digital and Information Officer continues to function with a mandate to provide focussed oversight on cybersecurity risks, monitor emerging threats & technologies, and recommend appropriate measures to enhance resilience of the Company's digital ecosystem.

Your Company has built a multi layered cyber defence architecture, including Next Generation firewalls, endpoint protection, anti-malware solutions, identity and access management, and continuous monitoring mechanisms across networks, systems and data processing points. Cyber security policies, standards and practices continue to be aligned to globally recognised frameworks such as the NIST Cyber Security Framework and ISO/IEC 27001. In addition, ongoing awareness and training programmes are conducted to promote safe and secure practices among users.

The Company strengthened cyber maturity through independent reviews, vulnerability assessments, and penetration testing, while enhancing surveillance, detection, and response via an upgraded Next-Gen SOC supported by advanced analytics and skilled resources.

With the continued transition of mission-critical applications, data, and transaction processing workloads to Cloud platforms, the Company's network and security architecture is being transformed into a Digital-Ready, Cloud-Secure, and resilient wide area network, enabling secure access to information while maintaining robust governance and control.

The security of Operational Technology including Building Management systems and access control infrastructure, is ensured through comprehensive risk assessments apart from segregated networks to minimize cyber risk exposure to the enterprise landscape.

With the increasing use of Artificial Intelligence across business functions, the Company has initiated the implementation of AI security and governance guidelines, to enable responsible, secure and compliant use of AI technologies, in alignment with evolving safety, privacy, ethical, and regulatory expectations.

During the year, ITC Grand Central, Mumbai, was conferred the Global Information Security Excellence Award, by Marriott in recognition of its strong security posture in protecting guests' personal data and effectively managing risks arising from evolving cyber security threats.

India is among the most climate-vulnerable countries globally, facing heightened risks from rising temperatures, water stress, and extreme weather events. In response, your Company having recognized climate vulnerability as a business risk, is pursuing a multi-pronged climate strategy focused on both decarbonisation and adaptation, aimed at protecting operational continuity, enhancing asset resilience, and creating long-term stakeholder value. This integrated approach positions your Company among the sustainability leaders in the hospitality sector.

Your Company's low-carbon growth strategy focuses on renewable energy, improving energy productivity, and green buildings that support the transition to a net-zero economy. The Renewable Energy footprint of the Company was enhanced to 51.2 MW during the year with the addition of new 3.3 MW windmills at ITC Narmada. Your Company operates 23 LEED Platinum-certified hotels representing global best-in-class sustainability standards. In addition, 12 hotels have achieved LEED Zero Water certification, and 12 hotels are certified LEED Zero Carbon, underscoring leadership in net-zero operations and absolute emissions neutrality. These achievements reinforce your Company's competitive positioning and place it at par with, and in several respects ahead of, industry benchmarks.

The Risk Management Committee met thrice during the year and was updated on the status of implementation of the risk management plans. The Audit Committee was also updated on the effectiveness of your Company's Risk Management systems and policies. Your Company's Risk Management practices are also periodically benchmarked with best practices through interaction with industry peers. In the overall context, Risk Management practices, as reviewed through the Risk Management Cell and Internal Audit processes, have been found to be relevant and commensurate with the scale and complexity of your Company's operations.

AUDIT AND SYSTEMS

Your Company has a well-established internal control system that is commensurate with the scale and complexity of its operations. The governance framework, with its inbuilt checks and balances, is committed to ensuring an effective internal control environment.

Your Company's internal control policies and procedures are designed to enable orderly and efficient conduct of

operations, secure assets, prevent and detect frauds/errors, ensure the accuracy and completeness of financial reporting, and comply with applicable statutory requirements. Additionally, the segregation of duties, along with a team of well-trained employees, further enhances the effectiveness of your Company's internal control systems.

Your Company's independent and robust internal audit processes provide assurance on the existence, adequacy, and effectiveness of internal controls and compliance with policies, procedures and regulatory requirements. The primary aim of the Internal Audit function is to enhance and protect organisational value by providing risk-based assurance, advice, and insights, while driving continuous improvement of your Company's internal control systems.

The Internal Audit function comprises of a contemporary team that delivers audit assurances at the highest levels. Processes in the Internal Audit function continue to be strengthened for enhanced effectiveness and productivity by leveraging best-in-class audit tools. Internal Audit function also engages subject matter experts to provide assurance in specialised areas such as hotel greenfield /renovation projects and IT audits.

Internal Audit also continues to focus on information risks, data privacy, cybersecurity, and controls on digital assets in the context of your Company's IT environment. This includes assessing controls on confidentiality, integrity, and availability of business information and systems. Before deployment in the operating environment, critical Information Technology systems undergo pre-implementation audits to provide assurance on implementation rigour and operational readiness.

Your Company's Internal Audit processes are in accordance with the Standards on Internal Audit (SIA) issued by The Institute of Chartered Accountants of India. Further, the Company's internal audit processes have been certified as complying with ISO 9001:2015 Quality standards.

The Terms of Reference of the Audit Committee constituted by the Board, inter alia include reviewing the effectiveness of the internal control environment, evaluating your Company's internal financial controls and risk management systems, monitoring the implementation of the action plans arising from Internal audit findings. Material observations, as defined in the Terms of Reference, are reviewed at the highest level by the Audit Compliance and Review Committee (ACRC) and Audit Committee. The Audit Committee of your Board met seven times during the year.

HUMAN RESOURCES DEVELOPMENT

The bedrock of your Company's HR strategy is a deeply ingrained commitment to talent excellence, with core values seamlessly woven into the organizational fabric. This philosophy prioritizes the cultivation of an agile, empowered workforce uniquely positioned to deliver superior value within a high-performance environment.

In an increasingly competitive talent landscape, your Company continues to build organizational resilience by investing in a future-ready workforce. These efforts are driven through targeted skill-building, robust leadership development, and initiatives that foster the holistic well-being of our people. By championing a culture of continuous learning and merit-based advancement, these interventions serve as catalysts for sustained business success. Your Company remains dedicated to evolving its employee value proposition through industry benchmarking and modern workplace policies, reaffirming its status as an employer of choice in the hospitality sector.

WHISTLE BLOWER POLICY

Your Company's Whistleblower Policy encourages stakeholders including Directors and employees, to promptly bring to the Company's attention, instances of illegal or unethical conduct, actual or suspected incidents of fraud, actions that may affect the financial integrity of your Company, or actual or suspected instances of leak of unpublished price sensitive information, that could adversely impact the Company's operations, business performance and / or reputation. The Policy requires the Company to investigate such incidents, when reported, and take appropriate action to ensure that the requisite standards of professional and ethical conduct are always upheld. Anonymous complaints are also entertained if the same are backed by specific allegations & verifiable facts, and are accompanied with supporting evidence. It is your Company's Policy to ensure that no complainant is victimised or harassed for bringing such incidents to the attention of the Company, and to keep the information disclosed during the course of the investigation as confidential. The practice of the Whistleblower Policy is overseen by the Audit Committee and no employee was denied access to the Committee during the year. The Whistleblower Policy is available on the Company's website at <https://www.itchotels.com/Whistleblower-Policy.pdf>.

During the year, your Company received six complaints in terms of the Whistleblower Policy, of which investigation in respect of five complaints was completed; appropriate action(s), where necessary, was taken.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has a comprehensive CSR Policy outlining programmes, projects, and activities that are undertaken to create a significant positive impact on identified stakeholders.

During the year, the Company undertook focused CSR initiatives with emphasis on skilling, education, rural development, and environmental sustainability. The Company provided apprenticeship opportunities to youth providing hands-on experience across hotel locations and also conducted vocational skilling programmes focused on culinary arts, designed to empower youth from underserved communities with employable skills. The Company also supported ecological restoration and climate resilience through maintenance of urban landscapes and afforestation at multiple locations.

The Annual Report on Corporate Social Responsibility activities of the Company, as required under Sections 134 and 135 of the Companies Act, 2013 ('Act') read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Rule 9 of the Companies (Accounts) Rules, 2014, is provided in the Annexure forming part of this Report.

QUALITY

Quality in the service industry is critical as it directly impacts customer satisfaction, loyalty, and business success. Unlike tangible products, services are intangible, often delivered in real-time, and heavily reliant on human interaction, making consistent quality challenging but essential. Your Company's robust operational performance is reflective in its industry leading Net Promoter Score ('NPS') score of 83 for FY 2025-26 (Source: Revinate for 'ITC Hotels', 'Mementos', 'Welcomhotel' & 'Storii'), showcasing a high customer satisfaction index. Further, your Company has achieved a response rate of 99%, highlighting exceptional responsiveness & deep engagement with our esteemed guests.

TREASURY OPERATIONS

Your Company's treasury operations are focused on deployment of surplus liquidity and management of foreign exchange exposures within a well-defined risk management framework. Investment decisions relating to deployment of surplus liquidity are guided by the tenets of safety, liquidity, and return.

Commensurate with the size of the temporary surplus liquidity under management, treasury operations are supported by appropriate internal control systems.

DEPOSITS

Your Company has not accepted any deposit under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 during the year.

DIRECTORS

• **Changes in Directors**

During the year, Mr. Tablesh Pandey, representing the Life Insurance Corporation of India ('LIC'), stepped down from the Board of Directors of your Company ('the Board') with effect from close of work on 5th March, 2026. Your Directors place on record their appreciation for the contribution made by Mr. Pandey during his tenure with the Company.

The Board, on the recommendation of the Nomination and Remuneration Committee, has recommended for the approval of the Members, the appointment of Mr. Ramakrishnan Chander, representing LIC, as a Non-Executive Director of your Company for a period of three years with effect from the date of the ensuing Annual General Meeting i.e., 6th August, 2026. Appropriate resolution seeking your approval to the said appointment is appearing in the Notice convening the 3rd Annual General Meeting ('AGM') of your Company.

• **Retirement by Rotation**

In accordance with the provisions of Section 152 of the Act read with Article 49 of the Articles of Association of your Company, Mr. Rajendra Kumar Singhi will retire by rotation at the ensuing AGM and, being eligible, offers himself for re-election. The Board has recommended his re-election.

• **Number of Board Meetings**

Five meetings of the Board were held during the year under review.

• **Attributes, Qualifications & Independence of Directors and their Appointment**

The Corporate Governance Policy of your Company requires that Non-Executive Directors be drawn from amongst eminent professionals, with experience in business / finance / law / public administration and enterprises. The Nomination and Remuneration Committee ('the Committee') has laid down the criteria for determining qualifications, positive attributes and independence of Directors (including independent Directors). The Committee also evaluates the role and capabilities required, and the balance of skills, knowledge and experience on the Board, while considering the appointment of Independent Directors of the Company.

Further, in terms of the Policy on Board Diversity, the Board is required to have balance of skills, competencies, experience and diversity of perspectives appropriate to the Company. Diversity for this purpose is considered from a number of aspects including, but not limited to, educational background, nature of professional, administrative & industry experience, skills, knowledge, and gender representation. The skills, expertise and competencies of the Directors as identified by the Board, along with those available in the present mix of the Directors of your Company, are provided in the 'Report on Corporate Governance', forming part of the Report and Accounts.

In terms of the applicable regulatory requirements read with the Articles of Association of your Company, the strength of the Board shall not be fewer than six nor more than fifteen. Directors are appointed / re-appointed with the approval of the Members for a period of three to five years or a shorter duration, as may be determined by the Board from time to time. All Directors, other than Independent Directors, are liable to retire by rotation, unless otherwise approved by the Members. One-third of the Directors who are liable to retire by rotation, retire every year and are eligible for re-election.

The Independent Directors of your Company have confirmed that (a) they meet the criteria of independence prescribed under Section 149 of the Act and Regulation

16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), (b) they are independent of the management of the Company, and (c) they are not aware of any circumstance or situation which could impair or impact their ability to discharge duties with an objective independent judgement and without any external influence.

In the opinion of the Board, the Independent Directors fulfil the conditions prescribed under the Act and the Listing Regulations, and are independent of the management of the Company.

• **Evaluation of Board, Board Committees and Individual Directors**

Your Company has formulated a Performance Evaluation Policy for laying down the processes for effective and transparent evaluation of the performance of the Board as a whole, its Committees, and individual Directors.

The Board performance is assessed, inter alia, against the roles and responsibilities of the Board as provided under the Act, the Listing Regulations and the Company's Governance Policy. The parameters for Board performance evaluation have been derived from the Board's core role of trusteeship to protect and enhance shareholder value as well as to fulfil expectations of other stakeholders through strategic supervision of the Company. Based on discussions amongst Committee members, evaluation of functioning of Board Committees is shared by the Chairperson of the respective Committee with the Board. Individual Directors are evaluated in the context of the role played by each Director as a member of the Board at its meetings, in assisting the Board in realising its role of strategic supervision of the functioning of your Company in pursuit of its purpose and goals. The peer group ratings of the individual Directors are collated by the Chairperson of the Nomination and Remuneration Committee and made available to the Chairperson of the Company.

While the Board evaluated its performance against the parameters laid down by the Committee, the evaluation of individual Directors was carried out against the laid down parameters in order to ensure objectivity. The Independent Directors Committee also reviewed the performance of the Chairperson, other non-Independent Directors and the Board, pursuant to Schedule IV to the Act and Regulation 25 of the Listing Regulations.

REMUNERATION POLICY

Details of your Company's Policy on remuneration of Directors, Key Managerial Personnel and other employees are provided in the 'Report on Corporate Governance', forming part of the Report and Accounts.

KEY MANAGERIAL PERSONNEL

During the year, there were no changes in the Key Managerial Personnel of your Company.

AUDIT COMMITTEE & AUDITORS

The composition of the Audit Committee is provided under the Section 'Board of Directors and Committees' in the Report and Accounts.

• **Statutory Auditors**

Messrs. S. R. Batliboi & Co. LLP, Chartered Accountants ('SRBC'), were appointed, with your approval, as the Auditors of your Company for a period of four years till the conclusion of 5th AGM. The Board, on the recommendation of the Audit Committee, has recommended for the approval of the Members, the remuneration of SRBC for the financial year 2026-27. Appropriate resolution seeking your approval to the remuneration of SRBC is appearing in the Notice convening the 3rd AGM of your Company.

• **Secretarial Auditors**

Messrs. S. N. Ananthasubramanian & Co., Company Secretaries, were appointed with your approval as the Secretarial Auditors of your Company to conduct secretarial audit for a period of five consecutive financial years commencing from FY 2025-26.

The Report of the Secretarial Auditors, pursuant to Section 204 of the Act, is provided in the Annexure forming part of this Report. The Secretarial Auditors have confirmed that the Company has complied with the applicable laws and that there are adequate systems and processes in the Company commensurate with its size and scale of operations to monitor and ensure compliance with the applicable laws.

• **Cost Auditors**

Considering the nature of business, the Company is neither required to maintain cost records nor appoint Cost Auditors in terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014.

CHANGES IN SHARE CAPITAL

During the year, 18,05,269 Equity Shares of ₹ 1/- each, fully paid-up, were issued and allotted upon exercise of 1,80,526.9 Options under the Company's Employee Stock Option Scheme. Consequently, the Issued and Subscribed Share Capital of your Company, as on 31st March, 2026, stands increased to ₹ 2,08,29,76,309/- divided into 2,08,29,76,309 Equity Shares of ₹ 1/- each. The Equity Shares issued during the year rank *pari passu* with the existing Equity Shares of the Company.

EMPLOYEE STOCK OPTIONS SCHEME AND EMPLOYEE STOCK APPRECIATION RIGHTS SCHEME

During the year, the Board, pursuant to the authority vested in it by the Members, has approved the ITCHL Employee Stock Appreciation Rights Scheme 2025 ('ITCHL ESAR Scheme 2025'), in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('the SBEB Regulations').

Disclosures with respect to Stock Options granted under the 'ITC Hotels – Special Purpose Employee Stock Option Scheme' (formulated pursuant to Scheme of Arrangement for demerger of Hotel Business) and Employee Stock Appreciation Rights granted under the ITCHL ESAR Scheme 2025, as required under Regulation 14 of the SBEB Regulations, are available in the Notes to the Financial Statements of the Company. The said disclosures forming part of the Financial Statements can also be accessed on your Company's website www.itchotels.com under the section 'Investor Relations'.

During the year, there has been no change in the Employee Stock Option Scheme and the Employee Stock Appreciation Rights Scheme of the Company. The Secretarial Auditors have certified that the aforesaid Schemes have been implemented in accordance with the SBEB Regulations, the resolution passed by the Members in this regard and the Scheme of Arrangement, as applicable.

INVESTOR RELATIONS

Messrs. KFin Technologies Limited are the Registrar and Share Transfer Agent ('RTA') of your Company. The details of the RTA and their grievance redressal system are provided in the 'Shareholders Information' section of the Report and Accounts.

The 'Investor Relations' section on your Company's website www.itchotels.com serves as a user-friendly referencer providing updated information and guidance on share-related matters.

RELATED PARTY TRANSACTIONS

All contracts or arrangements entered into by your Company with its related parties during the financial year were at arm's length and in accordance with the provisions of the Act and the Listing Regulations.

All such contracts or arrangements were approved by the Audit Committee. No material contracts or arrangements with related parties within the purview of Section 188(1) of the Act were entered into during the year under review. Accordingly, the information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in

Form AOC-2 is not applicable to the Company for financial year 2025-26.

DIRECTORS RESPONSIBILITY STATEMENT

As required under Section 134 of the Act, your Directors confirm having:

- followed in the preparation of the Annual Accounts, the applicable Accounting Standards with proper explanation relating to material departures, if any;
- 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 your Company at the end of the financial year and of the profit of your Company for that period;
- 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 your Company and for preventing and detecting fraud and other irregularities;
- prepared the Annual Accounts on a going concern basis;
- laid down internal financial controls to be followed by your Company and that such internal financial controls were adequate and were operating effectively; and
- devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CONSOLIDATED FINANCIAL STATEMENTS

Your Company's Board of Directors is responsible for preparation of the consolidated financial statements of your Company and its Subsidiaries ('the Group'), Associates, and Joint Venture, in terms of the requirements of the Act and in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act.

The respective Boards of Directors of the companies included in the Group and of the Associates and Joint Venture 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 judgements 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. Such financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of your Company, as aforesaid.

OTHER INFORMATION

• **Compliance with the conditions of Corporate Governance**

The certificate from Messrs. S. N. Ananthasubramanian & Co., Company Secretaries, Secretarial Auditors of the Company, confirming compliance with the conditions of Corporate Governance as stipulated under the Listing Regulations, is annexed.

• **Going Concern Status**

There was no significant or material order passed during the year by any regulator, court or tribunal impacting the going concern status of your Company or its future operations.

• **Annual Return**

The Annual Return of your Company is available on its website at <https://www.itchotels.com/annual-returns>.

• **Particulars of loans, guarantees or investments**

Details of loans and investments covered under the provisions of Section 186 of the Act are provided in Notes 5, 9, and 13 to the Financial Statements. No guarantees were outstanding as at the year end.

• **Particulars relating to Conservation of Energy and Technology Absorption**

Particulars as required under Section 134 of the Act relating to Conservation of Energy and Technology Absorption are also provided in the Annexure to this Report.

• **Compliance with Secretarial Standards**

Your Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

• **Compliance with Maternity Benefit Act, 1961**

Your Company is in compliance with the applicable provisions of the Maternity Benefit Act, 1961 (now forming part of the Code on Social Security, 2020).

• **Employees**

The total number of employees as on 31st March, 2026 stood at 3,038.

The information required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annexure forming part of this Report.

The statement containing particulars of employees, as required under the Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forming part of this Report, is available on the Company's website www.itchotels.com.

Annexure to the Report of the Board of Directors

For the Financial Year ended 31st March, 2026

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ('CSR') ACTIVITIES OF THE COMPANY

1. CSR Policy - Brief outline and Overview

A. Brief outline of the CSR Policy

Recognising that business enterprises are economic organs of society and draw on societal resources, it is the belief of ITC Hotels Limited ('ITCHL') that a company's performance must be measured by its Triple Bottom Line contribution towards building economic, social and environmental capital. ITCHL will integrate its social and environmental objectives with its business strategies.

While ITCHL may undertake any programmes, projects and activities ('CSR Programmes') falling within the purview of Schedule VII of the Companies Act, 2013 ('Act'), the focus areas of CSR Programmes will be based on community needs, stakeholder values and societal requirements such as promoting education, skill development, women empowerment, supporting rural development & tourism projects and protecting national heritage, art & culture.

The CSR Policy of the Company may be accessed on its corporate website at <https://www.itchotels.com/in/en/corporate/sustainability>.

B. Role of the CSR and Sustainability Committee

The role of the CSR and Sustainability Committee is inter alia to review, monitor and provide strategic direction to the Company's CSR and Sustainability practices and guide the Company in integrating its social and environmental objectives with the business strategies. Formulating and monitoring the CSR Policy, the Sustainability Policies and the annual CSR Action Plan, including making recommendation to the Board as necessary, form part of the role of the Committee.

C. CSR Programmes / Projects

1. **Skilling and Holistic Education Programmes** - Clause (ii) of Schedule VII to the Act - Promoting education, including special education and employment enhancing vocation skills specially among children, women, elderly, and the differently abled and livelihood enhancement projects.
2. **Environment Sustainability Programmes** - Clause (iv) of Schedule VII to the Act - Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of River Ganga.

The CSR Projects of the company may be accessed on its corporate website at - <https://www.itchotels.com/in/en/corporate/sustainability> .

2. Composition of the CSR and Sustainability Committee as on 31st March, 2026

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR and Sustainability Committee held during the year	Number of meetings of CSR and Sustainability Committee attended during the year
1	S. Puri (Chairperson of the Committee)	Chairperson & Non-Executive Director	2	2
2	I. Bhushan	Independent Director		2
3	A. Chadha	Managing Director		2
4	V. Sarup	Independent Director		2

- ***Dividend Distribution Policy***
The Dividend Distribution Policy of your Company may be accessed on its website at <https://www.itchotels.com/DividendDistributionPolicy.pdf>.
- ***Key Financial Ratios***
Key Financial Ratios for the financial year ended 31st March, 2026 are provided in the Annexure forming part of this Report.

FORWARD-LOOKING STATEMENTS

This Report contains forward-looking statements that involve risks and uncertainties. When used in this Report, the words 'anticipate', 'believe', 'estimate', 'expect', 'intend', 'will' and other similar expressions as they relate to your Company are intended to identify such forward-looking statements. Your Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their dates. This Report should be read in conjunction with the financial statements included herein and the notes thereto.

CONCLUSION

The Indian tourism and hospitality sector remains a key contributor to the national economy and is well positioned for sustained long-term growth. The sector continues to benefit from India's macroeconomic stability, resilient domestic demand that has reduced dependence on inbound travel, a favourable demographic profile, and a sustained policy focus by the Government on strengthening travel and tourism infrastructure. Recent initiatives to improve air connectivity, the commissioning of new expressways, and announcements relating to high-speed rail corridors are progressively reducing travel time between destinations and leading to a wider dispersion of demand across Tier II and Tier III cities, emerging leisure destinations and prominent pilgrimage centres. In parallel, the commissioning of modern convention and exhibition facilities is strengthening India's positioning as a global destination for MICE, creating new growth opportunities for the sector across regions. Evolving social preferences and a growing inclination towards curated, experience-led celebrations is driving hotels in India as preferred wedding destinations. The country's diverse landscapes, combined with its rich cultural heritage and hospitality expertise, positions India as an ideal destination for hosting large-scale inbound MICE and leisure travellers.

Against this backdrop, ITC Hotels remains committed to leveraging its over five decades of experience in the hospitality sector to steadily expand its presence across India and proximal markets, while maintaining a disciplined

and prudent approach to capital allocation. Your Company's well-established brand portfolio, leadership in food and beverage offerings, strong sustainability credentials, digital-first initiatives and people-centric culture continue to serve as key enablers in proactively responding to evolving consumer preferences and market dynamics.

The continued ramp-up of operations at ITC Ratnadipa at Colombo, handover of Sapphire Residences, upcoming owned hotel in Puri, expansion at the Bhubaneswar hotel, along with new hotel projects announced during the year at Visakhapatnam in Andhra Pradesh and Yashobhoorni Complex in New Delhi are expected to drive growth in the near-to medium-term. The rapid scale-up of the managed and franchised portfolio, is expected to drive robust growth in management fees. The Company also remains well positioned to pursue selective, value-accretive inorganic growth opportunities, supported by a zero-debt balance sheet, significant strategic reserves and robust operational cash flows. In this context, it is pertinent to note that your Company has, pursuant to the approval of the Board of Directors dated 15th May'26, signed definitive agreements for acquisition of a luxury resort in Kumarakom, Kerala - The Zuri Kumarakom, Kerala Resort & Spa, by way of acquisition of 100% stake in Zuri Hotels & Resorts Private Limited. The acquisition will enable your Company to expand its luxury portfolio in a strategic, high-growth leisure destination - establishing your Company's first owned resort in Kerala.

Though the operating environment during the year was marked by certain external challenges arising from geopolitical developments and heightened tensions in the West Asia, India continues to be the fastest-growing major economy globally and is expected to play an increasingly influential role in the evolving international economic and geopolitical landscape.

With just 0.3 hotel keys per thousand people compared to the global average of 2.2, India remains significantly underpenetrated in comparison with the global hospitality industry. India's macroeconomic stability and sustained economic growth, favourable demographics, Government's thrust on tourism and infrastructure development, rising disposable incomes, and growing societal aspirations, position the hospitality sector for rapid growth in the years ahead.

Your Company is well positioned to craft its next horizon of growth and long-term value creation by leveraging its iconic properties, distinct brand architecture, signature culinary offerings, superior service standards, and world-class talent pool anchored in its ethos of 'Responsible Luxury'.

On behalf of the Board

Place: New Delhi S. PURI A. CHADHA
Date: 15th May, 2026 Chairperson Managing Director
(DIN : 00280529) (DIN : 08073567)

3. Provide the web-link(s) where composition of the CSR and Sustainability Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

Composition of the Committee - <https://www.itchotels.com/in/en/corporate/about-us/leadership> .

CSR Policy and CSR Projects - <https://www.itchotels.com/in/en/corporate/sustainability> .

4. Provide the executive summary along with web-link(s) 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- **Not Applicable**
5. a) Average net profits of the Company as per Section 135(5) : ₹ 179.52 crores
b) Two percent of the average net profits of the Company as per Section 135(5) : ₹ 3.59 crores
c) Surplus arising out of the CSR projects or programmes or activities of the previous financial year(s) : Nil
d) Amount required to be set off for the financial year, if any : Nil
e) Total CSR obligation for the financial year [(b)+(c)-(d)] : ₹ 3.59 crores
6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) : ₹ 3.64 crores
b) Amount spent in Administrative Overheads : Nil
c) Amount spent on Impact Assessment, if applicable : Nil
d) Total amount spent for the Financial Year [(a)+(b)+(c)] : ₹ 3.64 crores
e) CSR amount spent or unspent for the Financial Year:

Total Amount spent for the Financial Year (in ₹)	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
₹ 3.64 crores	Not Applicable	Not Applicable	Not Applicable		

- f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profits of the Company as per Section 135(5)	₹ 3.59 crores
(ii)	Total amount spent for the Financial Year	₹ 3.64 crores
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	₹ 0.05 crore*
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	₹ 0.05 crore*

*The amount shall not be carried forward and claimed as set-off in succeeding financial year.

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6	7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)	Balance Amount in Unspent CSR Account under Section 135(6) (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Section 135(5), if any	Amount remaining to be spent in Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer	
Not Applicable							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

	✓
YES	NO

If yes, enter the number of Capital assets created / acquired

Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin-code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
1	2	3	4	5	6		
Not Applicable							

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profits as per Section 135(5): **Not Applicable**

On behalf of the Board

Place : New Delhi
Date : 15th May, 2026

S. PURI
Chairperson – CSR and Sustainability Committee
(DIN : 00280529)

A. CHADHA
Managing Director
(DIN : 08073567)

Annexure to the Report of the Board of Directors

FORM NO. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

[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,
ITC Hotels Limited
CIN: L55101WB2023PLC263914
Virginia House, 37 Jawaharlal Nehru Road
Russel Street, Kolkata - 700 071
West Bengal, India

We have conducted Secretarial Audit of compliance with the applicable statutory provisions and adherence to good corporate practices by **ITC Hotels Limited** (hereinafter called 'the Company') for the **financial year ended 31st March, 2026**. 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 and 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 authorised 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 31st March, 2026**, 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 and papers, minute books, forms and returns filed and other records maintained by the Company for the **financial year ended 31st March, 2026** according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
 - (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 (Issue of Capital and Disclosure Requirements) Regulations, 2018 – **Not applicable as there was no reportable event during the financial year under review;**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 – **Not applicable as there was no reportable event during the financial year under review;**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 – **Not applicable as the Company has appointed a SEBI registered Category I Registrar and Share Transfer Agent;**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 – **Not applicable as there was no reportable event during the financial year under review;**
 - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 – **Not applicable as there was no reportable event during the financial year under review;** and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- (vi) The Management has identified and confirmed that 'The Food Safety and Standards Act, 2006' and the Rules and Regulations made thereunder are specifically applicable to the Company.

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India;
- (ii) Listing Agreements entered into by the Company with BSE Limited, National Stock Exchange of India Limited ('the Stock Exchanges').

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

We further report that:

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, including a Woman Independent Director. Changes in the composition of the Board of Directors that took place during the year under review, were carried out in compliance with the provisions of the Act;
- (ii) Adequate notice is given to all Directors to convene the Board Meetings; agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting; and
- (iii) All the decisions of the Board and Committees thereof were carried through requisite majority.

We further report that based on review of the compliance mechanism established by the Company, we are of the opinion that there are adequate systems and processes in place in the Company which are commensurate with its size and operations, to monitor and ensure compliance with the applicable Laws, Rules, Regulations and Guidelines.

We further report that during the financial year under review, no event has occurred having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc., except as follows:

- (a) Approval of capital expenditure of Rs. 328 crores (Rupees Three Hundred Twenty-Eight Crores Only) for construction of a hotel in Visakhapatnam, Andhra Pradesh.
- (b) Allotment of land on lease by India International Convention and Exhibition Centre Limited, a Government of India enterprise to the Company, admeasuring ground coverage of approximately 3,648 square meters at Yashobhoomi, Dwarka, New Delhi at lease premium of Rs. 326.50 crores for the development and operation of a hotel.
- (c) Allotment of 18,05,269 Equity Shares of Re. 1/- each, fully paid-up, upon exercise of Stock Options under the 'ITC Hotels - Special Purpose Employee Stock Option Scheme', of the Company, from time to time.
- (d) The Members of the Company, by way of separate special resolutions passed on 18th December, 2025, authorised the Board of Directors of the Company (i) to grant, offer and issue Equity Settled Stock Appreciation Rights under 'ITCHL Employee Stock Appreciation Rights Scheme 2025' ('ITCHL ESAR Scheme'), to the eligible employees of the Company, entitling them to apply for such number of Equity Shares of the Company, not exceeding, in the aggregate, two per cent of the issued and subscribed Share Capital of the Company as on 30th September, 2025 i.e., up to a maximum of 4,16,54,391 Equity Shares; and (ii) to extend the benefits of ITCHL ESAR Scheme to such employees, including Managing / Wholtime Directors, of such subsidiary companies of the Company, as may be determined by the Board.

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.

For S. N. ANANTHASUBRAMANIAN & Co.
Company Secretaries
ICSI Unique Code: P1991MH040400
Peer Review Cert. No.: 5218/2023
S. N. Ananthasubramanian
Founding Partner
FCS: 4206 | COP No.: 1774
ICSI UDIN: F004206H000282671
5th May, 2026 | Thane

Annexure-A

To,
The Members,
ITC Hotels Limited
CIN: L55101WB2023PLC263914
Virginia House, 37 Jawaharlal Nehru Road
Russel Street, Kolkata- 700 071
West Bengal, India

Our Secretarial Audit Report for the **financial year ended 31st March, 2026** of even date is to be read along with this letter.

Management's Responsibility

- 1) It is the responsibility of the Management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations, and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

- 2) Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
- 3) We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
- 4) We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
- 5) Wherever required, we have obtained reasonable assurance as to whether the statements prepared, documents or records in relation to Secretarial Audit, maintained by the Company, are free from misstatement.
- 6) Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

- 7) The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
- 8) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

For S. N. ANANTHASUBRAMANIAN & Co.
Company Secretaries
ICSI Unique Code: P1991MH040400
Peer Review Cert. No.: 5218/2023
S. N. Ananthasubramanian
Founding Partner
FCS: 4206 | COP No.: 1774
ICSI UDIN: F004206H000282671
5th May, 2026 | Thane

Annexure to the Report of the Board of Directors**INFORMATION UNDER SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE REPORT OF THE BOARD OF DIRECTORS**

- **Conservation of Energy:**

ITC Hotels Limited has continued its focused efforts toward enhancing energy efficiency and increasing the share of renewable energy in line with its 2030 Goals. These goals include reduction in specific energy by 31%, specific water consumption by 40% and specific GHG Emissions by 90% along with increasing renewable energy share to 90% and sourcing 95% of purchased electricity from renewables by 2030 (Baseline Year 2018). The Company regularly tracks its performance against these key performance indicators. The Company invests in energy conservation and renewable energy projects along with exploring innovative technologies to bring alignment with the goals. These investments are done in phases by taking into account future expansion plans, evolving regulatory frameworks and techno-commercial feasibility.

- a) Steps taken or impact on conservation of energy:

Some of the energy conservation measures adopted by the Company are outlined below:

- I. Upgradation to IE5 rated energy efficient pumping systems from IE2 and IE3 across multiple units.
- II. Installation of a new energy-efficient chiller plants at select units.
- III. Upgradation of FCU motors to energy-efficient Brushless Direct Current (BLDC) motors at select units.
- IV. Retrofit of Air Handling Units with energy efficient EC fans across identified locations.
- V. Vacuum degasser installed to improve chilled water system efficiency.

- b) Steps taken for utilizing alternate sources of energy:

Some of the renewable energy initiatives undertaken during the year are as follows:

- I. Commissioning of 3.3MW offsite Wind Turbine Generator in Rajkot, Gujarat for energy wheeling to ITC Narmada, Gujarat.
- II. Continued use of renewable electricity from existing wind/ solar power plants to reduce dependency on grid electricity across units.
- III. Continued use of bio fuels in existing boilers at select locations for thermal energy generation to reduce dependency on fossil fuels.

As of 31st March 2026, ITC Hotels Limited has installed 51.2 MW of solar and wind power plants.

- **Technology Absorption:**

- a) Efforts made towards technology absorption:

The organization has undertaken multiple technology initiatives to enhance energy efficiency, reduce greenhouse gas emissions, and improve water stewardship. Key interventions implemented during the year include :

- a. Installation of electric boilers as a cleaner alternative to fuel-based thermal systems, contributing to emissions reduction.
- b. Installation of efficient Pipeline Natural Gas Genset to improve overall energy efficiency and lower emission intensity.
- c. Adoption of EC Fan Technology for energy efficiency in Exhaust and Ventilation systems.
- d. Kitchen Fuel Switch projects like Electrical Inductions & Equipment in units for energy efficiency, operational resilience and reduction in GHG Emissions.
- e. Upgradation of Reverse Osmosis (RO) systems at select properties to enhance water recovery and reuse

- b) Benefits derived:
- a. Improved energy efficiency and reduced emissions
 - b. Enhanced water and resource conservation
 - c. Increased operational safety and reliability
 - d. Remote monitoring enabling smarter operations.

Foreign Exchange Earnings

During FY 2025-26, the foreign exchange earnings of the Company were ₹ 988.68 Crores (2025 : ₹ 280.09 Crores) and the expenditure in foreign currency were ₹ 120.17 Crores (2025 : ₹ 3.35 Crores). The figures for 2025 pertain to the period 1st January 2025 to 31st March 2025.

Place : New Delhi
Date : 15th May, 2026

S. PURI
Chairperson
(DIN : 00280529)

On behalf of the Board

A. CHADHA
Managing Director
(DIN : 08073567)

Annexure to the Report of the Board of Directors
For the Financial Year ended 31st March, 2026

A. Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name of directors & key managerial personnel	Designation	Ratio of remuneration to median remuneration of all employees	Increase in remuneration over last year (%)
		Based on remuneration paid	
S Puri	Chairperson and Non-Executive Director	NA [#]	--
A Chadha	Managing Director	57:1	723*
S Dutta	Non-Executive Director	NA [#]	--
R K Singhi	Non-Executive Director	NA [#]	--
T Pandey [®]	Non-Executive Director	1:1	390*
P R Ramesh	Independent Director	2:1	70*
M Gupta	Independent Director	1:1	148*
K Bali	Independent Director	1:1	179*
I Bhushan	Independent Director	1:1	227*
V Sarup	Independent Director	1:1	112*
A Thakar	Chief Financial Officer	43:1	364*
D Dinesh	Company Secretary	12:1	8

[®] Ceased to be Non-Executive Director w.e.f. close of work hours on 05.03.2026.

^{*} Increase in remuneration for Directors and Chief Financial Officer is not comparable since the last year's remuneration was for part of the year. Further, Non-Executive Directors' remuneration for the year includes commission which was not part of the previous year's remuneration.

[#]Waived off the right to receive sitting fees and commission from the Company.

Notes

- The number of permanent employees of the Company as on 31st March, 2026 was 3,038 (excluding the employees deputed to the Company).
- Since the remuneration for FY 2024-25 was only for part of the year, the median remuneration and average remuneration of employees and Key Managerial Personnel ('KMP') are not comparable.
- Remuneration of Directors, KMP and other employees is in accordance with the Company's Remuneration Policy.

B. Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The required details may be accessed on the Company's website www.itchotels.com.

On behalf of the Board

Place : New Delhi
Date : 15th May, 2026

S. PURI
Chairperson
(DIN : 00280529)

A. CHADHA
Managing Director
(DIN : 08073567)

Annexure to the Report of the Board of Directors
For the Financial Year ended 31st March, 2026

KEY FINANCIAL RATIOS

[Pursuant to Schedule V(B) to the Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

Key Financial Ratios for the Company:

S No.	Particulars	For the year ended 31st March, 2026	For the year ended 31st March, 2025
(i)	Operating Profit Margin (%)	33.0	29.1
(ii)	Net Profit Margin (%)	24.4	21.5
(iii)	Debtors Turnover	21.0	20.3
(iv)	Inventory Turnover	91.6	94.2
(v)	Current Ratio	1.9	2.2
(vi)	Return on Net Worth (%)	7.6	7.0

Notes:

- Net Profit Margin and Return on Net Worth ratios have been computed based on Profit After Tax (before exceptional items).
- Interest Coverage Ratio and Debt-Equity ratio are not relevant for the Company as it has no debt.

Place : New Delhi
Date : 15th May, 2026

S. PURI
Chairperson
(DIN : 00280529)

On behalf of the Board

A. CHADHA
Managing Director
(DIN : 08073567)

Annexure to the Report of the Board of Directors
Corporate Governance Certificate

[Pursuant to Regulation 34(3) and Schedule V Para E of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. Background

We have been engaged by ITC Hotels Limited (“the Company”), to examine the compliance with the conditions of Corporate Governance by the Company, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), as amended from time to time, for the financial year ended on 31st March, 2026.

2. Management’s Responsibility

The compliance of conditions of Corporate Governance stipulated in the Listing Regulations is the responsibility of the management of the Company. The management shall devise adequate systems, internal controls and processes to monitor and ensure compliance of the same.

3. Our Responsibility

Our responsibility is limited to conduct an examination of the systems, internal controls and processes adopted by the Company and implementation thereof to monitor and ensure with the conditions of Corporate Governance and report thereon.

4. Methodology

- In order to conduct our examination, we were provided with the relevant documents and information including explanations, wherever required.
- Our examination was conducted in a manner which provided us with a reasonable basis for evaluating the systems, internal controls and processes adopted by the Company to monitor and ensure compliance with the conditions of Corporate Governance and to certify thereon.

5. Opinion

Based on our examination as aforesaid, the information, explanations and representations provided by the management, we certify that, the Company has complied with the conditions of the Corporate Governance stipulated in the Listing Regulations, for the Financial Year ended 31st March 2026.

6. Disclaimer

- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- This report 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.

For S. N. ANANTHASUBRAMANIAN & Co.
Company Secretaries
ICSI Unique Code: P1991MH040400
Peer Review Cert. No.: 5218/2023
S. N. Ananthasubramanian
Founding Partner
FCS: 4206 | COP No.: 1774
ICSI UDIN: F004206H000323514
11th May, 2026 | Thane

CEO and CFO Compliance Certificate

We, A. Chadha, Managing Director and A. Thakar, Chief Financial Officer certify that:

- A. We have reviewed the financial statements and the statement of cash flows for the year ended 31st March, 2026 and to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2026 are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
- (1) significant changes in internal controls over financial reporting during the year;
 - (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (3) we are not aware of any instances of significant fraud during the year and involvement of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Gurugram, India
13th May, 2026

A. Chadha
Managing Director
(DIN:08073567)

A. Thakar
Chief Financial Officer

Standalone Financial Statements

Balance Sheet	136
Statement of Profit and Loss	137
Statement of Changes in Equity	138
Statement of Cash Flows	140
Notes to the Standalone Financial Statements	142
Independent Auditor's Report	190

Standalone Balance Sheet as at 31st March, 2026

(Rupees in crores unless specified otherwise)

	Note	As at 31st March, 2026	As at 31st March, 2025
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	4A	5530.76	5661.25
(b) Capital work-in-progress	4B	86.69	42.83
(c) Other Intangible assets	4C	14.98	13.92
(d) Intangible assets under development	4D	0.71	1.92
(e) Right-of-use assets	4E	179.86	182.30
(f) Financial Assets			
(i) Investments	5	5123.40	4535.56
(ii) Others	6	502.99	2.86
(g) Other non-current assets	7	233.31	119.32
		11672.70	10559.96
Current assets			
(a) Inventories	8	40.18	37.46
(b) Financial Assets			
(i) Investments	9	667.20	80.00
(ii) Trade receivables	10	149.11	188.76
(iii) Cash and cash equivalents	11	31.13	22.69
(iv) Bank Balances other than (iii) above	12	700.01	1477.65
(v) Loans	13	0.31	0.21
(vi) Others	6	44.73	61.11
(c) Other current assets	7	86.51	94.33
		1719.18	1962.21
TOTAL ASSETS		13391.88	12522.17
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	14	208.30	208.12
(b) Other Equity		11684.00	10839.96
		11892.30	11048.08
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	15	127.38	126.00
(ii) Other financial liabilities	16	10.49	137.87
(b) Provisions	17	32.92	25.18
(c) Deferred tax liabilities (Net)	18	414.86	416.41
(d) Other non-current liabilities	19	18.09	10.23
		603.74	588.77
Current liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	15	0.63	0.58
(ii) Trade payables			
Total outstanding dues of micro and small enterprises	20	12.58	13.39
Total outstanding dues of creditors other than micro and small enterprises	20	345.20	366.27
(iii) Other financial liabilities	16	110.07	496.57
(b) Other current liabilities	19	362.16	372.27
(c) Provisions	17	59.62	9.25
(d) Current Tax Liabilities (Net)	21	5.58	7.23
		895.84	885.32
TOTAL EQUITY AND LIABILITIES		13391.88	12522.17

The accompanying notes 1 to 31 are an integral part of the Standalone Financial Statements.

In terms of our report attached

For S. R. Batliboi & Co. LLP

Chartered Accountants

Firm Registration Number: 301003E / E300005

per Sanjay Vij

Partner

Membership No: 095169

New Delhi, 15th May, 2026

On behalf of the Board

S. Puri

Chairman

(DIN: 00280529)

A. Thakar

Chief Financial Officer

A. Chadha

Managing Director

(DIN: 08073567)

D. Dinesh

Company Secretary

(Membership No: ACS 22282)

Standalone Statement of Profit and Loss for the year ended 31st March, 2026

(Rupees in crores unless specified otherwise)

	Note	For the year ended 31st March, 2026	For the year ended 31st March, 2025
I Revenue From Operations	22	3583.19	3279.27
II Other Income	23	177.32	53.72
III Total Income (I+II)		3760.51	3332.99
IV EXPENSES			
Consumption of food, beverage, etc.		328.97	318.76
Employee benefits expense	24	693.74	604.20
Finance costs	25	11.33	11.32
Depreciation and amortization expense	4	293.66	297.30
Other expenses	26	1270.18	1167.48
Total expenses (IV)		2597.88	2399.06
V Profit before exceptional items and tax (III- IV)		1162.63	933.93
VI Exceptional Items	28(v)	(51.30)	-
VII Profit before tax (V+VI)		1111.33	933.93
VIII Tax expense:			
Current Tax	27	277.65	212.47
Deferred Tax	27	4.42	23.05
IX Profit for the year (VII-VIII)		829.26	698.41
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss:			
- Remeasurements of the defined benefit plans	28(v)	(23.73)	1.24
(ii) Income tax relating to items that will not be reclassified to profit or loss :		5.97	(0.31)
X Other Comprehensive Income (i+ii)		(17.76)	0.93
XI Total Comprehensive Income for the year (IX+X)		811.50	699.34
XII Earnings per equity share (Face Value ₹ 1.00 each) :	28(ii)		
(1) Basic (in ₹)		3.98	3.36
(2) Diluted (in ₹)		3.98	3.35

The accompanying notes 1 to 31 are an integral part of the Standalone Financial Statements.

In terms of our report attached

For S. R. Batliboi & Co. LLP

Chartered Accountants

Firm Registration Number: 301003E / E300005

per Sanjay Vij

Partner

Membership No: 095169

New Delhi, 15th May, 2026

On behalf of the Board

S. Puri

Chairman

(DIN: 00280529)

A. Thakar

Chief Financial Officer

A. Chadha

Managing Director

(DIN: 08073567)

D. Dinesh

Company Secretary

(Membership No: ACS 22282)

Standalone Statement of changes in equity for the year ended 31st March, 2026

(Rupees in crores unless specified otherwise)

A. Equity Share Capital

	Balance at the beginning of the reporting year	Changes in equity share capital during the year	Balance at the end of the reporting year
For the year ended 31st March, 2026	208.12	0.18	208.30
For the year ended 31st March, 2025	83.00	125.12	208.12

B. Other Equity

	Reserves and Surplus				Total
	Securities Premium	Capital Reserve	Share Options Outstanding Account	Retained Earnings	
Balance as at 1st April, 2025	10546.75	-	25.05	268.16	10839.96
Profit for the year	-	-	-	829.26	829.26
Other Comprehensive Income (net of tax)	-	-	-	(17.76)	(17.76)
Total Comprehensive Income for the year	10546.75	-	25.05	1079.66	11651.46
Issue of equity shares under ITC Hotels Special Purpose Employee Stock Option Scheme	26.64	-	-	-	26.64
Transfer from Share Options Outstanding Account on options exercise and lapse	6.97	-	(7.20)	0.23	-
Recognition of share based payment*	-	-	5.90	-	5.90
Balance as at 31st March, 2026	10580.36	-	23.75	1079.89	11684.00

	Reserves and Surplus				Demerger Suspense Account	Total
	Securities Premium	Capital Reserve	Share Options Outstanding Account	Retained Earnings		
Balance as at 1st April, 2024	-	-	-	1.10	8825.87	8826.97
Profit for the year	-	-	-	266.11	432.30	698.41
Other Comprehensive Income (net of tax)	-	-	-	0.95	(0.02)	0.93
Total Comprehensive Income for the year	-	-	-	267.06	432.28	699.34
Recognised pursuant to the Scheme**	-	-	-	-	1436.61	1436.61
Share Options Outstanding created pursuant to the Scheme **	-	-	22.89	-	(22.89)	-
Issue of equity shares pursuant to the Scheme **	21908.25	-	-	-	(22033.37)	(125.12)

Standalone Statement of changes in equity for the year ended 31st March, 2026

(Rupees in crores unless specified otherwise)

B. Other Equity (Contd.)

	Reserves and Surplus				Demerger Suspense Account	Total
	Securities Premium	Capital Reserve	Share Options Outstanding Account	Retained Earnings		
Difference between fair value of equity shares and book value of net assets transferred pursuant to the Scheme**	-	(11361.50)	-	-	11361.50	-
Debit balance of Capital Reserve adjusted pursuant to the Scheme**	(11361.50)	11361.50	-	-	-	-
Transfer from Share Options Outstanding Account on options lapsed	-	-	...	...	-	-
Recognition of share based payment*	-	-	2.16	-	-	2.16
Balance as at 31st March, 2025	10546.75	-	25.05	268.16	-	10839.96

* For details refer Note 28 (viii) & 28 (ix).

** For details on the Scheme refer Note 28 (i).

The Board of Directors of the Company have recommended Final Dividend of ₹1/- per Equity Share of ₹1/- each for the financial year ended 31st March, 2026 (2025: Nil) amounting to ₹208.30 Crores. The said Final Dividend is subject to the approval of the shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

Securities Premium: This Reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

Capital Reserve: This Reserve represents the difference between the fair value of equity shares issued and book value of the net assets transferred under the Scheme. The same has been transferred to the Securities Premium in accordance with the provisions of the Scheme.

Share Options Outstanding Account: This Reserve relates to stock options granted by the Company pursuant to the Scheme [Refer Note 28 (i)] and ITCHL Employee Stock Appreciation Rights Schemes. This Reserve is transferred to Securities Premium or Retained Earnings on exercise or lapse of vested options.

Retained Earnings: This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

Demerger Suspense Account: This account represents the book value of the net assets transferred under the Scheme, pending allotment of shares by the Company and includes the Total Comprehensive Income of the Demerged Undertaking from the date of incorporation of the Company till the Appointed Date of the demerger. The same has been used for issuance of equity shares and recognition of related Securities Premium, after suitable adjustments against Capital Reserve for giving effect to the Scheme [Refer Note 28 (i)].

The accompanying notes 1 to 31 are an integral part of the Standalone Financial Statements.

In terms of our report attached

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration Number: 301003E / E300005

per Sanjay Vji
Partner
Membership No: 095169
New Delhi, 15th May, 2026

On behalf of the Board

S. Puri Chairman (DIN: 00280629)	A. Chadha Managing Director (DIN: 08073567)
A. Thakar Chief Financial Officer	D. Dinesh Company Secretary (Membership No: ACS 22282)

Standalone Statement of Cash Flows for the year ended 31st March, 2026

(Rupees in crores unless specified otherwise)

	For the year ended 31st March, 2026	For the year ended 31st March, 2025
A. Cash Flow from Operating Activities		
PROFIT BEFORE TAX	1111.33	933.93
ADJUSTMENTS FOR :		
Depreciation and amortization expense	293.66	297.30
Share based payments to employees	0.54	0.13
Finance costs	11.33	11.32
Interest Income	(151.23)	(45.82)
Dividend Income	(3.81)	(3.21)
(Gain) / Loss on sale of property, plant and equipment - Net	8.28	5.09
Doubtful and bad debts	(0.07)	(0.27)
Doubtful and bad advances, loans and deposits	0.11	-
Net gain arising on financial instruments measured at fair value through profit or loss	(18.07)	(4.28)
Foreign currency translations and transactions - Net	(1.22)	139.52
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	1250.85	1194.43
ADJUSTMENTS FOR :		
Trade receivables, advances and other assets	67.94	(47.98)
Inventories	(2.72)	(5.98)
Trade payables, other liabilities and provisions	20.86	86.08
CASH GENERATED FROM OPERATIONS	1336.93	1134.85
Income tax paid (net of refunds)	(279.31)	(205.15)
NET CASH FROM OPERATING ACTIVITIES	1057.62	929.70
B. Cash Flow from Investing Activities		
Purchase of property, plant and equipment, intangibles etc.	(335.52)	(206.40)
Sale of property, plant and equipment	1.67	3.15
Purchase of current investments	(2830.16)	(1249.09)
Sale/redemption of current investments	2262.25	1173.37
Investment in subsidiaries	-	(334.98)
Purchase of non-current investments	(589.19)	(350.55)
Dividend received	3.81	3.21
Interest received	145.29	20.10
Investment in bank deposits (original maturity more than 3 months)	(1200.00)	(1475.03)
Redemption / maturity of bank deposits (original maturity more than 3 months)	1477.64	81.50
Loans (given) / recovered	(0.10)	0.19
NET CASH (USED IN) INVESTING ACTIVITIES	(1064.31)	(2334.53)

Standalone Statement of Cash Flows for the year ended 31st March, 2026

(Rupees in crores unless specified otherwise)

	For the year ended 31st March, 2026	For the year ended 31st March, 2025
C. Cash Flow from Financing Activities		
Proceeds from issue of share capital	26.82	-
Principal payment of lease liabilities	(0.36)	(0.33)
Interest paid	(11.33)	(11.32)
Adjustment pursuant to the Scheme [Refer Note 28 (i)]	-	1436.61
NET CASH FROM FINANCING ACTIVITIES	15.13	1424.96
NET INCREASE IN CASH AND CASH EQUIVALENTS	8.44	20.13
OPENING CASH AND CASH EQUIVALENTS	22.69	2.56
CLOSING CASH AND CASH EQUIVALENTS	31.13	22.69

Notes :

- The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statement of Cash Flows"
- CASH AND CASH EQUIVALENTS :**

Cash and cash equivalents as above	31.13	22.69
Unrealised gain / (loss) on foreign currency cash and cash equivalents	-	-
Cash and cash equivalents (Note 11)	31.13	22.69
- Net Cash Flow from Operating Activities includes an amount of ₹ 3.64 Crores (2025: Nil) spent towards Corporate Social Responsibility.
- Disclosure of change arising from financing activities in respect of lease liabilities - Refer Note 15.

The accompanying notes 1 to 31 are an integral part of the Standalone Financial Statements.

In terms of our report attached

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration Number: 301003E / E300005
per Sanjay Vij
Partner
Membership No: 095169

New Delhi, 15th May, 2026

On behalf of the Board

S. Puri
Chairman
(DIN: 00280529)

A. Thakar
Chief Financial Officer

A. Chadha
Managing Director
(DIN: 08073567)

D. Dinesh
Company Secretary
(Membership No: ACS 22282)

Notes to the Standalone Financial Statements

1. Corporate Information

ITC Hotels Limited (CIN: L55101WB2023PLC263914) is a public limited company domiciled in India and was incorporated on 28th July 2023 under the provision of the Companies Act, 2013. Pursuant to the ‘Scheme of Arrangement between ITC Limited and ITC Hotels Limited, and their respective shareholders and creditors’ (the Scheme), the Company received various assets and liabilities of the Hotels business of ITC Limited (Demerged Undertaking) [Refer Note 28 (i)]. The registered office of the Company is located at Kolkata, West Bengal, India. It is primarily engaged in the business of owning, operating & managing hotels. The Company’s shares are listed on National Stock Exchange of India Limited and BSE Limited.

2. Material Accounting Policies

Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at amortised cost or fair value as explained in the accounting policies. The financial statements are presented in Indian Rupees (INR) which is also the Company’s functional currency. The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

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 financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 116 – Leases, and

measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of the business of the Company. The Company has identified twelve months as its operating cycle.

Property, Plant and Equipment

Property, plant and equipment (PP&E) are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Cost is inclusive of inward freight, non-refundable duties / taxes and incidental expenses related to acquisition. In respect of major projects involving construction, directly related pre-operational expenses form part of the value of assets capitalised. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of PP&E is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of PP&E is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of PP&E are depreciated in a manner that amortizes the cost of the assets after commissioning, less its residual value,

Notes to the Standalone Financial Statements

2. Material Accounting Policies (Contd.)

over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis, except where the useful life has been re-assessed based on independent technical evaluation, taking into account the operating conditions, maintenance history etc. of the asset. Land, including perpetual lease where the Company is a lessee, is not depreciated.

The estimated useful lives of PP&E of the Company are as follows:

Buildings	60-80 Years
Leasehold Improvements	Shorter of lease period or estimated useful lives
Plant and Equipment	3-22 Years
Furniture and Fixtures	8-10 Years
Vehicles	8 Years
Office Equipment	5 Years

PP&E’s residual values, useful lives and method of depreciation are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

Intangible Assets

Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

- a. for assets acquired in a business combination, at fair value on the date of acquisition.
- b. for separately acquired assets, at cost comprising the purchase price (including non-refundable duties / taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated brands, websites and customer lists are not recognised as intangible assets.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law or the likelihood of technical, technological obsolescence or commercial obsolescence.

Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method from the date that they are available for use unless it is practical to reliably determine the pattern of benefits arising from the asset. Amortization

expenses and impairment losses and reversal of impairment losses are included in the ‘Depreciation and amortization expense’ in the Statement of Profit and Loss.

The estimated useful lives of intangible assets of the Company with finite lives are as follows:

Business and Commercial Rights	10 Years (unless shorter useful life is required based on contractual or legal terms)
Computer Software	5 Years

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives. The impact of such changes is accounted for as a change in accounting estimate. Amortization expenses are taken to the Statement of Profit and Loss.

An intangible asset is derecognised 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 recognised in the Statement of Profit and Loss when the asset is derecognised.

Impairment of Assets

The Company assesses, at each reporting date, whether there is an indication that an asset or cash generating unit may be impaired. If any indication exists, the Company estimates the asset’s recoverable amount. Recoverable amount is higher of an asset’s fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

Notes to the Standalone Financial Statements

2. Material Accounting Policies (Contd.)

Inventories

Inventories are stated at lower of cost and net realisable value. The cost is calculated on weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to their present location and condition. Net realisable value is the estimated selling price less estimated costs necessary to make the sale.

Foreign Currency Transactions and Derivatives

The functional and presentation currency of the Company is Indian Rupee.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.

Derivatives are initially recognised at fair value and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gains/ losses are recognised in Statement of Profit and Loss immediately.

Investment in Subsidiaries, Associates and Joint Ventures

Investment in subsidiaries, associates and joint ventures are carried at cost less accumulated impairment, if any.

Financial instruments, Financial assets, Financial liabilities and Equity instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

Financial Assets

Recognition: Financial assets include Investments, Trade Receivables, Advances, Security Deposits,

Other Bank Balances, Cash and Cash equivalents. Such assets are initially recognised at fair value or transaction price, as applicable, when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.
- fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value, including interest income and dividend income, if any, are recognised in 'Other Income' in the Statement of Profit and Loss in the period in which they arise.

Trade Receivables, Advances, Security Deposits, Other Bank Balances, Cash and Cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. Further, investments in equity instruments may be classified as fair value through other comprehensive income, where an irrevocable election is made for such classification at the time of initial recognition of the investment.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for

Notes to the Standalone Financial Statements

2. Material Accounting Policies (Contd.)

impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

Derecognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment, in which case the cumulative fair value adjustments previously taken to reserves are reclassified within equity.

Income Recognition: Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost. Any discount or premium on redemption/ settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled or on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

Revenue

Revenue is measured at the transaction price that the Company receives or expects to receive as consideration for goods supplied and services rendered, net of returns and estimates of variable consideration such as discounts and schemes. Revenue excludes taxes such as VAT and Goods and Services Tax which are payable in respect of sale of goods and services. Revenue is recognised when it can be measured reliably and recovery of the consideration is probable.

Revenue from room, food & beverage, banquet and allied services etc. is generally recognised at a point in time when control is transferred to the customer, which generally occurs when the room is occupied, food & beverages is sold, banquet and allied services etc. are rendered in accordance with the contract with the customer.

The Company provides hotel management services, grants license to use its trademark & other intellectual property and offers sale of memberships of loyalty programs and hotel facilities. Revenue for the same is recognised over time in accordance with the terms of the contract.

The Company also offers Loyalty Programs to eligible customers and business partners. Such programs entitle the members to rewards in accordance with the terms & conditions of the program. The revenue attributable to such reward is deferred and a contract liability is created at the time of initial sales which is measured considering the likelihood of its redemption, as evidenced by the Company's historical experience. On redemption / expiry of such reward, revenue is recognised at pre-determined rates.

Dividend Distribution

Dividends paid (including income tax thereon, if any) are recognised in the period in which the interim

Notes to the Standalone Financial Statements

2. Material Accounting Policies (Contd.)

dividends are approved by the Board of Directors, or in respect of the final dividend when approved by the shareholders.

Employee Benefits

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

The Company makes contributions to both defined benefit and defined contribution schemes.

Contributions to provident fund, defined contribution pension plan and national pension system are in the nature of defined contribution schemes. The contribution payable is recognised as an expense, when an employee renders the related service. The contributions in respect of provident fund are statutorily deposited with the Employee Provident Fund Organisation.

The Company also makes contribution to defined benefit pension and gratuity plan which are mainly administered through duly constituted and approved Trusts. The cost of providing benefits under the defined benefit obligation is calculated by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of remeasurements are recognised immediately through other comprehensive income in the period in which they occur.

The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed using projected unit credit method. These benefits are unfunded.

Employee Share Based Compensation

Stock Options granted under ITC Employee Stock Option Scheme ("ITC ESOS") and ITC Employee Cash Settled Stock Appreciation Linked Reward Plan ("ITC ESARP")

Certain employees of the Company and those who are deputed to the Company from ITC Limited are covered under ITC ESOS and ITC ESARP. These schemes are in the nature of equity / cash settled.

In the case of equity settled awards, the fair value of the awards at the grant date is amortised on a

straight-line basis over the vesting period. In case of cash settled awards, the fair value of awards at the grant date is initially recognised and remeasured at each reporting date, until settled.

The cost in respect of such share-based payments is recognised as an employee benefit expenses in the Statement of Profit and Loss with corresponding increase in other financial liabilities.

Stock Options granted under ITC Hotels Special Purpose Employee Stock Option Scheme ("ITCHL SP ESOS") and ITCHL Employee Stock Appreciation Rights Scheme, 2025 ("ITCHL ESARS")

The cost of ITCHL SP ESOS granted, pursuant to the Scheme, to the grantees of ITC ESOS and ITCHL ESARS granted by the Company, is recognised based on the fair value of such stock options in accordance with applicable standards and the Scheme. The fair value of the stock options, which are equity settled, is recorded over the balance vesting term and is recognised as employee benefit expense to the extent it pertains to the employees of the Company or those who are deputed to the Company by ITC Limited over the period in which the performance and / or service conditions are fulfilled by such employees.

The fair value, to the extent it pertains to the options granted to the employees of ITC Group and the subsidiaries / associates / joint venture of the Company, is recovered from the respective entities.

Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

Right-of-Use (ROU) assets are recognised at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred and lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight line basis. Lease term is determined based on consideration of facts and circumstances that create

Notes to the Standalone Financial Statements

2. Material Accounting Policies (Contd.)

an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and low value leases (i.e., where the value of the underlying asset, when new, in order of magnitude ₹ 5 lakhs or less) are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

The Company recognises lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognised as expense in the periods in which they are incurred. Interest on lease liability is recognised using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities is also remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurements is adjusted to the value of the ROU assets.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment or investment property and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the term of the lease.

Taxes on Income

Taxes on income comprise current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future

taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, insofar as it relates to items disclosed under other comprehensive income or equity, is disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

3. Use of estimates and judgements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Notes to the Standalone Financial Statements

3. Use of estimates and judgements (Contd.)

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

a) Useful lives of property, plant and equipment and intangible assets:

As described in the material accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period based on management assessment and independent technical expert review, where applicable, and the impact of changes in the estimated useful life is considered in the period in which the estimate is revised.

b) Claims, Provisions and Contingent Liabilities:

The Company has ongoing litigations mainly with various regulatory authorities. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

c) Fair value measurements and valuation processes:

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements. Also refer Note 28 (i) for details of independent valuation report in respect of the Scheme.

d) Actuarial Valuation:

The determination of the Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

Particulars	Gross Block						
	As at 31st March, 2024	Additions	Withdrawals and adjustments	As at 31st March, 2025	Additions	Withdrawals and adjustments	As at 31st March, 2026
4A. Property, Plant and Equipment							
Land	925.91	4.36	-	930.27	-	-	930.27
Buildings	3532.15	34.62	1.12	3565.65	7.56	3.08	3570.13
Leasehold Improvements	6.75	0.83	0.01	7.57	1.10	0.21	8.46
Plant and Equipment	2358.65	131.53	33.92	2456.26	126.38	38.81	2543.83
Furniture and Fixtures	794.23	17.62	3.68	808.17	21.14	9.86	819.45
Vehicles	47.42	10.37	6.65	51.14	8.02	4.88	54.28
Office Equipment	1.32	0.16	0.06	1.42	0.02	-	1.44
TOTAL	7666.43	199.49	45.44	7820.48	164.22	56.84	7927.86
4B. Capital work-in-progress	54.52	186.54	198.23	42.83	208.39	164.53	86.69
4C. Other Intangible assets (acquired)							
Computer Software	61.83	0.70	3.48	59.05	5.76	0.16	64.65
Business and Commercial Rights	-	3.77	-	3.77	-	-	3.77
TOTAL	61.83	4.47	3.48	62.82	5.76	0.16	68.42
4D. Intangible assets under development	0.90	6.75	5.73	1.92	4.55	5.76	0.71
4E. Right-of-use assets							
Land	95.16	4.78	-	99.94	1.80	-	101.74
Buildings	102.70	0.16	-	102.86	-	-	102.86
TOTAL	197.86	4.94	-	202.80	1.80	-	204.60

Particulars	Depreciation and Amortization						Net Book Value	
	Upto 31st March, 2024	For the year	On Withdrawals and adjustments	Upto 31st March, 2025	For the year	On Withdrawals and adjustments	Upto 31st March, 2026	As at 31st March, 2025
4A. Property, Plant and Equipment								
Land	-	-	-	-	-	-	-	930.27
Buildings	370.05	59.72	0.21	429.56	60.93	0.55	489.94	3080.19
Leasehold Improvements	5.10	0.07	...	5.17	0.10	0.20	5.07	3.39
Plant and Equipment	1032.20	156.84	29.22	1159.82	153.85	33.91	1279.76	1264.07
Furniture and Fixtures	473.04	66.95	3.22	536.77	65.19	8.71	593.25	226.20
Vehicles	26.40	4.78	4.48	26.70	4.65	3.51	27.84	26.44
Office Equipment	1.23	0.03	0.05	1.21	0.03	-	1.24	0.21
TOTAL	1908.02	288.39	37.18	2159.23	284.75	46.88	2397.10	5530.76
4B. Capital work-in-progress	-	-	-	-	-	-	-	86.69
4C. Other Intangible assets (acquired)								
Computer Software	47.60	4.66	3.49	48.77	4.21	0.16	52.82	11.83
Business and Commercial Rights	-	0.13	-	0.13	0.49	-	0.62	3.15
TOTAL	47.60	4.79	3.49	48.90	4.70	0.16	53.44	14.98
4D. Intangible assets under development	-	-	-	-	-	-	-	0.71
4E. Right-of-use assets								
Land	11.07	2.25	-	13.32	2.37	-	15.69	86.05
Buildings	5.31	1.87	-	7.18	1.87	-	9.05	93.81
TOTAL	16.38	4.12	-	20.50	4.24	-	24.74	179.86

Notes:

- The amount of expenditure recognised in the carrying amount of property, plant and equipment in the course of construction is ₹ 11.75 Crores (2025: ₹ 5.53 Crores).
- As per the Scheme, all immovable property (including but not limited to capital works in progress, land, buildings, and any other rights, titles, interests, rights of way and easements in relation thereto) shall be vested in the Company or be deemed to have been so, automatically without any further act or deed, with effect from the Appointed Date. Accordingly, all the immovable properties of the Demerged Company, forming part of the Demerged Undertaking have vested in the Company with effect from 1st January, 2025. The Company has filed / is in the process of filing the necessary applications for updation of the name with the concerned authorities. Also refer Note 28 (i).
- During the year, based on management's annual review of the estimated useful life of its assets, after considering the nature of use, maintenance standards, superior structural condition and also independent technical evaluation carried out by an expert in certain cases, the Company has reassessed the useful life of its building assets for its properties. Accordingly, the estimated useful life of certain buildings has been revised from 60 years to 80 years. The Company has treated this change as a change in accounting estimate and has applied the same prospectively in accordance with Ind AS 8. The impact of this change is not material to the financial statements of the Company.

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

Capital work-in-progress (CWIP) ageing schedule

Particulars	As at 31st March, 2025					As at 31st March, 2026				
	Amount in CWIP for a period of					Amount in CWIP for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in Progress	40.27	0.70	1.07	0.79	42.83	75.28	10.33	0.63	0.45	86.69
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-
TOTAL	40.27	0.70	1.07	0.79	42.83	75.28	10.33	0.63	0.45	86.69

Intangible assets under development (IAUD) ageing schedule

Particulars	As at 31st March, 2025					As at 31st March, 2026				
	Amount in IAUD for a period of					Amount in IAUD for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in Progress	1.16	0.76	-	-	1.92	0.66	0.05	-	-	0.71
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-
TOTAL	1.16	0.76	-	-	1.92	0.66	0.05	-	-	0.71

Note: There are no projects in CWIP or IAUD which are overdue or have exceeded its cost compared to its original plan as at 31st March, 2026 and 31st March, 2025.

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

	Face Value (₹) (Fully Paid)	As at 31st March, 2026		As at 31st March, 2025	
		Number	Amount	Number	Amount
5. Non-current Investments					
INVESTMENT IN EQUITY INSTRUMENTS *					
In Subsidiaries (at cost)					
Unquoted					
Landbase India Limited	10	31,70,00,000	325.57	31,70,00,000	325.57
Srinivasa Resorts Limited	10	1,63,20,477	18.53	1,63,20,477	18.53
Fortune Park Hotels Limited	10	4,50,008	0.45	4,50,008	0.45
Bay Islands Hotels Limited	100	11,875	0.12	11,875	0.12
WelcomHotels Lanka (Private) Limited	No par value	78,43,65,263	2287.31	78,43,65,263	2287.31
In Associates (at cost)					
Quoted					
International Travel House Limited	10	39,14,233	21.87	39,14,233	21.87
Gujarat Hotels Limited	10	17,33,907	1.94	17,33,907	1.94
In Joint Ventures (at cost)					
Unquoted					
Maharaja Heritage Resorts Limited	100	1,80,000	1.80	1,80,000	1.80
INVESTMENT IN PREFERENCE SHARES *					
In Subsidiaries (at cost)					
Unquoted					
WelcomHotels Lanka (Private) Limited (Cumulative Non-Convertible Redeemable Preference Shares)	No Par Value	38,33,73,340	1527.42	38,33,73,340	1527.42
INVESTMENT IN BONDS IN THE NATURE OF DEBENTURES (at amortised cost)					
Quoted					
HDFC Bank Limited					
9.05% - Series U-001 -004 - 16-Oct-2028	10,00,000	50	5.23	-	-
9.00% - Series U-005 - 29-Nov-2028	10,00,000	600	62.81	-	-
8.44% - Series 1/2018-19 - 28-Dec-2028	10,00,000	100	10.35	-	-
8.55%- Series V004 - 27-Mar-2029	10,00,000	800	83.45	-	-
National Bank for Agriculture and Rural Development					
7.62% - Series 23I - 31-Jan-2028	1,00,000	5,000	50.08	5,000	50.12
7.53% - Series 25E - 24-Mar-2028	1,00,000	25,000	250.14	25,000	250.20
7.68% - Series F24 - 30-Apr-2029	1,00,000	5,000	50.12	-	-
Power Finance Corporation Limited					
7.42%- Series 246A - 15-Apr-2028	1,00,000	5,000	50.55	-	-
7.45%- Series 248B - 15-Jul-2028	1,00,000	2,500	25.32	-	-
Small Industries Development Bank of India					
7.79% - Series VI - 14-May-2027	1,00,000	5,000	50.13	5,000	50.23
6.66% - Series I - 25-Oct-2028	1,00,000	2,500	24.90	-	-
7.34% - Series III - 26-Feb-2029	1,00,000	22,500	225.77	-	-
7.22% - Series V - 10-Apr-2029	1,00,000	5,000	49.54	-	-
INVESTMENT IN GOVERNMENT OR TRUST SECURITIES (at amortised cost)					
Unquoted					
Government Securities (cost ₹ 44000.00)			...		...
Aggregate amount of quoted investments			962.20		374.36
Aggregate amount of unquoted investments			4161.20		4161.20
TOTAL			5123.40		4535.56

Aggregate market value of quoted investments ₹ 1072.03 Crores (2025: ₹ 563.90 Crores)

* Pursuant to the Scheme [Refer Note 28 (i)]

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

	As at 31st March, 2026		As at 31st March, 2025	
	Current	Non-Current	Current	Non-Current
6. Other Financial assets				
Security Deposits	7.49	2.90	8.27	2.71
Bank deposits with more than 12 months maturity	-	500.05	-	0.05
Others				
Deposits other than Security Deposits	0.35	0.04	0.32	0.10
Interest accrued on Investments, Deposits etc.	33.01	-	27.06	-
Other Receivables*	3.88	-	25.46	-
TOTAL	44.73	502.99	61.11	2.86

* Includes amount recoverable in terms of the Scheme, reimbursement, derivatives etc.

	As at 31st March, 2026		As at 31st March, 2025	
	Current	Non-Current	Current	Non-Current
7. Other Assets				
Capital Advances	-	141.22	-	34.41
Advances other than capital advances				
Security Deposits				
- With Statutory Authorities	-	33.09	-	32.26
- Others	-	55.94	-	49.55
Advances with vendors for supply of goods or services	12.39	0.11	16.55	0.11
Prepaid Expenses	38.07	2.95	35.16	2.99
Input Taxes (GST etc.)	16.29	-	10.75	-
Other Advances (including advances to employees etc.)	0.45	-	1.03	-
Balance with Pension Funds*	-	-	18.05	-
Other Receivables (including recoverable towards withholding taxes etc.)	19.31	-	12.79	-
TOTAL	86.51	233.31	94.33	119.32

*Refer Note 28 (v)

	As at 31st March, 2026		As at 31st March, 2025	
8. Inventories				
(At lower of cost and net realisable value)				
Food, beverage etc.		34.09		31.45
Stores and operating supplies		6.09		6.01
TOTAL		40.18		37.46

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

	Face Value (₹) (Fully Paid)	As at 31st March, 2026		As at 31st March, 2025	
		Number	Amount	Number	Amount
9. Current investments					
INVESTMENT IN BONDS IN THE NATURE OF DEBENTURES (at amortised cost)					
Quoted					
National Bank for Agriculture and Rural Development					
7.58% - Series 23H - 31-Jul-2026	1,00,000	10,000	100.02	-	-
Small Industries Development Bank of India					
7.43% - Series I - 31-Aug-2026	1,00,000	1,000	9.99	-	-
7.44% - Series I - 04-Sep-2026	1,00,000	1,000	9.99	-	-
INVESTMENT IN CERTIFICATES OF DEPOSIT (at amortised cost)					
Unquoted					
Axis Bank Limited - 6-May-2026	5,00,000	1,000	49.64	-	-
Axis Bank Limited - 15-May-2026	5,00,000	1,000	49.56	-	-
Axis Bank Limited - 12-Jun-2026	5,00,000	500	24.66	-	-
HDFC Bank Limited - 7-May-2026	5,00,000	1,000	49.63	-	-
HDFC Bank Limited - 12-Jun-2026	5,00,000	1,000	49.32	-	-
Small Industries Development Bank of India - 5-May-2026	5,00,000	500	24.81	-	-
INVESTMENT IN MUTUAL FUNDS (at fair value through profit or loss)					
Unquoted					
Debt Index Funds					
Aditya Birla Sunlife Mutual Fund	10	-	-	4,92,22,347	50.35
Low Duration Funds					
DSP Mutual Fund	10	48,89,678	10.44	-	-
HDFC Mutual Fund	10	86,20,756	56.50	-	-
Kotak Mahindra Mutual Fund	1,000	1,49,598	57.11	-	-
Nippon Mutual Fund	1,000	1,35,793	56.41	-	-
SBI Mutual Fund	1,000	-	-	74,358	25.47
Money Market Funds					
Aditya Birla Sunlife Mutual Fund	100	89,259	3.50	-	-
Kotak Mahindra Mutual Fund	1,000	-	-	9,488	4.18
Nippon Mutual Fund	1,000	7,956	3.50	-	-
Arbitrage Funds					
Aditya Birla Sunlife Mutual Fund	10	33,78,699	10.15	-	-
Axis Mutual Fund	10	47,75,928	10.18	-	-
ICICI Prudential Mutual Fund	10	39,54,713	15.26	-	-
Kotak Mahindra Mutual Fund	10	24,29,379	10.21	-	-
Nippon India Mutual Fund	10	33,92,841	10.21	-	-
Income plus Arbitrage Funds					
Axis Mutual Fund	10	82,63,769	12.61	-	-
HDFC Mutual Fund	10	28,39,121	12.61	-	-
ICICI Prudential Mutual Fund	10	26,12,445	18.25	-	-
Kotak Mahindra Mutual Fund	10	98,34,092	12.64	-	-
Aggregate amount of quoted investments			120.00		-
Aggregate amount of unquoted investments			547.20		80.00
TOTAL			667.20		80.00

Aggregate market value of quoted investments ₹ 120.11 Crores (2025: Nil)

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

	As at 31st March, 2026	As at 31st March, 2025
10. Trade receivables (Current)		
Considered Good - Secured	5.69	1.56
Considered Good - Unsecured	143.42	187.20
Which have significant increase in credit risk	-	-
Credit impaired	2.96	2.96
Less: Allowance for Credit impairment (Refer Note 31)	2.96	2.96
TOTAL	149.11	188.76

Trade receivables ageing schedule

Not Due*	Outstanding for following periods from due date of payment as at 31st March, 2026					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	82.98	59.70	4.57	1.86	-	149.11
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	1.29	1.20	0.47	2.96
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
SUB-TOTAL	82.98	59.70	4.57	3.15	0.47	152.07
Less: Allowance for Credit Impairment						2.96
TOTAL						149.11

* includes Unbilled Trade Receivables of ₹ 13.33 Crores

Not Due#	Outstanding for following periods from due date of payment as at 31st March, 2025					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	84.64	90.92	10.11	3.09	-	188.76
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	0.46	1.65	0.09	2.96
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
SUB-TOTAL	84.64	90.92	10.57	4.74	0.09	191.72
Less: Allowance for Credit Impairment						2.96
TOTAL						188.76

includes Unbilled Trade Receivables of ₹ 12.29 Crores

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

	As at 31st March, 2026	As at 31st March, 2025
11. Cash and cash equivalents \$		
Balances with Banks		
Current accounts	29.41	19.79
Cheques, drafts on hand	0.02	0.01
Cash on hand	1.70	2.89
TOTAL	31.13	22.69

\$ Cash and cash equivalents include cash on hand, cheques, drafts on hand, cash at bank and deposits with banks with original maturity of 3 months or less.

	As at 31st March, 2026	As at 31st March, 2025
12. Bank Balances other than Cash and cash equivalents		
Earmarked Balances#	...	-
In deposit accounts @	700.01	1477.65
TOTAL	700.01	1477.65

Represents ESOP application money pending allotment.

@ Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.

	As at 31st March, 2026	As at 31st March, 2025
13. Loans		
Other Loans - Employees		
- Unsecured, considered good	0.31	0.21
TOTAL	0.31	0.21

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

	As at 31st March, 2026 (No. of Shares)	As at 31st March, 2026	As at 31st March, 2025 (No. of Shares)	As at 31st March, 2025
14. Equity Share capital				
Authorised				
Equity Shares of ₹ 1.00 each	2,50,00,00,000	250.00	2,50,00,00,000	250.00
Issued, Subscribed and Paid up				
Equity Shares of ₹ 1.00 each, fully paid	2,08,29,76,309	208.30	2,08,11,71,040	208.12
A) Reconciliation of number of Equity Shares outstanding:				
As at beginning of the year	2,08,11,71,040	208.12	83,00,00,000	83.00
Add: Issue of shares on exercise of options	18,05,269	0.18	-	-
Add: Issued pursuant to the Scheme [Refer Note 28 (i)]	-	-	1,25,11,71,040	125.12
As at end of the year	2,08,29,76,309	208.30	2,08,11,71,040	208.12
B) Shareholders holding more than 5% of the Equity Shares in the Company:				
	As at 31st March, 2026 (No. of Shares)	As at 31st March, 2026 (%)	As at 31st March, 2025 (No. of Shares)	As at 31st March, 2025 (%)
ITC Limited	83,00,00,000	39.85	83,00,00,000	39.88
Life Insurance Corporation of India	18,12,14,332	8.70	19,18,47,649	9.22
HCL Capital Private Limited	14,75,57,912	7.08	-	-
Tobacco Manufacturers (India) Limited	13,07,76,269	6.28	25,41,49,586	12.21
C) Shareholding of Promoters:				
Promoter Name	As at 31st March, 2026			
	No. of shares as at end of the year	% of Total Shares (No. of Shares)	% change during the year	
Equity Shares of ₹ 1.00 each, fully paid				
ITC Limited	83,00,00,000	39.85	(0.03)	
Promoter Name	As at 31st March, 2025			
	No. of shares as at end of the year	% of Total Shares (No. of Shares)	% change during the year	
Equity Shares of ₹ 1.00 each, fully paid				
ITC Limited	83,00,00,000	39.88	(60.12)	
D) Equity Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the period of five years immediately preceding 31st March:				
	2026 (No. of Shares)	2025 (No. of Shares)		
Fully paid up equity shares of ₹ 1.00 each allotted in terms of the Scheme [Refer Note 28 (i)]	-	1,25,11,71,040		

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

14. Equity Share capital (Contd.)

- E) Equity Shares allotted as fully paid pursuant to contract(s) as fully paid up Bonus Shares during the period of five years immediately preceding 31st March:** Nil
- F) Rights, preferences and restrictions attached to the Equity Shares:**
The Equity Shares of the Company, having par value of ₹ 1.00 per share, rank *pari passu* in all respects including voting rights and entitlement to dividend.
- G) Shares reserved for issue under options:**
Refer Note 28 (viii) & 28 (ix) for number (including terms and conditions) of Stock Options / ESARs against which Equity Shares to be issued by the Company upon vesting and exercise of those Stock Options / ESARs by the Options / ESAR holders as per the relevant schemes.

	As at 31st March, 2026		As at 31st March, 2025	
	Current	Non-Current	Current	Non-Current
15. Lease Liabilities *				
Lease Liabilities	0.63	127.38	0.58	126.00
TOTAL	0.63	127.38	0.58	126.00

* Refer Note 28 (vi)

Movement of Lease Liabilities during the period

Particulars	31st March, 2026	31st March, 2025
Opening Lease Liabilities	126.58	126.91
New leases recognised	1.79	-
Interest expense on Lease Liabilities	11.31	11.31
Payment of Lease Liabilities (including interest)	(11.67)	(11.64)
Closing Lease Liabilities	128.01	126.58

	As at 31st March, 2026	As at 31st March, 2025
16. Other financial liabilities		
Non-current		
Payable towards employee benefits	7.19	8.20
Others (Includes security deposits, retention money payable towards property, plant and equipment etc.)	3.30	2.75
TOTAL	10.49	10.95
Current		
Security Deposits	6.46	7.98
Payable towards employee benefits	64.21	52.29
Payable towards property, plant and equipment	38.40	55.74
Others (Includes payable towards derivatives not designated as hedging instruments etc.)	1.00	0.32
TOTAL	110.07	116.33

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

	As at 31st March, 2026		As at 31st March, 2025	
	Current	Non-Current	Current	Non-Current
17. Provisions				
Provision for employee benefits [Refer Note 28 (v)]				
Retirement benefits	59.62	32.92	9.25	25.18
TOTAL	59.62	32.92	9.25	25.18
	As at 31st March, 2026		As at 31st March, 2025	
18. Deferred tax liabilities (Net)				
Deferred tax liabilities		467.80		444.30
Less: Deferred tax assets		52.94		27.89
TOTAL		414.86		416.41

Movement in deferred tax liabilities / assets balances

For the year ended 31st March, 2026	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
Deferred Tax liabilities / assets in relation to:				
On fiscal allowances on property, plant and equipment etc.	444.10	22.05	-	466.15
Other timing differences	0.20	1.45	-	1.65
Total deferred tax liabilities	444.30	23.50	-	467.80
On employees' separation and retirement etc.	8.33	19.25	5.97	33.55
On provision for doubtful debts/advances	0.87	...	-	0.87
On State and Central taxes etc.	7.94	(1.96)	-	5.98
Other timing differences	10.75	1.79	-	12.54
Total deferred tax assets	27.89	19.08	5.97	52.94
Deferred tax liabilities (Net)	416.41	4.42	(5.97)	414.86

For the year ended 31st March, 2025	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
Deferred Tax liabilities / assets in relation to:				
On fiscal allowances on property, plant and equipment etc.	423.25	20.85	-	444.10
Other timing differences	-	0.20	-	0.20
Total deferred tax liabilities	423.25	21.05	-	444.30
On employees' separation and retirement etc.	9.19	(0.55)	(0.31)	8.33
On provision for doubtful debts/advances	1.23	(0.36)	-	0.87
On State and Central taxes etc.	10.55	(2.61)	-	7.94
Other timing differences	9.24	1.51	-	10.75
Total deferred tax assets	30.21	(2.01)	(0.31)	27.89
Deferred tax liabilities (Net)	393.04	23.05	0.31	416.41

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

	As at 31st March, 2026	As at 31st March, 2025
19. Other liabilities		
Non-current		
Deferred Revenue#	17.05	10.23
Liability towards loyalty programmes#	1.04	-
TOTAL	18.09	10.23
Current		
Statutory Liabilities	88.33	101.44
Advances received from customers**	103.45	106.88
Liability towards loyalty programmes#	122.92	121.79
Deferred Revenue#	16.20	13.90
Others (includes accruals etc.)	31.26	28.26
TOTAL	362.16	372.27

* Generally settled within 12 months

Balances forming part of contract balances

	As at 31st March, 2026	As at 31st March, 2025
20. Trade Payables		
Dues of micro and small enterprises [Refer footnote (i)]	12.58	13.39
Dues of creditors other than micro and small enterprises	345.20	366.27
TOTAL	357.78	379.66

(i) Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)

There are no Micro and Small Enterprises to whom the Company owes dues, which are outstanding for more than 45 days during the period and also as at 31st March, 2026 (2025: Nil). This information as required to be disclosed under the MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

	As at 31st March, 2026	As at 31st March, 2025
(a) Principal amount remaining unpaid to any supplier as at the end of the accounting period		
-On account of trade payables	12.58	13.39
-On account of liabilities other than trade payables	13.22	5.18
TOTAL	25.80	18.57
(b) Interest due thereon remaining unpaid to any supplier as at the end of the accounting period	-	-
(c) Amount of interest paid under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the accounting period	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year but without adding the interest specified under the MSMED Act, 2006)	-	-
(e) Amount of interest accrued and remaining unpaid at the end of accounting period	-	-
(f) Amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise	-	-

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

20. Trade Payables (Contd.)

(ii) Trade payables ageing schedule

	Not Due	Outstanding for following periods from due date of payment as at 31st March, 2026				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues - Micro and small enterprises	2.84	-	-	-	-	2.84
Undisputed dues - others	29.31	21.70	-	-	-	51.01
Disputed dues - Micro and small enterprises	-	-	-	-	-	-
Disputed dues - others	-	-	-	-	-	-
SUB-TOTAL	32.15	21.70	-	-	-	53.85
Accrued Payable (not due)						
– Micro and small enterprises						9.74
– Others						294.19
TOTAL						357.78

	Not Due	Outstanding for following period from due date of payment as at 31st March, 2025				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues - Micro and small enterprises	2.58	-	-	-	-	2.58
Undisputed dues - others	38.74	22.43	-	-	-	61.17
Disputed dues - Micro and small enterprises	-	-	-	-	-	-
Disputed dues - others	-	-	-	-	-	-
SUB-TOTAL	41.32	22.43	-	-	-	63.75
Accrued Payable (not due)						
– Micro and small enterprises						10.81
– Others						305.10
TOTAL						379.66

21. Current Tax Liabilities (Net)

Current taxation (net of advance payment)	5.58	7.23
TOTAL	5.58	7.23

	As at 31st March, 2026	As at 31st March, 2025
	5.58	7.23
TOTAL	5.58	7.23

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

	For the year ended 31st March, 2026	For the year ended 31st March, 2025
22. Revenue From Operations		
Rooms	1847.73	1706.97
Food and beverages	1415.05	1317.97
Management & operating fees etc.	128.42	90.52
Others (including membership fees etc.)	164.25	130.52
Gross Revenue from sale of products and services	3555.45	3245.98
Other Operating Income*	27.74	33.29
TOTAL	3583.19	3279.27

* Includes retention income, brand support fees etc.

	For the year ended 31st March, 2026	For the year ended 31st March, 2025
23. Other Income		
Interest income	151.23	45.82
Dividend income	3.81	3.21
Other non-operating income	22.28	4.69
TOTAL	177.32	53.72

Interest income:

- a) Deposits with banks etc. - carried at amortised cost
- b) Financial assets measured:
 - at FVTPL
 - at amortised cost
- c) Others (from statutory authorities etc.)

TOTAL	151.23	45.82
Dividend income:		
Investment in subsidiary, associates etc. measured at cost	3.81	3.21
TOTAL	3.81	3.21
Other non-operating income:		
Net foreign exchange gain / (loss)	(0.66)	(0.79)
Net gain / (loss) arising on financial instruments measured at FVTPL (Refer Note 31)*	19.95	4.04
Others	2.99	1.44
TOTAL	22.28	4.69

* Includes ₹ 13.31 Crores (2025: ₹ 3.28 Crores) being net gain / (loss) on sale of investments.

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

	For the year ended 31st March, 2026	For the year ended 31st March, 2025
24. Employee benefits expense		
Salaries and wages	571.80	516.59
Remuneration of personnel on deputation reimbursed	23.59	4.78
Contribution to provident and other funds	38.18	35.08
Share based payments to employees	7.17	2.49
[Includes cash-settled share based payments ₹ 0.08 Crore (2025: ₹ 0.05 Crore)] [§]		
Staff welfare expenses	64.08	62.00
	704.82	620.94
Less: Recoveries made / reimbursements received	11.08	16.74
TOTAL	693.74	604.20

[§] Refer Note 28 (vii), 28 (viii) & 28 (ix)

	For the year ended 31st March, 2026	For the year ended 31st March, 2025
25. Finance costs		
Interest expense:		
- On Lease Liabilities*	11.31	11.31
- On other financial liabilities measured at amortised cost	0.02	...
- Others (to statutory authorities etc.)	-	0.01
TOTAL	11.33	11.32

* Refer Note 15

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

	For the year ended 31st March, 2026	For the year ended 31st March, 2025
26. Other Expenses		
Power and fuel	155.93	159.64
Consumption of stores and operating supplies	101.05	90.11
Rent	50.69	42.38
Rates and taxes	55.97	60.78
Insurance	16.58	14.53
Repairs		
- Buildings	41.37	45.69
- Machinery	81.66	85.56
- Others	37.58	33.51
Maintenance and upkeep	95.42	80.32
Advertising and Sales promotion	62.22	64.05
Hotel reservation and Marketing expenses	104.80	74.09
Bank and credit card charges	41.98	33.63
Information technology services	69.19	66.39
Commission to agents	111.90	87.81
Banquet equipment, manpower hiring etc.	77.61	71.15
Travelling and conveyance	38.68	41.11
Legal and professional charges	48.00	37.57
Communication Costs	3.69	3.05
Printing and stationery	7.23	7.90
Loss on sale of property, plant and equipment - Net	8.28	5.09
Corporate Social Responsibility expense [Refer Note 28(iii)]	3.64	-
Miscellaneous expenses	56.71	63.12
TOTAL	1270.18	1167.48

Miscellaneous expenses include:

Auditors' remuneration and expenses[§]

Statutory Audit fees	1.10	0.80
Tax Audit fees	0.23	-
Fees for limited review [#]	0.48	0.01
Fees for other services [#]	0.01	-
Reimbursement of expenses	0.09	-

[§] Excluding taxes

[#] Excluding fees of Nil (2025: ₹ 0.43 Crore) paid to auditors and recovered from ITC Limited as part of demerger expenses.

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

	For the year ended 31st March, 2026	For the year ended 31st March, 2025
27. Income tax expenses		
A. Amount recognised in profit or loss		
Current tax		
Income tax for the year	273.52	212.47
Adjustments / (credits) related to previous years - Net	4.13	-
Total current tax	277.65	212.47
Deferred tax		
Deferred tax for the year	8.55	23.05
Adjustments / (credits) related to previous years - Net	(4.13)	-
Total deferred tax	4.42	23.05
TOTAL	282.07	235.52

B. Amount recognised in other comprehensive income

The tax (charge)/credit arising on income and expenses recognised in other comprehensive income is as follows:

	For the year ended 31st March, 2026	For the year ended 31st March, 2025
On items that will not be reclassified to profit or loss		
Remeasurements gains / (losses) on defined benefit plans	5.97	(0.31)
TOTAL	5.97	(0.31)

C. Reconciliation of effective tax rate

The income tax expense for the period can be reconciled to the accounting profit as follows:

	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Profit before tax	1111.33	933.93
Income Tax expense calculated @ 25.168% (2025: 25.168%)	279.70	235.05
Effect of tax relating to uncertain tax positions	1.80	0.59
Other differences	0.57	(0.12)
Income Tax recognised in profit or loss	282.07	235.52

The tax rate of 25.168% (22% + surcharge @10% and cess @4%) used for the year 2025-26 and 2024-25 is the corporate tax rate applicable on taxable profits under the Income-tax Act, 1961.

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

28. Additional Notes to the Standalone Financial Statements

- (i) The Hon'ble National Company Law Tribunal, Kolkata Bench, vide Order dated 4th October, 2024 (the "Order"), approved the Scheme of Arrangement amongst ITC Limited ("Demerged Company") and ITC Hotels Limited ("Resulting Company" / "the Company") and their respective shareholders and creditors under Sections 230 to 232 read with other applicable provisions of the Companies Act, 2013 ("the Scheme") for demerger of the Hotels Business of ITC Limited ("Demerged Undertaking") into the Company; certified copy of the Order was received on 16th December, 2024. Upon fulfilment of all the conditions stated in the Scheme, including filing of the aforesaid Order with the Registrar of Companies, West Bengal, the Scheme became effective from 1st January, 2025, being the Appointed Date and the Effective Date of the Scheme.

With effect from the Appointed Date, the Hotels Business of ITC Limited (along with all assets and liabilities thereof, excluding ITC Grand Central, Mumbai) and the investments held by ITC Limited in Hospitality entities Viz., Fortune Park Hotels Limited, Bay Islands Hotels Limited, Landbase India Limited, WelcomHotels Lanka (Private) Limited, Srinivasa Resorts Limited, International Travel House Limited, Gujarat Hotels Limited and Maharaja Heritage Resorts Limited were transferred to the Company on a going concern basis. As a Consideration, the Company issued 1 Equity Share of face and paid-up value of ₹ 1/- for every 10 Ordinary Shares of face and paid-up value of ₹ 1/- each held by the Shareholders in ITC Limited ('Share Entitlement Ratio').

The Company had given effect to the Scheme in accordance with the accounting treatment specified in the Scheme and as per applicable accounting standards (Ind AS) as under:

- Recorded the assets and liabilities at their respective carrying values as appearing in the books of the Demerged Company [refer details in (a) below].
- Issued 1,25,11,71,040 Equity Shares of face and paid up value of ₹ 1/- each to the shareholders of Demerged Company and an amount of ₹ 21908.25 Crores (being excess of the fair value of the Equity Shares issued, i.e., ₹ 22033.37 Crores as determined by external valuation expert, over the face value of the Equity Shares issued, i.e., ₹ 125.12 Crores), had been credited into Securities Premium account.
- Difference between the fair value of the Equity Shares issued and the book value of the assets and liabilities of the Demerged Undertaking, along with consequential adjustments for Share Options Outstanding account [refer details in (b) below] amounting to ₹ 11361.50 Crores had been recognised as Capital Reserve, and the same had been adjusted against the Securities Premium account in accordance with the Scheme.
 - Carrying value of net assets of the Demerged Undertaking transferred as on the Appointed Date:

Particulars	Amount
Property, Plant and Equipment, intangible assets (including capital work-in-progress and intangible assets under development) and right-of-use assets	5911.20
Investments	4185.01
Other non-current assets	1592.88
Inventories	42.72
Trade receivables	179.83
Cash and cash equivalents	102.44
Other current assets	74.36
Total assets (A)	12088.44
Deferred tax liabilities (Net)	409.74
Lease Liabilities	126.64
Trade payables	326.15
Other liabilities	531.15
Total liabilities (B)	1393.68
Net assets transferred (A)-(B)	10694.76

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

28. Additional Notes to the Standalone Financial Statements (Contd.)

- b. Consequential adjustment in Other Equity as on appointed date, recognized in these standalone financial statements:

Particulars	Amount
Share Options Outstanding account recognised	22.89

The figures for the comparative period ending 31st March, 2025, have been restated as if the arrangement had occurred from the date of incorporation of the Company i.e., 28th July, 2023. Accordingly, the figures for the year ended 31st March, 2025 include the results of the Company and the Demerged Undertaking transferred under the Scheme.

(ii) Earnings per share has been computed as under:

	For the year ended 31st March, 2026	For the year ended 31st March, 2025
(a) Profit for the period (₹ in Crores)	829.26	698.41
(b) Weighted average number of equity shares outstanding for the purpose of basic earnings per share [#]	2,08,23,13,053	2,08,11,71,040
(c) Effect of potential equity shares	8,04,008	11,83,606
(d) Weighted average number of equity shares in computing diluted earnings per share [(b) + (c)]	2,08,31,17,061	2,08,23,54,646
(e) Earnings per share on profit for the period (Face Value ₹ 1.00 per share)		
- Basic [(a)/(b)]	₹ 3.98	₹ 3.36
- Diluted [(a)/(d)]	₹ 3.98	₹ 3.35

[#] Earnings per share (Basic & Diluted) are calculated after considering the impact of issuance of equity shares, as stated in Note 28 (i) above, from the date of incorporation of the Company.

- (iii) Amount required to be spent by the Company during the year as per Section 135 read with Section 198 of the Companies Act, 2013 - ₹ 3.59 Crores (2025: Nil) being 2% of the average Net Profit of the Company.

Expenditure incurred during the year is ₹ 3.64 Crores (2025: Nil) which has been included in other expenses.

CSR activities undertaken during the year pertain to promoting education and skill development; ensuring environmental sustainability; promoting gender equality and women empowerment; and rural development projects.

(iv) Contingent liabilities and commitments:

- (a) Contingent liabilities:

Claims against the Company not acknowledged as debts ₹ 266.08 Crores (2025: ₹ 269.99 Crores), including interest on claims, where applicable, estimated to be ₹ 64.63 Crores (2025: ₹ 66.51 Crores). These comprise:

- Service Tax and other indirect taxes claims disputed by the Company relating to issues of applicability and classification aggregating ₹ 80.53 Crores (2025: ₹ 91.85 Crores) including interest on claims, where applicable, estimated to be ₹ 38.80 Crores (2025: ₹ 52.20 Crores).
- Local Authority taxes claims disputed by the Company relating to issues of applicability and determination aggregating ₹ 42.46 Crores (2025: ₹ 49.29 Crores) including interest on claims, where applicable, estimated to be ₹ 2.69 Crores (2025: ₹ 2.69 Crores).
- Disputed lease rent claims from lessors in respect of a property ₹ 140.41 Crores (2025: ₹ 126.20 Crores) including interest on claims, where applicable, estimated to be ₹ 23.15 Crores (2025: ₹ 11.62 Crores).

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

28. Additional Notes to the Standalone Financial Statements (Contd.)

- Other matters ₹ 2.68 Crores (2025: ₹ 2.65 Crores).

It is not practicable for the Company to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above.

- (b) Commitments

Estimated amount of contracts remaining to be executed on capital accounts and not provided for ₹ 141.17 Crores (2025: ₹ 92.18 Crores).

(v) Employee Benefit Plans

Description of Plans

The Company makes contributions to both Defined Benefit and Defined Contribution Plans for qualifying employees. Provident Fund contributions are made to the Employee Provident Fund Organisation (EPFO) and contributions for other employee benefits like pension and gratuity are made to approved Trusts which are sponsored by ITC Limited, where the Company is a participating member. These Trusts operate in accordance with the Trust Deeds, Rules and applicable Statutes. The concerned Trusts are managed by Trustees who provide strategic guidance with regard to the management of their investments and liabilities and also periodically review their performance.

Pension and Gratuity Benefits are funded and Leave Encashment Benefits are unfunded in nature. The Defined Benefit Pension Plans are based on employees' pensionable remuneration and length of service. Under the Provident Fund, Gratuity and Leave Encashment Schemes, employees are entitled to receive lump sum benefits.

(a) Defined Benefit Plans:

The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method. The Company makes regular contributions to these Defined Benefit Plans, which are administered by respective trusts. Additional contributions are made to these plans as and when required based on actuarial valuation. The Company makes contributions to the Plans for its employees on a uniform basis and ascertains its obligation through independent actuarial valuation. The net defined benefit cost is recognised by the Company in its Financial Statements.

Risk Management

The Defined Benefit Plans expose the Company to risk of actuarial deficit arising out of investment risk, interest rate risk and salary cost inflation risk.

Investment Risk: This may arise from volatility in asset values due to market fluctuations and impairment of assets due to credit losses. These Plans primarily invest in debt instruments such as Government securities and highly rated corporate bonds, the valuation of which is inversely proportional to the interest rate movements.

Interest Rate Risk: The present value of Defined Benefit Plan liability is determined using the discount rate based on the market yields prevailing at the end of reporting period on Government securities. A decrease in yields will increase the fund liabilities and vice-versa.

Salary Cost Inflation Risk: The present value of the Defined Benefit Plan liability is calculated with reference to the future salaries of participants under the Plan. Increase in salary might lead to higher liabilities.

These Plans have a relatively balanced mix of investments in order to manage the above risks. The investment strategy is designed based on the interest rate scenario, liquidity needs of the Plans and pattern of investment as prescribed under various statutes.

The Trustees regularly monitor the funding and investments of these Plans. Risk mitigation systems are in place to ensure that the health of the portfolio is regularly reviewed and investments do not pose any significant risk of impairment. Periodic audits are conducted to ensure adequacy of internal controls. Pension obligation of the employees is secured by purchasing annuities thereby de-risking the Plans from future payment obligation.

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

28. Additional Notes to the Standalone Financial Statements (Contd.)

I	Components of Employer Expense	For the year ended 31st March, 2026			For the year ended 31st March, 2025		
		Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment
		Funded		Unfunded	Funded		Unfunded
	Recognised in the Statement of Profit and Loss						
1	Current Service Cost	3.37	6.25	5.64	3.64	4.63	4.54
2	Past Service Cost	-	43.34	7.79	-	-	-
3	Net Interest Cost	(1.51)	0.74	2.04	(1.41)	(0.23)	1.87
4	Total expense recognised in the Statement of Profit and Loss	1.86	50.33	15.47	2.23	4.40	6.41
	Remeasurements recognised in Other Comprehensive Income						
5	Return on plan assets (excluding amounts included in Net interest cost)	2.81	0.09	-	1.38	(0.56)	-
6	Effect of changes in demographic assumptions	-	-	-	(7.51)	0.52	0.11
7	Effect of changes in financial assumptions	-	-	-	4.64	2.90	1.52
8	Changes in asset ceiling (excluding interest income)	19.74	-	-	-	-	-
9	Effect of experience adjustments	1.00	1.26	(1.17)	(0.96)	(1.88)	(1.40)
10	Total remeasurements included in Other Comprehensive Income	23.55	1.35	(1.17)	(2.45)	0.98	0.23
11	Total defined benefit cost recognised in the Statement of Profit and Loss and Other Comprehensive Income (4+10)	25.41	51.68	14.30	(0.22)	5.38	6.64

The current service cost, past service cost and net interest cost for the year, as applicable, pertaining to Pension and Gratuity expenses have been recognised in "Contribution to Provident and other funds" and Leave Encashment in "Salaries and wages" under Note 24. The remeasurements of the net defined benefit liability are included in Other Comprehensive Income.

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

28. Additional Notes to the Standalone Financial Statements (Contd.)

			Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment
			Funded		Unfunded	Funded		Unfunded
II	Actual Returns		5.57	4.87	-	7.36	5.34	-
III	Net Asset/(Liability) recognised in Balance Sheet							
	1	Present Value of Defined Benefit Obligation	(110.13)	(122.66)	(41.20)	(104.88)	(74.35)	(31.13)
	2	Fair Value of Plan Assets	125.30	75.89	-	122.93	71.05	-
	3	Effect of Asset Ceiling	(19.74)	-	-	-	-	-
	4	Status [Surplus/ (Deficit)]	(4.57)	(46.77)	(41.20)	18.05	(3.30)	(31.13)
	5	Net Asset/(Liability) recognised in Balance Sheet	As at 31st March, 2026			As at 31st March, 2025		
			Current	Non-current		Current	Non-current	
		- Pension	(4.57)	-		18.05	-	
		- Gratuity	(46.77)	-		(3.30)	-	
		- Leave Encashment	(8.28)	(32.92)		(5.95)	(25.18)	
			For the year ended 31st March, 2026			For the year ended 31st March, 2025		
			Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment
			Funded		Unfunded	Funded		Unfunded
IV	Change in Defined Benefit Obligation (DBO)							
	1	Present Value of DBO at the beginning of the year	104.88	74.35	31.13	111.71	70.48	28.88
	2	Current Service Cost	3.37	6.25	5.64	3.64	4.63	4.54
	3	Past Service Cost	-	43.34	7.79	-	-	-
	4	Interest Cost	6.87	5.70	2.04	7.33	4.55	1.87
	5	Remeasurement gains / (losses)						
	a.	Effect of changes in demographic assumptions	-	-	-	(7.51)	0.52	0.11
	b.	Effect of changes in financial assumptions	-	-	-	4.64	2.90	1.52
	c.	Changes in asset ceiling (excluding interest income)	-	-	-	-	-	-
	d.	Effect of experience adjustments	1.00	1.26	(1.17)	(0.96)	(1.88)	(1.40)

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

28. Additional Notes to the Standalone Financial Statements (Contd.)

			For the year ended 31st March, 2026			For the year ended 31st March, 2025		
			Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment
			Funded	Unfunded		Funded	Unfunded	
6	Curtailment Cost / (Credits)		-	-	-	-	-	-
7	Settlement Cost / (Credits)		-	-	-	-	-	-
8	Liabilities assumed in business combination		-	-	-	-	-	-
9	Effects of transfer In / (Out)		0.42	0.26	0.03	(0.01)	-	-
10	Benefits Paid		(6.41)	(8.50)	(4.26)	(13.96)	(6.85)	(4.39)
11	Present Value of DBO at the end of the year		110.13	122.66	41.20	104.88	74.35	31.13
V	Best Estimate of Employers' Expected Contribution for the next year		As at 31st March, 2026			As at 31st March, 2025		
	- Pension		2.97			3.33		
	- Gratuity		56.02			12.80		

			For the year ended 31st March, 2026			For the year ended 31st March, 2025		
			Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment
			Funded	Unfunded		Funded	Unfunded	
VI	Change in Fair Value of Assets							
1	Plan Assets at the beginning of the year		122.93	71.05	-	126.94	65.57	-
2	Asset acquired in Business Combination		-	-	-	-	-	-
3	Interest Income		8.38	4.96	-	8.74	4.78	-
4	Remeasurement Gains / (Losses) on plan assets		(2.81)	(0.09)	-	(1.38)	0.56	-
5	Actual Company Contributions		2.79	8.29	-	2.60	6.99	-
6	Benefits Paid		(6.41)	(8.50)	-	(13.96)	(6.85)	-
7	Effects of transfer In / (Out)		0.42	0.18	-	(0.01)	-	-
8	Plan Assets at the end of the year		125.30	75.89	-	122.93	71.05	-

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

28. Additional Notes to the Standalone Financial Statements (Contd.)

VII Actuarial Assumptions		As at 31st March, 2026 Discount Rate (%)	As at 31st March, 2025 Discount Rate (%)
1	Pension	6.75	6.75
2	Gratuity	6.75	6.75
3	Leave Encashment	6.75	6.75
The estimates of future salary increases, generally between 5% to 7%, considered in actuarial valuations take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.			

VIII Major Category of Plan Assets as a % of the Total Plan Assets		As at 31st March, 2026	As at 31st March, 2025
1	Government Securities/Special Deposit with RBI	11.67%	13.55%
2	High Quality Corporate Bonds	10.33%	10.68%
3	Insurer Managed Funds*	67.61%	64.09%
4	Mutual Funds	6.85%	7.13%
5	Cash and Cash Equivalents	3.54%	4.55%
6	Term Deposits	-	-

* In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

The fair value of Government securities, corporate bonds and mutual funds are determined based on quoted market prices in active markets. The employee benefit plans do not hold any securities issued by the Company.

IX Basis used to determine the Expected Rate of Return on Plan Assets	
The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario. In order to protect the capital and optimize returns within acceptable risk parameters, the plan assets are well diversified.	

			For the year ended 31st March, 2026			For the year ended 31st March, 2025		
			Pension	Gratuity	Leave Encashment	Pension	Gratuity	Leave Encashment
			Funded	Unfunded		Funded	Unfunded	
X	Net Asset / (Liability) recognised in Balance Sheet (including experience adjustment impact)							
1	Present Value of Defined Benefit Obligation		110.13	122.66	41.20	104.88	74.35	31.13
2	Fair Value of Plan Assets		125.30	75.89	-	122.93	71.05	-
3	Effect of Asset Ceiling		(19.74)	-	-	-	-	-
4	Status [Surplus/(Deficit)]		(4.57)	(46.77)	(41.20)	18.05	(3.30)	(31.13)
5	Experience Adjustment of Plan Assets [Gain/ (Loss)]		(2.81)	(0.09)	-	1.38	(0.56)	-
6	Experience Adjustment of obligation [(Gain)/ Loss]		1.00	1.26	(1.17)	(0.96)	(1.88)	(1.40)

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

28. Additional Notes to the Standalone Financial Statements (Contd.)

XI Sensitivity Analysis			
The Sensitivity Analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may partially offset this impact. For presenting the sensitivities, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from Previous Year.			
		DBO as at 31st March, 2026	DBO As at 31st March, 2025
1	Discount Rate + 100 basis points	263.56	201.81
2	Discount Rate - 100 basis points	285.62	219.16
3	Salary Increase Rate + 1%	283.31	218.12
4	Salary Increase Rate - 1%	265.36	202.48

Maturity Analysis of the Benefit Payments			
		As at 31st March, 2026	As at 31st March, 2025
1	Year 1	70.60	42.00
2	Year 2	60.92	38.97
3	Year 3	34.15	38.54
4	Year 4	28.04	23.28
5	Year 5	20.77	18.42
6	Next 5 Years	65.59	55.30

- (b) Amounts towards Defined Contribution Plans have been recognised under “Contribution to Provident and other funds” in Note 24: ₹ 29.33 Crores (2025: ₹ 28.45 Crores).
- (c) Exceptional items include estimated one time impact on recognition of past service cost of ₹ 51.30 Crores (2025: Nil) with respect to gratuity and compensated absences pursuant to notifications issued by the Ministry of Labour & Employment dated 21st November, 2025 bringing into force the provisions of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the “New Labour Codes”). The Company continues to monitor the finalization of rules by the Government and other related aspects of the New Labour Codes and will appropriately account for such changes, if required.

(vi) Leases:

As a Lessee

The Company's significant leasing arrangements are in respect of operating leases for land and buildings (comprising licensed properties, residential premises, office premises etc.). These arrangements generally range between 1 to 3 years, except for certain land and building leases where the lease term ranges up to 99 years. The lease arrangements have extension / termination options exercisable by either parties which may make the assessment of lease term uncertain. While determining the lease term, all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option are considered.

The amount of ROU Assets and Lease Liabilities recognised in the Balance Sheet are disclosed in Note 4E and Note 15 respectively. The total cash outflow for leases for the year is ₹ 62.37 Crores (2025: ₹ 54.02 Crores) [including payments of ₹ 41.58 Crores (2025: ₹ 32.66 Crores) in respect of short-term / low-value leases and variable lease payments of ₹ 9.11 Crores (2025: ₹ 9.72 Crores)].

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

28. Additional Notes to the Standalone Financial Statements (Contd.)

The sensitivity of variable lease payments and effect of extension / termination options not included in measurement of lease liabilities is not material.

The undiscounted maturities of lease liabilities over the remaining lease term are as follows:

Term	As at 31st March, 2026	As at 31st March, 2025
Not later than three years	35.33	35.00
Later than three years and not later than ten years	83.28	82.31
Later than ten years and not later than twenty-five years	173.07	170.94
Later than twenty-five years and not later than fifty years	175.67	181.03
Later than fifty years	154.67	159.28

(vii) Information in respect of Options granted under the ITC Employee Stock Option Schemes (ITC ESOS) & ITC Employee Stock Appreciation Linked Reward Plan (ITC ESAR Plan) & ITC Employee Stock Appreciation Rights Scheme (ITC ESAR Scheme):

The eligible employees of the Company, including employees deputed from ITC Limited (ITC), have been granted Stock Options by ITC under the ITC ESOS. ITC has also granted Employee Stock Appreciation Linked Reward Units (ESAR Units) in the previous year(s) to the eligible grantees under ITC ESAR Plan and Employee Stock Appreciation Rights (ESARs) in the current year to the eligible grantees under ITC ESAR Scheme.

The cost of equity settled options granted under the ESOS / ESAR schemes / cash settled units granted under ITC ESAR Plan have been recognised as equity settled / cash settled share-based payments, respectively, in accordance with Ind AS 102 – Share Based Payment. In terms of the deputation arrangement, the Company has accounted for the cost of the fair value of Stock Options / ESAR Units granted to the deputed employees on-charge by ITC. Accordingly, an amount of ₹ 6.55 Crores (2025: ₹ 2.31 Crores) towards Stock Options and ₹ 0.08 Crore (2025: ₹ 0.05 Crore) towards ESAR Units have been recognised as employee benefits expense (Refer Note 24).

The summary of movement of the aforesaid stock options granted by ITC and status of the outstanding Options is as under:

Particulars	As at 31st March, 2026	As at 31st March, 2025
	No. of Options (ITC)	No. of Options (ITC)
Outstanding at the beginning of the year	3,00,336	-
Add: Granted during the year	18,920	-
(Less): Lapsed during the year	1,636	-
Add: Options due to transfer in (net) pursuant to the Scheme [Refer Note 28 (i)]	-	3,07,271
Add: Options due to transfer in and transfer out	1,600	-
(Less): Exercised during the year	58,810	6,935
Outstanding at the end of the year	2,60,410	3,00,336
Options exercisable at the end of the year	1,48,680	1,31,651
Options Vested and Exercisable during the year	76,095	-

Note: The weighted average exercise price of the Options granted to all Optionees under the ITC ESOS / ESAR is computed by ITC as a whole.

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

28. Additional Notes to the Standalone Financial Statements (Contd.)

(viii) Information in respect of Options granted under the ITC Hotels Special Purpose Employee Stock Option Scheme ('ITCHL SP ESOP Scheme')

Sl. No.	Particulars	
1.	Date of approval	25th January 2025
2.	Total number of Options approved under the Schemes	Options equivalent to 76,86,270 equity shares of ₹1.00 each
3.	Vesting Schedule	Options granted under the Scheme shall have remaining Vesting Period and Exercise Period of corresponding outstanding stock options of ITC as on the Record Date.
4.	Pricing Formula	The Exercise Price per Option has been approved by the Nomination and Remuneration Committee, based on the fair and reasonable adjustments made to the options granted to the Eligible Employee under the ITC Employee Stock Option Schemes and the Options granted under the Scheme.
5.	Maximum term of Options granted	Five years - the exercise period commences from the date(s) of vesting of the Options granted and end with expiry of five years from the date of vesting.
6.	Source of Shares	Primary
7.	Variation in terms of Options	None
8.	Method used for accounting of share-based payment plans and effect of employee share based plans on the entity's profit or loss for the period and on its financial position	The employee compensation cost has been calculated using the fair value method of accounting for Options issued under the ITCHL SP ESOP Scheme. The employee compensation cost as per fair value method for the financial year 2025-26 is ₹ 5.69 Crores (2025: ₹ 2.16 Crores); out of which ₹ 0.36 Crore (2025: ₹ 0.13 Crore) relate to employee benefit expenses (Refer Note 24) and ₹ 5.34 Crores (2025: ₹ 2.03 Crores) relate to Promoter and the Company's group entities, which has been recovered from the respective entities.
9.	Nature and extent of employee share based payment plans that existed during the period including the general terms and conditions of each plan	In addition to the terms and conditions provided in the table under Serial Nos. (3) to (5) hereinbefore, each Option entitles the holder thereof to apply for and be allotted ten Equity Shares of the Company of ₹ 1.00 each upon payment of the exercise price during the exercise period.
10.	Weighted average exercise prices and weighted average fair values of Options whose exercise price either equals or exceeds or is less than the market price of the stock	N.A.

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

28. Additional Notes to the Standalone Financial Statements (Contd.)

Sl. No.	Particulars				
11.	Option movements during the year				
	a) Options outstanding at the beginning of the year	7,68,536			
	b) Options granted during the year	-			
	c) Options lapsed during the year	10,878			
	d) Options vested and exercisable during the year (net of Options lapsed)	1,36,942			
	e) Options exercised during the year	1,80,527			
	f) Number of Equity Shares of ₹ 1.00 each arising as a result of exercise of Options during the year	18,05,269			
	g) Options outstanding at the end of the year (a+b-c-e)	5,77,131			
	h) Options exercisable at the end of the year	4,18,919			
	i) Money realised by exercise of the Options during the year (₹ in Crores)	26.82			
12.	Summary of status of options				
	Particulars	As at 31st March, 2026		As at 31st March, 2025	
		No. of Options	Weighted Average Exercise Prices (₹)	No. of Options	Weighted Average Exercise Prices (₹)
	Outstanding at the beginning of the year	7,68,536	1883.41	-	-
	Add: Granted during the year pursuant to the Scheme	-	-	7,68,627	1883.40
	Less: Lapsed during the year	10,878	2283.85	91	1796.54
	Less: Exercised during the year	1,80,527	1485.57	-	-
	Outstanding at the end of the year	5,77,131	2000.31	7,68,536	1883.41
	Options exercisable at the end of the year	4,18,919	1792.09	4,64,026	1527.62
13.	Weighted average share price of Shares arising upon exercise of Options	The weighted average share price of Shares, arising upon exercise of Options during the year ended 31st March, 2026 was ₹ 224.34 (2025: Nil). This was based on the closing market price on NSE on the date of exercise of Options (i.e. the date of allotment of shares by the Securityholders Relationship Committee).			

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

28. Additional Notes to the Standalone Financial Statements (Contd.)

Sl. No.	Particulars						
14.	Summary of options outstanding						
	Particulars	As at 31st March, 2026			As at 31st March, 2025		
		No. of Options Outstanding	Range of Exercise Prices (₹)	Weighted average remaining contractual life	No. of Options Outstanding	Range of Exercise Prices (₹)	Weighted average remaining contractual life
	ITCHL SP ESOP Scheme	5,77,131	916.70 to 2611.10	3.99	7,68,536	916.70 to 2611.10	4.05
15.	A description of the method used during the year to estimate the fair values of Options, the weighted average exercise prices and weighted average fair values of Options granted						
	N.A.						

(ix) Information in respect of ITCHL Employees Stock Appreciation Rights Scheme ('ITCHL ESARS'):

Sl. No.	Particulars	
1.	Date of approval	20th January 2026
2.	Total number of ESARs approved under the Schemes	ESARs equivalent to 4,16,54,391 equity shares of ₹ 1.00 each
3.	Vesting Schedule	ESARs under the Grant shall vest as per the following Vesting Schedule: On completion of 12 months from the date of Grant : 30% of the ESARs On completion of 24 months from the date of Grant : 30% of the ESARs On completion of 36 months from the date of Grant : 40% of the ESARs
4.	Pricing Formula	The Pricing Formula is such price, as determined by the Nomination and Remuneration Committee, which is no lower than the closing price of the Company's Share on National Stock Exchange of India Limited ('the NSE') on the date of grant, or the average price of the Company's Share in the six months preceding the date of grant based on the daily closing price on the NSE, or the 'market price' as defined from time to time under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The ESARs have been granted at 'market price' as defined under the aforesaid Regulations.
5.	Maximum term of ESARs granted	Five years - the exercise period commences from the date(s) of vesting of the ESARs granted and end with expiry of five years from the date of vesting.
6.	Source of Shares	Primary
7.	Variation in terms of ESARs	None

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

28. Additional Notes to the Standalone Financial Statements (Contd.)

Sl. No.	Particulars	
8.	Method used for accounting of share-based payment plans and effect of employee share based plans on the entity's profit or loss for the period and on its financial position	The employee compensation cost has been calculated using the fair value method of accounting for Grants issued under the ITCHL ESAR Scheme. The employee compensation cost as per fair value method for the financial year 2025-26 is ₹ 0.21 Crore (2025: Nil); out of which ₹ 0.18 Crore (2025: Nil) relate to employee benefit expenses (Refer Note 24) and ₹ 0.03 Crore (2025: Nil) relate to Promoter and group entities, which has been recovered from the respective entities.
9.	Nature and extent of employee share based payment plans that existed during the period including the general terms and conditions of each plan	In addition to the terms and conditions provided in the table under Serial Nos. (3) to (5) hereinbefore, each Grant entitles the Grantee to shares equivalent to Appreciation for the total number of ESARs exercised computed in the manner specified in ITCHL ESAR Scheme.
10.	Weighted average exercise prices and weighted average fair values of ESARs whose exercise price either equals or exceeds or is less than the market price of the stock	Weighted average exercise price per ESAR : ₹ 1583.90 Weighted average fair value per ESAR : ₹ 637.32
11.	ESARs movements during the year	
	a) ESARs outstanding at the beginning of the year	-
	b) ESARs granted during the year	1,33,830
	c) ESARs lapsed during the year	-
	d) ESARs vested and exercisable during the year (net of ESARs lapsed)	-
	e) ESARs exercised during the year	-
	f) Number of Equity Shares of ₹ 1.00 each arising as a result of exercise of ESARs during the year	-
	g) ESARs outstanding at the end of the year (a+b-c-e)	1,33,830
	h) ESARs exercisable at the end of the year	-
	i) Money realised by exercise of the ESARs during the year (₹ in Crores)	Nil

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

28. Additional Notes to the Standalone Financial Statements (Contd.)

Sl. No.	Particulars						
12.	Summary of status of ESARs						
	Particulars	As at 31st March, 2026			As at 31st March, 2025		
		No. of ESARs	Weighted Average Exercise Prices (₹)		No. of ESARs	Weighted Average Exercise Prices (₹)	
	Outstanding at the beginning of the year	-	-		-	-	
	Add: Granted during the year	1,33,830	1583.90		-	-	
	Less: Lapsed during the year	-	-		-	-	
	Less: Exercised during the year	-	-		-	-	
	Outstanding at the end of the year	1,33,830	1583.90		-	-	
	ESARs exercisable at the end of the year	-	-		-	-	
13.	Weighted average share price of Shares arising upon exercise of ESARs	N.A.					
14.	Summary of ESARs outstanding						
	Particulars	As at 31st March, 2026			As at 31st March, 2025		
		No. of ESARs Outstanding	Range of Exercise Prices (₹)	Weighted average remaining contractual life	No. of ESARs Outstanding	Range of Exercise Prices (₹)	Weighted average remaining contractual life
	ITCHL ESARS	1,33,830	1583.90	7.07	-	-	-
15.	A description of the method used during the year to estimate the fair values of ESARs, the weighted average exercise prices and weighted average fair values of ESARs granted	Fair value per ESAR has been determined using Black Scholes Option Pricing Model. Weighted average exercise price per ESAR : ₹ 1583.90 Weighted average fair value per ESAR : ₹ 637.32					
	The significant assumptions used to ascertain the above:	The fair value of each ESAR is estimated using the Black Scholes Option Pricing model after applying the following key assumptions on a weighted average basis: (i) Risk-free interest rate 6.25% (ii) Expected life 4.60 years (iii) Expected volatility 35.78% (iv) Expected dividends 0.00% (v) The price of the underlying shares in market at the time of Grant : ₹ 1583.90 (One ESAR = Ten Equity Shares)					

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

28. Additional Notes to the Standalone Financial Statements (Contd.)

Sl. No.	Particulars				
16.	Methodology for determination of expected volatility	The volatility used in the Black Scholes Option Pricing model is the annualised standard deviation of the continuously compounded rates of return on the stocks of comparable peer companies over a period of time. The period considered for the working is commensurate with the expected life of the Grant and is based on the daily volatility of the comparable peer companies' stock price on NSE. There are no market conditions attached to the grant and vest.			
17.	ESARs granted to :				
	(a) Directors and Senior managerial personnel			No. of ESARs granted during the financial year 2025-26	
		1.	A. Chadha	Managing Director	18,850
		2.	S. Bose	Executive Vice President - HR and Learning & Development	11,310
		3.	B. M. B. Baruah	Chief Development Officer	3,660
		4.	A. Bhalla	Vice President – Operations (North and West)	5,480
		5.	V. P. Menon	Vice President - Projects	4,570
		6.	A. M. Patel	Chief Commercial Officer	7,260
		7.	Z. S. Songadwala	Vice President - Operations (South and East)	5,480
		8.	H. C. Vinayaka	Vice President - Technical Services, EHS and Sustainability	4,570
		9.	A. Sarna	Chief Digital & Information Officer	4,570
	10.	S. Gupta	Vice President - Procurement	3,660	
The aforesaid ESARs were granted at the exercise price of ₹ 1583.90 per ESAR, being the 'market price' as defined under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.					
(b)	Any other employee who received a grant on any one year of ESARs amounting to 5% or more of the ESARs granted during the year.		None		
(c)	Identified employees who were granted ESARs, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.		None		

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

28. Additional Notes to the Standalone Financial Statements (Contd.)

(x) Financial Ratios:

Ratio	Numerator	Denominator	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Current Ratio (in times)	Current Assets	Current Liabilities	1.92	2.22
Return on Equity Ratio (in %)	Profit for the period (before exceptional items)	Average Shareholder's Equity	7.56	7.00
Inventory Turnover Ratio (in times)	Gross Revenue from sale of products and services	Average Inventory	91.59	94.18
Trade Receivables Turnover Ratio (in times)	Gross Revenue from sale of products and services	Average Trade Receivables	21.05	20.34
Trade Payables Turnover Ratio (in times)	COGS + Other Expenses – Non Cash Expenditure	Average Trade Payables	4.31	3.74
Net Capital Turnover Ratio (in times)#	Gross Revenue from sale of products and services	Working Capital (Current Assets – Current Liabilities)	4.32	3.01
Net Profit Ratio (in %)	Profit for the period (before exceptional items)	Gross Revenue from sale of products and services	24.40	21.52
Return on Capital Employed (in %)	Profit before exceptional items, interest and taxes	Average Capital Employed	9.79	9.01
Return on Investment (in %)	Income from investment excluding Subsidiaries, Associates and Joint Venture	Time weighted average Investment	6.69	7.21

Interest Coverage Ratio and Debt-Equity ratio are not relevant for the Company as it has no debt.

#Net Capital Turnover Ratio for the period has improved on account of increase in Revenue from sale of products and services and reduction in working capital

(xi) Figures presented as “...” are below the rounding off norm adopted by the Company.

(xii) Figures for the previous year are re-arranged, wherever necessary, to conform to the figures of the current period. The same does not have any material impact on the standalone financial statements.

(xiii) The standalone financial statements were approved for issue by the Board of Directors on 15th May, 2026. Such financial statements are required to be placed before the shareholders for adoption in terms of Companies Act, 2013.

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

29. Segment Reporting

The Chief Operating Decision Maker who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Strategic and Executive Management Committee.

The Company operates in only one segment, i.e. ‘Hotel Services’.

The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer

The operations of the Company are primarily in India. Geographical Information is as shown below:

	For the year ended 31st March, 2026	For the year ended 31st March, 2025
1. Revenue from External Customers ¹		
- Within India	3575.23	3273.57
- Outside India	7.96	5.70
Total	3583.19	3279.27
2. Non Current Assets		
- Within India	6046.31	6021.54
- Outside India	-	-
Total	6046.31	6021.54

Notes:

1. The revenue information above is based on the locations of the hotel property.

30. Related Party Disclosures

1. HOLDING COMPANY:

ITC Limited (up to 31.12.2024)

2. ENTERPRISES WHERE CONTROL EXISTS:

Subsidiaries:

- Srinivasa Resorts Limited
- Fortune Park Hotels Limited
- Bay Islands Hotels Limited
- Landbase India Limited
- WelcomHotels Lanka (Private) Limited, Sri Lanka

3. OTHER RELATED PARTIES WITH WHOM THE COMPANY HAD TRANSACTIONS

i) Promoter

ITC Limited (w.e.f. 01.01.2025) - of which the Company is an associate

ii) Promoter Group

- ITC Infotech India Limited
- ITC Integrated Business Services Limited
- Surya Nepal Private Limited

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

30. Related Party Disclosures (Contd.)

iii) Associates & Joint Ventures:

Associates

- a) Gujarat Hotels Limited
- b) International Travel House Limited

Joint Venture

Maharaja Heritage Resorts Limited

iv) Key Management Personnel (KMP)

- A. Chadha Managing Director
- T. Pandey Non-Executive Director (up to 05.03.2026)
- P. R. Ramesh Independent Director
- V. Sarup Independent Director
- M. Gupta Independent Director
- K. Bali Independent Director
- I. Bhushan Independent Director

Chief Financial Officer

- C. Saboo (up to 13.12.2024)
- A. Thakar (w.e.f. 14.12.2024)

Company Secretary

D. Dinesh

Members - Strategic and Executive Management Committee

- A. Chadha
- A. Thakar
- S. Bose

v) Employee Trusts :

- a) ITC Defined Contribution Pension Fund
- b) ITC Management Staff Gratuity Fund
- c) ITC Employees Gratuity Fund
- d) ITC Gratuity Fund 'C'
- e) ITC Pension Fund

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

30. Related Party Disclosures (Contd.)

4. DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES AND THE STATUS OF OUTSTANDING BALANCES

RELATED PARTY TRANSACTIONS SUMMARY	For the year ended 31st March, 2026										For the year ended 31st March, 2025					
	Subsidiaries	Associates	Joint Ventures	Promoter Group	Key Management Personnel	Employee Trusts	Total	Holding Company	Subsidiaries	Associates	Joint Ventures	Promoter Group	Promoter Group	Key Management Personnel	Employee Trusts	Total
1. Sale of Goods/Services	24.64	0.06	...	61.65	2.53	-	88.88	-	5.28	0.22	-	11.43	0.34	-	-	17.27
2. Purchase of Goods/Services	1.47	15.25	-	84.09	13.82	-	114.63	-	0.21	4.89	-	18.21	3.72	-	-	27.03
3. Rent Received	0.28	0.55	-	0.64	-	-	1.47	-	0.07	0.14	-	0.17	-	-	-	0.38
4. Rent Paid *	12.82	5.45	-	2.84	-	0.29	21.40	-	3.88	1.55	-	0.70	-	0.06	-	5.99
5. Remuneration of Employees/Key Management Personnel on Deputation reimbursed	3.30	6.42	-	16.30	-	-	26.02	1.22	0.51	1.52	-	2.13	-	-	-	5.38
6. Remuneration of Employees on Deputation recovered	6.99	6.25	0.94	-	-	-	14.18	-	2.00	1.13	0.10	-	-	-	-	3.23
7. Reimbursement/Recovery of share based payments ¹	0.66	0.51	-	11.95	-	-	13.12	0.09	0.23	0.18	0.01	5.06	-	-	-	5.57
8. Contribution to Employee Benefit Plans	-	-	-	-	-	17.51	17.51	-	-	-	-	-	-	-	4.28	4.28
9. Dividend Income	1.14	2.67	-	-	-	-	3.81	-	-	-	-	-	-	-	-	-
10. Expenses Recovered	12.48	0.17	0.36	5.27	-	-	18.28	-	3.05	0.19	0.01	15.91	-	-	-	19.16
11. Expenses Reimbursed	0.51	0.25	-	26.24	-	-	27.00	-	0.03	0.07	-	0.22	-	-	-	0.32
12. Remuneration to Key Management Personnel ²	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12A. - Short term benefits	-	-	-	-	-	4.30	4.30	-	-	-	-	-	-	1.19	-	1.19
12B. - Other long-term incentives	-	-	-	-	-	4.16	4.16	-	-	-	-	-	-	0.79	-	0.79
12C. - Other remuneration	-	-	-	-	-	0.33	0.33	-	-	-	-	-	-	-	-	-
12D. - Share Based Payments ³	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12E. - Remuneration of Key Management Personnel on Deputation reimbursed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13. Outstanding Balances ⁴	4.88	0.24	0.11	9.31	0.52	-	15.06	-	12.02	1.24	-	13.02	0.37	-	-	26.65
i) Receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18.83
ii) Advances Given	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iii) Payables	1.89	2.95	-	11.72	-	-	18.12	-	2.50	2.67	-	3.38	1.88	-	4.60	14.83

* Includes rent pertaining to leases classified as Right-of-Use Assets.

¹ The amounts outstanding are unsecured and will be settled in cash.

² Includes cost of fair value of option granted under ITC Hotels Special Purpose Employee Stock Option Scheme, ITC Employees Stock Appreciation Rights Scheme, ITC Employees Stock Option Scheme and ITC Employee Stock Appreciation Rights Scheme [Refer Note 28 (vi), Note 28 (vii) and Note 28 (ix)]

³ Post employment benefits are actuarially determined on overall basis and hence not separately provided.

⁴ During the year, the Company granted Stock Appreciation Rights to eligible employees, including Managing Director and KMP, under the Employee Stock Appreciation Rights Scheme and pursuant to the Scheme [Refer Note 28 (i)], the Company had also granted Stock Options to eligible employees, including Managing Director and KMPs, under the Special Purpose Employee Stock Option Scheme at the price calculated in accordance with the Scheme and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. Further, ITC Limited had also granted Stock Options to eligible employees, including Managing Director and KMPs, under its Employee Stock Option Schemes and Employee Stock Appreciation Rights to the aforesaid persons in the previous years under the 'ITC Employee Stock Appreciation Rights Scheme'. cost of which is being reimbursed [Refer Note 28 (vii)]. Since such Stock Options are not tradeable, no perquisite or benefit is immediately conferred upon the employee by grant of such Stock Options, and accordingly the said grants have not been considered as 'remuneration'. However, in accordance with Ind AS -102, the Company has recorded employee benefits expense by way of share based payments to employees at ₹ 7.17 Crores for the year ended 31st March, 2026 (2025: ₹ 2.49 Crores), of which ₹ 2.45 Crores (2025: ₹ 0.87 Crore) is attributable to Managing Director and KMPs.

⁵ The related party transactions for the period 1st April 2024 to 31st December 2024 has been disclosed on the basis of transactions entered into by the Company and do not include transactions of the Demerged Undertaking till the Appointed Date under the Scheme.

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

30. Related Party Disclosures (Contd.)

5. INFORMATION REGARDING SIGNIFICANT TRANSACTIONS / BALANCES

(Generally in excess of 10% of the total transaction value of the same type)

RELATED PARTY TRANSACTIONS SUMMARY		2026	2025	RELATED PARTY TRANSACTIONS SUMMARY		2026	2025
1	Sale of Goods/Services			10	Expenses Recovered		
	ITC Limited	61.65	11.43		Fortune Park Hotels Limited	6.36	1.46
	Srinivasa Resorts Limited	16.23	3.54		ITC Limited	5.27	15.91
2	Purchase of Goods/Services				Srinivasa Resorts Limited	2.87	0.87
	ITC Limited	84.09	18.21		WelcomHotels Lanka (Private) Limited	2.17	0.51
	International Travel House Limited	15.25	4.89	11	Expenses Reimbursed		
	ITC Infotech India Limited	9.60	2.93		ITC Limited	26.24	0.22
3	Rent Received				Gujarat Hotels Limited	0.25	0.07
	ITC Limited	0.64	0.17	12	Remuneration to KMP#		
	International Travel House Limited	0.55	0.14				
	Fortune Park Hotels Limited	0.28	0.07	12A.	Short term benefits		
4	Rent Paid				A. Chadha	2.00	0.44
	Landbase India Limited	9.13	2.41		S. Bose	2.09	0.51
	Gujarat Hotels Limited	5.45	1.55	12B.	Other long-term incentives		
	Bay Islands Hotels Limited	3.69	1.13		A. Chadha	2.97	0.52
	ITC Limited	2.84	0.70		S. Bose	1.20	0.27
5.	Remuneration of Employees/ Key Management Personnel on Deputation reimbursed			13	Outstanding Balances		
	ITC Limited*	16.30	3.35	(i)	Receivables		
	Gujarat Hotels Limited	6.42	1.52		ITC Limited	9.31	13.02
	Bay Islands Hotels Limited	2.74	0.39		WelcomHotels Lanka (Private) Limited	2.37	7.56
6.	Remuneration of Employees on Deputation recovered				Srinivasa Resorts Limited	1.54	3.23
	International Travel House Limited	5.20	0.87	(ii)	Advances Given		
	Fortune Park Hotels Limited	4.66	1.39		ITC Hotels Ltd Employee Superannuation Scheme	-	18.44
	Landbase India Limited	2.33	0.61	(iii)	Payables		
7.	Reimbursement/Recovery of share based payments				ITC Limited	11.72	3.38
	ITC Limited#	11.95	5.15		Gujarat Hotels Limited	2.67	2.09
8.	Contribution to Employees' Benefit Plans				Bay Islands Hotels Limited	1.35	1.51
	ITC Defined Contribution Pension Fund	6.43	1.55		ITC Infotech India Limited	-	1.44
	ITC Management Staff Gratuity Fund	3.70	0.95	* Includes remuneration reimbursed in relation to KMPs of the Company as follows: A. Thakar ₹ 3.04 Crores (2025: ₹ 0.81 Crore), C. Saboo Nil (2025: ₹ 0.48 Crore) and D. Dinesh ₹ 0.89 Crore (2025: ₹ 0.78 Crore)			
	ITC Employees Gratuity Fund	3.02	0.73				
	ITC Pension Fund	2.79	0.71	# In accordance with Ind AS - 102, the Company has recognised employee benefits expense by way of share based payments [Refer Note 28 (vii), Note 28 (viii) and Note 28 (ix)], of which ₹ 2.30 Crores (2025: ₹ 0.87 Crore) is attributable to Managing Director & KMPs: A. Chadha ₹ 0.91 Crore (2025: ₹ 0.31 Crore), A. Thakar ₹ 0.67 Crore (2025: ₹ 0.31 Crore), S. Bose ₹ 0.72 Crore (2025: ₹ 0.25 Crore) and D. Dinesh ₹ ... (2025: Nil)			
9	Dividend Income						
	International Travel House Limited	2.15	-				
	Fortune Park Hotels Limited	0.90	-				
	Gujarat Hotels Limited	0.52	-				

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

31. Financial Instruments and Related Disclosures

1. Capital Management

The Company's financial strategy aims to support its strategic priorities and provide adequate capital for growth and creation of sustainable stakeholder value. The Company funds its operations primarily through internal accruals and aims at maintaining a strong capital base to support the future growth of its businesses. During the year, the Company issued 18,05,269 Equity Shares (2025: Nil) of ₹ 1.00 each amounting to ₹ 0.18 Crore (2025: Nil) towards its employee stock options. The securities premium stood at ₹ 10580.36 Crores as at 31st March, 2026 (2025: ₹ 10546.75 Crores).

2. Categories of Financial Instruments

	Note	As at 31st March, 2026		As at 31st March, 2025	
		Carrying Value	Fair Value	Carrying Value	Fair Value
A. Financial Assets					
a) Measured at amortised cost					
i) Cash and cash equivalents	11	31.13	31.13	22.69	22.69
ii) Bank Balances other than (i) above	12	700.01	700.01	1477.65	1477.65
iii) Investment in Bonds / Debentures, Certificates of Deposit & Government or Trust Securities	5, 9	1306.01	1306.37	350.55	350.55
iv) Loans	13	0.31	0.31	0.21	0.21
v) Trade receivables	10	149.11	149.11	188.76	188.76
vi) Other financial assets	6	546.78	546.78	63.97	63.97
Sub-total		2733.35	2733.71	2103.83	2103.83
b) Measured at Fair value through Profit or Loss					
i) Investment in Mutual Funds	9	299.58	299.58	80.00	80.00
ii) Derivative instruments not designated as hedging instruments	6	0.94	0.94	-	-
Sub-total		300.52	300.52	80.00	80.00
Total Financial Assets		3033.87	3034.23	2183.83	2183.83
B. Financial Liabilities					
a) Measured at amortised cost					
i) Trade Payables	20	357.78	357.78	379.66	379.66
ii) Lease Liabilities	15	128.01	128.01	126.58	126.58
iii) Other financial liabilities	16	120.56	120.56	127.08	127.08
Sub-total		606.35	606.35	633.32	633.32
b) Measured at Fair value through Profit or Loss					
Derivative instruments not designated as hedging instruments	16	-	-	0.20	0.20
Sub-total		-	-	0.20	0.20
Total Financial Liabilities		606.35	606.35	633.52	633.52

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

31. Financial Instruments and Related Disclosures (Contd.)

3. Financial risk management objectives

The Company has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with the applicable regulations. It also seeks to drive accountability in this regard.

Liquidity Risk

Liquidity risk is the risk that the Company may not be able to settle or meet its obligations as they become due, under both normal and stressed conditions, without incurring significant losses or impacting Company's reputation. The Company has laid down standard operating procedures for planning and review of cashflow / working capital position to ensure optimum liquidity through judicious mix of liquid assets and committed borrowing facilities.

The Company's Current Assets aggregate ₹ 1719.18 Crores (2025: ₹ 1962.21 Crores) including Current Investments, Cash and cash equivalents and Bank Balances other than Cash and cash equivalents of ₹ 1398.34 Crores (2025: ₹ 1580.34 Crores) against an aggregate Current liabilities of ₹ 895.84 Crores (2025: ₹ 885.32 Crores).

Other liabilities due between one year to three years amounted to ₹ 8.75 Crores (2025: ₹ 9.36 Crores) and Other Non-current liabilities due after three years amounted to ₹ 1.74 Crores (2025: ₹ 1.59 Crores) on the reporting date. Further, the maturity of undiscounted lease liabilities as provided in Note 28 (vi) over the period of one year to three years are not significant. Further, while the Company's total equity stands at ₹ 11892.30 Crores (2025: ₹ 11048.08 Crores), it has no non-current borrowings (other than lease liabilities). In view of the above, the liquidity risk is not considered significant.

Market Risk

A. Interest Rate Risk

As the Company is virtually debt-free, the exposure to interest rate risk from the perspective of financial liabilities is negligible. Further, treasury activities, focused on managing investments in debt and other instruments, are administered under a set of approved policies and procedures guided by the tenets of safety, liquidity and returns. This ensures that investments are made within acceptable risk parameters after due evaluation.

The Company's investments are predominantly held in bonds, fixed deposits, certificates of deposit and mutual funds. Mark to market movements in respect of the Company's investments in bonds / debentures / certificates of deposit that are held at amortised cost are temporary and get recouped through coupon accruals. Fixed deposits are held with highly rated banks and companies and have a short tenure and are not subject to interest rate volatility.

The Company also invests in mutual fund schemes of leading fund houses. Such investments are susceptible to market price risks that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Company has invested, such price risk is not significant.

B. Foreign Currency Risk

The Company undertakes transactions denominated in foreign currency (mainly US Dollar and Euro) which are subject to the risk of exchange rate fluctuations. Financial assets and liabilities denominated in foreign currency are also subject to reinstatement risks.

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

31. Financial Instruments and Related Disclosures (Contd.)

The carrying amounts of foreign currency denominated financial assets and liabilities, including derivative contracts, are as follows:

(₹ in Crores)			
As at 31st March, 2026	USD	Euro	Total
Financial Assets	0.95	-	0.95
Financial Liabilities	1.57	0.07	1.64

As at 31st March, 2025	USD	Euro	Total
Financial Assets	-	-	-
Financial Liabilities	4.89	0.37	5.26

The Company uses foreign exchange forward contracts as an economic hedge for its exposures in foreign currency arising from firm commitments. It does not follow hedge accounting as such exposures are not significant.

a. Forward exchange contracts that were outstanding on respective reporting dates:

(In Million)				
Particulars	Currency	Cross Currency	As at 31st March, 2026	As at 31st March, 2025
			Buy	Buy
Not designated under Hedge Accounting	US Dollar	Indian Rupee	2.43	3.05
	Euro	US Dollar	0.04	0.09

The aforesaid hedges have a maturity of less than 1 year from the year end.

Foreign Currency Sensitivity

For every percentage point increase/decrease in the underlying exchange rate of the outstanding foreign currency denominated balances, including derivative contracts, holding all other variables constant, the profit before tax for the year ended 31st March, 2026 and other equity as at 31st March, 2026 would increase/decrease by ₹ 0.22 Crore (2025: ₹ 0.22 Crore) on a pre-tax basis.

C. Credit Risk

Company's deployments, as stated above, are primarily in fixed deposits with highly rated banks, highly rated bonds / debentures, mutual fund schemes of leading fund houses, certificates of deposit issued by highly rated banks and financial institutions etc. Of this, investments that are held at amortised cost stood at ₹ 2506.07 Crores (2025: ₹ 1828.20 Crores). With respect to the Company's investing activities, mutual fund schemes and counter parties are shortlisted and exposure limits determined on the basis of their credit assessment, financial statements and other relevant information. As these counter parties are Government institutions/public sector undertakings with investment grade/sovereign credit ratings the counter party risk attached to such assets is considered to be insignificant.

The Company's customer base is large and diverse limiting the risk arising out of credit concentration. Further, credit is extended in business interest in accordance with the Credit Policy. Extension of credit is managed by appropriate authorities, after due consideration of the counterparty's credentials and financial capacity, trade practices and prevailing business and economic conditions. The Company's exposure to trade receivables on the reporting date, net of expected loss provisions, stood at ₹ 149.11 Crores (2025: ₹ 188.76 Crores).

The historical data and experience of collecting receivables and the level of default by the Company indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognized, where considered appropriate by responsible management.

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

31. Financial Instruments and Related Disclosures (Contd.)

The movement of the expected loss provision (allowance for bad and doubtful loans, advances and receivables etc.) made by the Company are as under:

Particulars	Expected Loss Provision	
	31st March, 2026	31st March, 2025
Opening Balance	2.96	4.40
Less: Utilisation for impairment / de-recognition	-	1.44
Closing Balance	2.96	2.96

4. Fair value measurement

The following table presents the fair value hierarchy of financial assets and liabilities measured at fair value on a recurring basis:

Particulars	Fair Value Hierarchy (Level)	As at 31st March, 2026	As at 31st March, 2025
A. Financial assets			
a) Measured at amortised cost			
Investment in Bonds / Debentures, Certificates of Deposit & Government or Trust Securities	2	1306.01	350.55
Sub-total		1306.01	350.55
b) Measured at Fair value through Profit or Loss			
i) Investment in Mutual Funds	1	299.58	80.00
ii) Derivative instruments not designated as hedging instruments	2	0.94	-
Sub-total		300.52	80.00
Total financial assets		1606.53	430.55
B. Financial liabilities			
Measured at Fair value through Profit or Loss			
Derivative instruments not designated as hedging instruments	2	-	0.20
Sub-total		-	0.20
Total financial liabilities		-	0.20

Notes to the Standalone Financial Statements

(Rupees in crores unless specified otherwise)

31. Financial Instruments and Related Disclosures (Contd.)

Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market or Net Asset Value (NAV) for identical assets or liabilities.

Level 2: Inputs other than quoted price included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Derivatives are valued using valuation techniques with market observable inputs such as foreign exchange spot rates and forward rates etc., as applicable, at the end of the reporting period. The fair value of investment in Bonds / Debentures and financial liabilities, where applicable, is determined using market observable inputs such as quotes from market participants, value published by the issuer etc.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted methodologies such as discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short – term nature. Where such items are non-current in nature, the same are classified as Level 3 and fair value determined using discounted cash flow basis.

The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. Accordingly, the sensitivity of change in the unobservable inputs used in fair valuation of Level 3 financial assets and liabilities is not applicable. There were no transfers between Level 1, Level 2 and Level 3 during the year.

In terms of our report attached

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration Number: 301003E / E300005
per Sanjay Vij
Partner
Membership No: 095169
New Delhi, 15th May, 2026

On behalf of the Board

S. Puri Chairman (DIN: 00280529)	A. Chadha Managing Director (DIN: 08073567)
A. Thakar Chief Financial Officer	D. Dinesh Company Secretary (Membership No: ACS 22282)

INDEPENDENT AUDITOR'S REPORT

To the Members of ITC Hotels Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of ITC Hotels Limited ("the Company"), which comprise the Balance sheet as at March 31, 2026, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of material 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 Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the 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, 2026, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 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 audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the

information included in the Annual report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the 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.

Responsibilities of Management for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 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 standalone Ind AS 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 Ind AS financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Independent Audit Report (Contd.)

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the standalone Ind AS 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 Ind AS financial statements, including the disclosures, and whether the standalone

Ind AS 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.

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 sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, 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;
 - (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 Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 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 these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

Independent Audit Report (Contd.)

- (g) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 28 (iv)(a) to the standalone Ind AS financial statements;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - The management has represented that, to the best of its knowledge and belief, 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 or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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;
 - The management has represented that, to the best of its knowledge

and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- Based on such 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 (a) and (b) contain any material misstatement.
- As stated in note B of Statement of Changes in Equity to the standalone Ind AS financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered with. Additionally, the audit trail of prior years has been preserved as per the statutory requirements for record retention.

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

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per **Sanjay Vij**

Partner

Membership Number: 095169

UDIN: 26095169ACIFLU5822

Place of Signature: New Delhi

Date: May 15, 2026

Independent Audit Report (Contd.)

Annexure 1 referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: ITC Hotels Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (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.
- Property, plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- The immovable properties included in property, plant and equipment (PPE) and properties where Company is a lessee (together known as "immovable properties"), were acquired pursuant to the Scheme of Demerger of the hotels business of ITC Limited into the Company approved by National Company Law Tribunal's ("NCLT") order dated October 04, 2024. As explained by the management in Note 4 of the financial statements, these immovable properties shall be vested in the Company or be deemed to have been so, automatically without any further act or deed, with effect from the Appointed Date. Accordingly, all the immovable properties of the Demerged Company, forming part of the Demerged Undertaking has vested in the Company with effect from January 01, 2025. The Company has filed/is in the process of filing the necessary applications for updation of the name with the concerned authorities.
- The Company has not revalued its Property, plant and equipment or intangible assets during the year ended March 31, 2026.
- There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification by the management is appropriate. There were no discrepancies of 10% or more noticed, in the aggregate for each class of inventory.
 - The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
 - During the year the investments made are not prejudicial to the interest of the Company. Further, during the year the Company has not granted loans, provided advances in the nature of loans, stood guarantees or provided security to companies, firms, Limited Liability Partnerships or any other parties.
 - The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
 - The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
 - There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to 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 to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

Independent Audit Report (Contd.)

- (iv) Investments in respect of which provisions of Section 186 of the Companies Act, 2013 is applicable have been complied with by the Company. There are no loans, investments, guarantees, and security in respect of which provisions of Section 185 of the Companies Act, 2013 is applicable and there are no loans, guarantees and security in respect of which provisions of Section 186 of the Companies Act, 2013 is applicable.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess, value added taxes and other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions related to sales tax, service tax and duty of excise are not applicable to the Company.
- (b) The dues that have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of the Dues	Amount (in Rs Crore)*	Period to which the amount relates (financial year)	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	0.06	2013-14	Appellate Authority – upto commissioners'/ Revisional Authorities Level
Finance Act, 1994	Service Tax	0.41	2007-17	Appellate Authority – upto commissioners'/ Revisional Authorities Level
		37.50	2005-16	Appellate Authority – Tribunal Level
		0.34	2016-17	High Court
Goods and Services Tax	Goods and Services Tax	24.91	2017-22	Appellate Authority – upto commissioners'/ Revisional Authorities Level
		0.40	2018-21	Appellate Authority – Tribunal Level
Municipal, Local Bodies and Property Tax Laws	Municipal, Local Bodies and Property Taxes & Charges	2.71	2011-25	Appellate Authority – upto commissioners'/ Revisional Authorities Level
		12.28	1995-2014	High Court
Employees' State Insurance Act, 1948	Employees' State Insurance	0.06	2017-18	Principal Labour Court
Value Added Taxes Laws	Value Added Taxes	6.92	2006-21	Appellate Authority – upto commissioners'/ Revisional Authorities Level
		3.68	2012-17	Appellate Authority – Tribunal Level
		2.04	2011-15	High Court
Stamp Duty Laws	Stamp Duty	0.00#	1986-87	High Court

Out of the total disputed dues aggregating to Rs. 91.31 crores as above, Rs. 4.82 crores pertain to matters which have been stayed for recovery by the relevant authorities.

#figures presented as "0.00" are below the rounding off norm adopted by the Company.

*Net of amount paid under protest.

Independent Audit Report (Contd.)

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause ix(c) of the Order is not applicable to the Company.
- (d) The Company did not raise any funds during the year hence, the requirement to report on clause ix(d) of the Order is not applicable to the Company.
- (e) On an overall examination of the financial statements of the Company, 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 venture.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint venture or associate companies. Hence, the requirement to report on clause ix(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under Sub-Section (12) of Section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of 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 audit procedures.
- (xii) (a), (b) and (c) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order are not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) and (d) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) and 3(xvi)(d) of the Order are not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

Independent Audit Report (Contd.)

- (xix) On the basis of the financial ratios disclosed in note 28(x) to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the 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 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) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 28(iii) to the financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 28(iii) to the financial statements.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Sanjay Vij
Partner
Membership Number: 095169
UDIN: 26095169ACIFLU5822

Place of Signature: New Delhi
Date: May 15, 2026

Independent Audit Report (Contd.)

Annexure 2 To the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of ITC Hotels Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone Ind AS financial statements of ITC Hotels Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 ("ICAI"). 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 these standalone financial statements was 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 these standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone 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 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 these standalone Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Ind AS Financial Statements

A company's internal financial controls with reference to standalone Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone Ind AS financial statements includes 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 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 financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Standalone Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone Ind AS 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 standalone Ind AS financial statements to future period are subject to the risk that the internal financial control with reference

Independent Audit Report (Contd.)

to standalone Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone Ind AS financial statements and such internal financial controls with reference to standalone Ind AS financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005
per Sanjay Vij
Partner
Membership Number: 095169
UDIN: 26095169ACIFLU5822

Place of Signature: New Delhi
Date: May 15, 2026

Guide to Subsidiaries / Joint Ventures / Associates

Subsidiaries of ITC Hotels Limited

WelcomHotels Lanka (Private) Limited, Sri Lanka

Shareholding

100% held by ITC Hotels Limited.

Nature of Business

The company owns and operates the hotel “ITC Ratnadipa”, a 352 key luxury hotel in Colombo, Sri Lanka, which was commissioned in April, 2024. The company is also developing “Sapphire Residences”, a super-luxury residential apartment complex, comprising 132 sky mansions. Handover of apartments in Sapphire Residences commenced in December 2025.

Srinivasa Resorts Limited

Shareholding

68% held by ITC Hotels Limited.

Nature of Business

The company owns the hotel “ITC Kakatiya” at Hyderabad, for which operating services are rendered by ITC Hotels Limited.

Fortune Park Hotels Limited

Shareholding

100% held by ITC Hotels Limited

Nature of Business

The company is in the business of providing operating services in the mid-market to upscale segment under its hospitality brands. It operated 59 properties as at 31st March 2026.

Bay Islands Hotels Limited

Shareholding

100% held by ITC Hotels Limited

Nature of Business

The company owns the hotel “Welcomhotel Bay Island” at Port Blair, which is licensed to ITC Hotels Limited.

Landbase India Limited

Shareholding

100% held by ITC Hotels Limited.

Nature of Business

Hospitality, management and operation of golf course and real estate development.

The company owns the Classic Golf & Country Club, a 27-hole Jack Nicklaus Signature Golf Course. It also owns a 104 key all suite luxury retreat “ITC Grand Bharat” which is licensed to and operated by ITC Hotels Limited.

Joint Venture of ITC Hotels Limited

Maharaja Heritage Resorts Limited

Maharaja Heritage Resorts Limited, where ITC Hotels Limited holds 50%, is a joint venture with Jodhana Heritage Resorts Private Limited.

Nature of Business

The joint venture company provided Franchise & Marketing Services to 36 operational hotel properties spread across 13 States / Union Territories with its WelcomHeritage brand portfolio comprising “Legend Hotels”, “Heritage Hotels” and “Nature Resorts”, which provide uniquely differentiated offerings to guests in the cultural, heritage and adventure tourism segments respectively as at 31st March 2026.

Associates of the Group

International Travel House Limited (ITHL)

ITC Hotels Limited holds 48.96% in ITHL.

Nature of Business

Air ticketing, car rentals, tourism, domestic holidays, conferences, events & exhibition management and foreign exchange services for travellers.

Gujarat Hotels Limited

ITC Hotels Limited holds 45.78% in Gujarat Hotels Limited.

Nature of Business

The company owns the “Welcomhotel Vadodara” in Vadodara which is operated by ITC Hotels Limited under an Operating Licence Agreement.

Principles of Consolidation

The Group’s interests in its subsidiaries, associates and joint venture are reflected in the Consolidated Financial Statements (CFS) in accordance with the relevant Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013.

Subsidiaries (Ind AS 110)

Line by line consolidation of the Statement of Profit and Loss and Balance Sheet is done by aggregating like items of assets, liabilities, income and expenses.

The excess / deficit of the cost to ITC Hotels Limited of its investments in its subsidiaries over its share of net worth (residual interest in the assets of the subsidiaries after deducting all its liabilities) of the subsidiaries at the date of investment in the subsidiaries are treated as goodwill / capital reserve in the CFS. The goodwill is disclosed as an asset and capital reserve as a reserve in the Consolidated Balance Sheet.

Profit or loss and each component of other comprehensive income are attributed to the Group as owners and to the non-controlling interest; likewise the non-controlling interests in the net assets of the consolidated subsidiaries is identified and presented separately within Equity in the Consolidated Balance Sheet.

Inter-Company transactions within the Group (both Balance Sheet and Profit or Loss items) are eliminated for arriving at the Group CFS.

CFS is prepared applying uniform accounting policies of ITC Hotels Limited to the Group companies.

Associates and Joint Ventures (Ind AS 28)

An investment in associate and joint venture is initially recognised at cost on the date of the investment, and is inclusive of any goodwill capital reserve embedded in the cost.

Only share of net profits / losses of associates / joint venture is considered in Consolidated Statement of Profit and Loss. The carrying amount of the investment in associates / joint venture is adjusted by the share of net profits / losses in the Consolidated Balance Sheet.

Note: The investments held by ITC Limited in Hospitality entities Viz., Fortune Park Hotels Limited, Bay Islands Hotels Limited, Landbase India Limited, WelcomHotels Lanka (Private) Limited, Srinivasa Resorts Limited, International Travel House Limited, Gujarat Hotels Limited and Maharaja Heritage Resorts Limited were transferred to the Company on a going concern basis pursuant to the Scheme. For details of the Scheme and the accounting treatment in CFS, please refer note 30 (i) of the CFS.

Form AOC-1

[Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of Subsidiaries / Associate companies / Joint Ventures

(Rupees in crores unless specified otherwise)

Part A : Subsidiaries

	Name of the Subsidiary	Srinivasa Resorts Limited	Fortune Park Hotels Limited	Landbase India Limited	Bay Islands Hotels Limited	WelcomHotels Lanka (Private) Limited
1.	CIN of Subsidiary Company / any other registration number of subsidiary company	U74999TG1984PLC005192	U55101HR1995PLC052281	U74899HR1992PLC052412	U74899HR1976PLC052282	PV 85567
2.	The date since when subsidiary was acquired (Refer Note 1)	06-Feb-1995	06-Mar-1996	09-Sep-2000	08-Mar-1999	04-May-2012
3.	Financial Year ending on	31-Mar-2026	31-Mar-2026	31-Mar-2026	31-Mar-2026	31-Mar-2026
4.	Provisions pursuant to which the company has become a subsidiary (Section 2(87)(i)/ Section 2(87)(iii)]	2(87)(ii)	2(87)(ii)	2(87)(ii)	2(87)(ii)	2(87)(ii)
5.	Reporting Currency	Indian Rupee	Indian Rupee	Indian Rupee	Indian Rupee	Sri Lankan Rupee
	Exchange Rate on the last day of the financial year	-	-	-	-	0.3006
6.	Share Capital	24.00	0.45	317.00	0.12	3,509.52
7.	Reserves & Surplus	103.16	74.13	(24.85)	30.64	(190.44)
8.	Total Assets	163.26	96.18	352.98	31.66	3,547.98
9.	Total Liabilities (excluding Total Equity)	36.11	21.60	60.83	0.90	228.90
10.	Investments (excluding Investments made in subsidiaries)	85.94	65.83	59.76	12.52	-
11.	Turnover	94.36	70.89	54.01	4.55	385.74
12.	Profit / (Loss) before tax	17.98	31.10	19.99	4.46	(70.59)
13.	Provision for tax	(4.32)	(7.32)	(5.01)	(1.10)	(1.90)
14.	Profit / (Loss) after tax	13.66	23.78	14.98	3.36	(72.50)
15.	Proposed Dividend	-	2.25	-	0.59	-
16.	% of shareholding	68.00	100.00	100.00	100.00	100.00

Notes:

1. As per the Scheme of Arrangement amongst the ITC Limited (ITC) and ITC Hotels Limited (ITCHL) and their respective shareholders and creditors under Sections 230 to 232 read with the other applicable provisions of the Companies Act, 2013 ('the Scheme') for demerger of the Hotels Business of the Company into ITCHL, upon the Scheme becoming effective with effect from 1st January, 2025, the Hotels Business and the investments held by the ITC in Hospitality entities including (Fortune Park Hotels Limited, Bay Islands Hotels Limited, Landbase India Limited, WelcomHotels Lanka) Private Limited, Srinivasa Resorts Limited, International Travel House Limited, Gujarat Hotels Limited and Maharaja Heritage Resorts Limited) had been transferred to ITCHL. Accordingly the said companies had become subsidiary / associate / joint venture of ITCHL from such date and the date of acquisition has been considered from the date of their acquisition by ITC.
2. Turnover includes Other Income and Other Operating Revenue. Profit / (Loss) figures do not include Other Comprehensive Income.

Part B : Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate companies and Joint Ventures

(Rupees in crores unless specified otherwise)

Name of Associates / Joint Ventures		Maharaja Heritage Resorts Limited	International Travel House Limited	Gujarat Hotels Limited
1.	Latest audited Balance Sheet Date	31-Mar-2026	31-Mar-2026	31-Mar-2026
2.	Date on which the Associate or Joint Venture was associated or acquired (Refer Note 1 in Part A)	02-Jul-1997	21-Mar-1982	12-Sep-1986
3.	Shares of Associate/Joint Venture held by the Company on the year end			
	i. Number	1,80,000	39,14,233	17,33,907
	ii. Amount of Investment in Associate/Joint Venture@	0.34	100.37	25.42
	iii. Extent of Holding %	50.00	48.96	45.78
4.	Description of how there is significant influence	Joint Venture	Associate	Associate
5.	Reason why the Associate/Joint Venture is not consolidated	Consolidated	Consolidated	Consolidated
6.	Net worth attributable to Shareholding as per latest audited Balance Sheet	0.34	87.79	24.27
7.	Profit / (Loss) for the year	0.46	18.48	5.66
	i. Considered in Consolidation	0.23	9.05	2.59
	ii. Not considered in Consolidation	0.23	9.43	3.07

@ Represents investment value as per Consolidated Financial Statements.
Note: No Associate or Joint Venture was liquidated or sold during the period.

On behalf of the Board

S. Puri
Chairman
(DIN: 00280529)

A. Chadha
Managing Director
(DIN: 08073567)

A. Thakar
Chief Financial Officer

D. Dinesh
Company Secretary
(Membership No: ACS 22282)

New Delhi, 15th May, 2026

Consolidated

Financial Statements

Balance Sheet	204
Statement of Profit and Loss	205
Statement of Changes in Equity	206
Statement of Cash Flows	208
Notes to the Consolidated Financial Statements	210
Independent Auditor's Report	262

Consolidated Balance Sheet as at 31st March, 2026

(Rupees in crores unless specified otherwise)

	Note	As at 31st March, 2026	As at 31st March, 2025
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	4A	7693.72	7791.67
(b) Capital work-in-progress	4B	206.09	155.97
(c) Goodwill	4C	16.98	16.98
(d) Other Intangible assets	4D	15.24	14.18
(e) Intangible assets under development	4E	0.72	1.94
(f) Right-of-use assets	4F	363.09	366.61
(g) Investment accounted for using the equity method	5	126.13	117.04
(h) Financial Assets			
(i) Investments	5	1003.64	385.44
(ii) Others	6	531.90	10.39
(i) Deferred tax assets (Net)	7	4.38	3.87
(j) Income tax assets (Net)	8	1.70	2.72
(k) Other non-current assets	9	262.15	152.49
		10225.74	9019.30
Current assets			
(a) Inventories	10	1239.68	1241.16
(b) Financial Assets			
(i) Investments	11	825.99	173.68
(ii) Trade receivables	12	230.25	201.77
(iii) Cash and cash equivalents	13	35.21	78.71
(iv) Bank Balances other than (iii) above	14	730.15	1574.85
(v) Loans	15	0.31	0.21
(vi) Others	6	51.01	2092.28
(c) Other current assets	9	146.25	123.52
		3258.85	3456.96
TOTAL ASSETS		13484.59	12476.26
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	16	208.30	208.12
(b) Other Equity		11449.52	10484.05
Attributable to owners of the parent		11657.82	10692.17
Non-controlling interests		40.69	36.27
		11698.51	10728.44
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	17	72.41	72.78
(ii) Other financial liabilities	18	43.11	44.07
(b) Provisions	19	37.49	27.80
(c) Deferred tax liabilities (Net)	7	431.65	425.73
(d) Other non-current liabilities	20	23.81	16.70
		608.47	587.08
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	1.21	-
(ii) Lease Liabilities	17	0.57	0.52
(iii) Trade payables			
Total outstanding dues of micro and small enterprises	22	12.86	13.43
Total outstanding dues of creditors other than micro and small enterprises	22	412.67	408.00
(iv) Other financial liabilities	18	144.46	143.90
(b) Other current liabilities	20	535.99	577.26
(c) Provisions	19	62.03	10.40
(d) Current Tax Liabilities (Net)	23	7.82	7.23
		1177.61	1160.74
TOTAL EQUITY AND LIABILITIES		13484.59	12476.26

The accompanying notes 1 to 33 are an integral part of the Consolidated Financial Statements.

In terms of our report attached

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration Number: 301003E / E300005
per Sanjay Vij
Partner
Membership No: 095169

New Delhi, 15th May, 2026

On behalf of the Board

S. Puri Chairman (DIN: 00280529)	A. Chadha Managing Director (DIN: 08073567)
A. Thakar Chief Financial Officer	D. Dinesh Company Secretary (Membership No: ACS 22282)

Consolidated Statement of Profit and Loss for the year ended 31st March, 2026

(Rupees in crores unless specified otherwise)

	Note	For the year ended 31st March, 2026	For the year ended 31st March, 2025
I Revenue From Operations	24	4139.40	3559.81
II Other Income	25	191.94	66.30
III Total Income (I+II)		4331.34	3626.11
IV EXPENSES			
Consumption of food, beverage, etc.		374.24	363.15
Real estate development cost		138.54	-
Employee benefits expense	26	782.89	692.51
Finance costs	27	7.93	6.64
Depreciation and amortization expense	4	416.51	402.35
Other expenses	28	1419.95	1293.27
Total expenses (IV)		3140.06	2757.92
V Share of profit / (loss) of Associates and Joint Venture		11.87	15.87
VI Profit before exceptional items and tax (III- IV+V)		1203.15	884.06
VII Exceptional Items	30 (vi), 30 (vii)	(80.17)	-
VIII Profit before tax (VI+VII)		1122.98	884.06
IX Tax expense:			
Current Tax	29	290.46	220.79
Deferred Tax	29	11.26	25.63
X Profit for the year (VIII-IX)		821.26	637.64
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss:			
- Remeasurements of the defined benefit plans	30 (vi)	(23.74)	0.92
- Share of OCI in Associates and Joint Venture		(0.11)	(0.12)
(ii) Income tax relating to items that will not be reclassified to profit or loss:	29	5.96	(0.23)
B Items that will be reclassified to profit or loss:			
- Exchange differences on translating the financial statements of foreign operations		133.98	120.37
XI Other Comprehensive Income [A (i+ii)+B (i)]		116.09	120.94
XII Total Comprehensive Income for the year (X+XI)		937.35	758.58
Profit for the year			
Attributable to:			
Owners of the parent		816.89	634.57
Non-controlling interests		4.37	3.07
Other comprehensive income for the year			
Attributable to:			
Owners of the parent		116.04	120.99
Non-controlling interests		0.05	(0.05)
Total comprehensive income for the year			
Attributable to:			
Owners of the parent		932.93	755.56
Non-controlling interests		4.42	3.02
XIII Earnings per equity share (Face Value ₹ 1.00 each) :	30(ii)		
(1) Basic (in ₹)		3.92	3.05
(2) Diluted (in ₹)		3.92	3.05

The accompanying notes 1 to 33 are an integral part of the Consolidated Financial Statements.

In terms of our report attached

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration Number: 301003E / E300005
per Sanjay Vij
Partner
Membership No: 095169

New Delhi, 15th May, 2026

On behalf of the Board

S. Puri Chairman (DIN: 00280529)	A. Chadha Managing Director (DIN: 08073567)
A. Thakar Chief Financial Officer	D. Dinesh Company Secretary (Membership No: ACS 22282)

Consolidated Statement of changes in equity for the year ended 31st March, 2026

(Rupees in crores unless specified otherwise)

A. Equity Share Capital

	Balance at the beginning of the reporting period	Changes in equity share capital during the period	Balance at the end of the reporting period
For the year ended 31st March, 2026	208.12	0.18	208.30
For the year ended 31st March, 2025	83.00	125.12	208.12

B. Other Equity

	Reserves and Surplus						Items of Other Comprehensive Income	Attributable to owners of the parent	Non-controlling interests	Total
	Capital Reserve	Securities Premium	Share Options Outstanding Account	Capital Reserve on Consolidation	Subsidy Reserve	General Reserve	Retained Earnings	Exchange differences on translating the financial statements of foreign operations		
Balance as at 1st April, 2025	0.22	10546.75	25.05	2.19	0.09	26.00	286.92	(403.17)	10484.05	36.27
Profit for the year	-	-	-	-	-	-	816.89	-	816.89	4.37
Other Comprehensive Income (net of tax)	-	-	-	-	-	-	(17.94)	133.98	116.04	0.05
Total Comprehensive Income for the year	-	-	-	-	-	-	798.95	133.98	932.93	4.42
Issue of equity shares under ITC Hotels Special Purpose Employee Stock Option Scheme	-	26.64	-	-	-	-	-	-	26.64	-
Transfer from Share Options Outstanding Account on options exercise and lapse	-	6.97	(7.20)	-	-	-	0.23	-	-	-
Recognition of share based payment*	-	-	5.90	-	-	-	-	-	5.90	5.90
Balance as at 31st March, 2026	0.22	10580.36	23.75	2.19	0.09	26.00	1086.10	(269.19)	11449.52	40.69

Consolidated Statement of changes in equity for the year ended 31st March, 2026

(Rupees in crores unless specified otherwise)

B. Other Equity (Contd.)

	Reserves and Surplus						Items of Other Comprehensive Income	Attributable to owners of the parent	Non-controlling interests	Total
	Capital Reserve	Securities Premium	Share Options Outstanding Account	Capital Reserve on Consolidation	Subsidy Reserve	General Reserve	Retained Earnings	Exchange differences on translating the financial statements of foreign operations	Demerger Suspense Account	
Balance as at 1st April, 2024	0.22	-	-	2.19	0.09	26.00	84.02	(523.54)	8925.87	8414.85
Profit for the year	-	-	-	-	-	-	202.27	-	432.30	634.57
Other Comprehensive Income (net of tax)	-	-	-	-	-	-	0.63	120.37	(0.02)	120.94
Total Comprehensive Income for the year	-	-	-	-	-	-	202.90	120.37	432.28	755.56
Recognised pursuant to the Scheme**	-	-	-	-	-	-	-	-	1436.61	1436.61
Share Options Outstanding created pursuant to the Scheme **	-	-	-	-	-	-	-	-	-	-
Issue of equity shares pursuant to the Scheme **	-	-	22.89	-	-	-	-	-	(22.89)	-
Difference between fair value of equity shares and book value of net assets transferred pursuant to the Scheme**	(11361.50)	-	-	-	-	-	-	-	(22033.37)	(125.12)
Debit balance of Capital Reserve adjusted pursuant to the Scheme**	11361.50	(11361.50)	-	-	-	-	-	-	11361.50	-
Transfer from Share Options Outstanding Account on options lapsed	-	-	...	-	-	-	-	-	-	-
Recognition of share based payment*	-	-	2.16	-	-	-	-	-	-	-
Balance as at 31st March, 2025	0.22	10546.75	25.05	2.19	0.09	26.00	286.92	(403.17)	-	10484.05

* For details refer Note 30 (xi) and 30 (xii).

** For details on the Scheme refer Note 30 (i).

The Board of Directors of the Company have recommended Final Dividend of ₹ 1/- per Equity Share of ₹ 1/- each for the financial year ended 31st March, 2026 (2025: Nil) amounting to ₹ 208.30 Crores. The said Final Dividend is subject to the approval of the shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

Capital Reserve and Capital Reserve on Consolidation: These Reserves represent the difference between value of the net assets transferred to the Group in the course of business combinations and the consideration paid for such combinations. Securities Premium: This Reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

Share Options Outstanding Account: This Reserve relates to stock options granted by the Company pursuant to the Scheme [Refer Note 30 (i)] and ITCHL Employees Stock Appreciation Rights Schemes. This Reserve is transferred to Securities Premium or Retained Earnings on exercise or lapse of vested options.

Subsidy Reserve: This Reserve represents subsidies received from government authorities for capital investment and amounts taken over by the Group consequent to business combinations. General Reserve: This Reserve has been created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilized in accordance with the provisions of the Companies Act, 2013.

Retained Earnings: This Reserve represents the cumulative profits of the Group and effects of remeasurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013. Exchange differences on translating the financial statements of foreign operations: This Reserve contains (a) accumulated balance of foreign exchange differences from translation of the financial statements of the Group's foreign operations arising at the time of consolidation of such entities and (b) accumulated foreign exchange differences arising on monetary items that, in substance, form part of the Group's net investment in a foreign operation. Such foreign exchange differences are recognised in Other Comprehensive Income. Exchange differences previously accumulated in this Reserve are reclassified to profit or loss on disposal of the foreign operation.

Demerger Suspense Account: This account represents the book value of the net assets transferred under the Scheme, pending allotment of shares by the Company and includes the Total Comprehensive Income of the Demerged Undertaking from the date of incorporation of the Company till the Appointed Date of the demerger. The same has been used for issuance of equity shares and recognition of related Securities Premium, after suitable adjustments against Capital Reserve for giving effect to the Scheme [Refer Note 30 (i)].

The accompanying notes 1 to 33 are an integral part of the Consolidated Financial Statements.

In terms of our report attached

For S. R. Batliboi & Co. LLP
Chartered Accountants

Firm Registration Number: 301003E / E300005
per Sanjay Vij
Partner

Membership No: 095169

New Delhi, 15th May, 2026

On behalf of the Board

S. Puri
Chairman
(DIN: 00280529)

A. Thakar
Chief Financial Officer

A. Chacha
Managing Director
(DIN: 08073567)

D. Dinesh
Company Secretary
(Membership No: ACS 22282)

Consolidated Statement of Cash Flows for the year ended 31st March, 2026

(Rupees in crores unless specified otherwise)

	For the year ended 31st March, 2026	For the year ended 31st March, 2025
A. Cash Flow from Operating Activities		
PROFIT BEFORE TAX	1122.98	884.06
ADJUSTMENTS FOR :		
Depreciation and amortization expense	416.51	402.35
Share based payments to employees	0.53	0.13
Finance costs	7.93	6.64
Interest Income	(162.26)	(55.93)
Loss on sale of property, plant and equipment - Net	8.46	6.45
Doubtful and bad debts	(0.74)	(0.04)
Share of (profit) / loss of associates and joint ventures	(11.87)	(15.87)
Net gain arising on financial instruments measured at fair value through profit or loss	(25.05)	(10.73)
Foreign currency translations and transactions - Net	(2.02) 231.49	- 333.00
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	1354.47	1217.06
ADJUSTMENTS FOR :		
Trade receivables, advances and other assets	(31.47)	(57.04)
Inventories	57.10	(159.01)
Trade payables, other liabilities and provisions	18.61 44.24	12.70 (203.35)
CASH GENERATED FROM OPERATIONS	1398.71	1013.71
Income tax paid (net of refunds)	(288.86)	(212.65)
NET CASH FROM OPERATING ACTIVITIES	1109.85	801.06
B. Cash Flow from Investing Activities		
Purchase of property, plant and equipment, intangibles etc.	(410.26)	(385.93)
Sale of property, plant and equipment	1.78	4.14
Purchase of current investments	(3026.01)	(1355.47)
Sale/redemption of current investments	2423.92	1268.37
Purchase of non-current investments	(644.42)	(360.57)
Dividend received from associates	2.41	2.39
Interest received	155.05	31.54
Investment in bank deposits (original maturity more than 3 months)	(1247.23)	(1552.79)
Redemption / maturity of bank deposits (original maturity more than 3 months)	1570.64	144.78
Loans (given) / recovered	(0.10)	0.19
NET CASH (USED IN) INVESTING ACTIVITIES	(1174.22)	(2203.35)

Consolidated Statement of Cash Flows for the year ended 31st March, 2026

(Rupees in crores unless specified otherwise)

	For the year ended 31st March, 2026	For the year ended 31st March, 2025
C. Cash Flow from Financing Activities		
Proceeds from issue of share capital	26.82	-
Principal payment of lease liabilities	(0.32)	(0.29)
Interest paid	(7.93)	(6.64)
Adjustment pursuant to the Scheme [Refer Note 30 (i)]	-	1436.61
NET CASH FROM FINANCING ACTIVITIES	18.57	1429.68
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(45.80)	27.39
OPENING CASH AND CASH EQUIVALENTS	78.71	49.32
CLOSING CASH AND CASH EQUIVALENTS	32.91	76.71

Notes :

- The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Ind AS - 7 "Statement of Cash Flows"
- CASH AND CASH EQUIVALENTS :**

Cash and cash equivalents as above	32.91	76.71
Unrealised gain / (loss) on foreign currency cash and cash equivalents	1.11	2.00
Cash credit facilities	1.19	-
Cash and cash equivalents (Note 13)	35.21	78.71
- Net Cash Flow from Operating Activities includes an amount of ₹ 4.30 Crores (2025: ₹ 0.39 Crore) spent towards Corporate Social Responsibility.
- Disclosure of change arising from financing activities in respect of lease liabilities - Refer Note 17.

The accompanying notes 1 to 33 are an integral part of the Consolidated Financial Statements.

In terms of our report attached

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration Number: 301003E / E300005
per Sanjay Vij
Partner
Membership No: 095169

New Delhi, 15th May, 2026

On behalf of the Board

S. Puri Chairman (DIN: 00280529)	A. Chadha Managing Director (DIN: 08073567)
A. Thakar Chief Financial Officer	D. Dinesh Company Secretary (Membership No: ACS 22282)

Notes to the Consolidated Financial Statements

1. Group Information

ITC Hotels Limited ('Holding Company') (CIN: L55101WB2023PLC263914) is a public limited company domiciled in India and was incorporated on 28th July, 2023 under the provision of the Companies Act, 2013. Pursuant to the 'Scheme of Arrangement between ITC Limited and ITC Hotels Limited, and their respective shareholders and creditors' (the Scheme), the Company received various assets and liabilities of the Hotels business of ITC Limited (Demerged Undertaking) [Refer Note 30 (i)]. The Holding Company and its subsidiaries (together referred to as the 'Group') has presence in multiple businesses such as Hotels and Real Estate.

2. Material Accounting Policies

Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at amortised cost or fair value as explained in the accounting policies.

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 consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements,

estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

Basis of Consolidation

The Consolidated Financial Statements (CFS) include the financial statements of the Company and its subsidiaries together with the share of the total comprehensive income of joint venture and associates.

Subsidiaries are entities controlled by the Group. Associates are entities over which the Group exercise significant influence but does not control. Joint Ventures ("JV") are entities in which the Group has the ability to exercise control jointly with one or more uncontrolled entities and the parties have proportionate interests in the assets and liabilities of the JV entity.

Control, significant influence and joint control is assessed annually with reference to the voting power (usually arising from equity shareholdings and potential voting rights) and other rights (usually contractual) enjoyed by the Group in its capacity as an investor that provides it the power and consequential ability to direct the investee's activities and significantly affect the Group's returns from its investment. Such assessment requires the exercise of judgement and is disclosed by way of a note to the Financial Statements. The Group is considered not to be in control of entities where it is unclear as to whether it enjoys such power over the investee.

The assets, liabilities, income and expenses of subsidiaries are aggregated and consolidated, line by line, from the date control is acquired by any Group entity to the date it ceases. Profit or loss and each component of other comprehensive income are attributed to the Group as owners and to the non-controlling interests. The Group presents the non-controlling interests in the Balance Sheet within equity, separately from the equity of the Group as owners. The excess of the Group's investment in a subsidiary over its share in the net worth of such subsidiary on

Notes to the Consolidated Financial Statements

2. Material Accounting Policies (Contd.)

the date control is acquired is treated as goodwill while a deficit is considered as a capital reserve in the CFS.

An investment in an associate or a JV is initially recognised at cost on the date of the investment, inclusive of any goodwill / capital reserve embedded in the cost, in the Balance Sheet. The proportionate share of the Group in the net profits / losses as also in the other comprehensive income is recognised in the Statement of Profit and Loss and the carrying value of the investment is adjusted by a like amount (referred as 'equity method').

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. While preparing CFS, appropriate adjustments are made to subsidiaries / associates / JVs financial statements to ensure conformity with the Group's accounting policies.

Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of the business of the Group. The Group has identified twelve months as its operating cycle.

Property, Plant and Equipment

Property, plant and equipment (PP&E) are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, non-refundable duties / taxes and incidental expenses related to acquisition. In respect of major projects involving construction, directly related pre-operational expenses form part of the value of assets capitalised. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of PP&E is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of PP&E is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which

is generally on commissioning. Items of PP&E are depreciated in a manner that amortizes the cost of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis, except where the useful life has been re-assessed based on independent technical evaluation, taking into account the operating conditions, maintenance history etc. of the asset. Land, including perpetual lease where the Company is a lessee, is not depreciated.

The estimated useful lives of PP&E of the Group are as follows:

Buildings	60-80 Years
Leasehold Improvements	Shorter of lease period or estimated useful lives
Plant and Equipment	3-22 Years
Furniture and Fixtures	8-10 Years
Vehicles	8 Years
Office Equipment	5 Years

PP&E's residual values, useful lives and method of depreciation are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

Goodwill and Other Intangible Assets

Goodwill

Goodwill arising on Business Combination is carried at cost less any accumulated impairment losses. The Group also presents the excess of the Group's investment in a subsidiary over its share in the net worth of such subsidiary on the date control is acquired as goodwill arising on consolidation.

Goodwill is annually tested for impairment. Impairment loss, if any, to the extent the carrying amount exceeds the recoverable amount is charged off to the Statement of Profit and Loss as it arises and is not reversed. For impairment testing, goodwill is allocated to Cash Generating Unit (CGU) or group of CGUs to which it relates, which is not larger than an operating segment, and is monitored for internal management purposes.

On disposal of the CGU or group of CGUs, attributable amount of goodwill is included in the determination of the profit or loss recognised in the Statement of Profit and Loss.

Notes to the Consolidated Financial Statements

2. Material Accounting Policies (Contd.)

Other Intangible Assets

Other Intangible Assets that the Group controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

- for assets acquired in a business combination, at fair value on the date of acquisition.
- for separately acquired assets, at cost comprising the purchase price (including non-refundable duties / taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated brands, websites and customer lists are not recognised as intangible assets.

After initial recognition, an intangible asset is carried at its cost less accumulated amortization and / or impairment losses. The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law or the likelihood of technical, technological obsolescence or commercial obsolescence.

Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method from the date that they are available for use unless it is practical to reliably determine the pattern of benefits arising from the asset. Amortization expenses and impairment losses and reversal of impairment losses are included in the 'Depreciation and amortization expense' in the Statement of Profit and Loss.

The estimated useful lives of intangible assets of the Group with finite lives are as follows:

Business and Commercial Rights	10 Years (unless shorter useful life is required based on contractual or legal terms)
Computer Software	5 Years

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives. The impact of such changes is accounted for as a change in accounting estimate. Amortization expenses are taken to the Statement of Profit and Loss and is carried at its cost less accumulated amortization.

An intangible asset is derecognised 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 recognised in the Statement of Profit and Loss when the asset is derecognised.

Impairment of Assets

The Group assesses, at each reporting date, whether there is an indication that an asset or cash generating unit may be impaired. If any indication exists, the Group estimates the asset's recoverable amount.

Recoverable amount is higher of an asset's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

Inventories

Inventories are stated at lower of cost and net realisable value. The cost is calculated on weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to their present location and condition. Net realisable value is the estimated selling price less estimated costs necessary to make the sale.

Foreign Currency Transactions and Derivatives

The functional and presentation currency of the Group is Indian Rupee. Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.

Exchange differences arising on monetary items that, in substance, form part of the Group's net investment in a foreign operation (having a functional currency other than Indian Rupee) are recognised in other comprehensive income and accumulated in Foreign Currency Translation Reserve.

Notes to the Consolidated Financial Statements

2. Material Accounting Policies (Contd.)

Derivatives are initially recognised at fair value and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gains/ losses are recognised in Statement of Profit and Loss immediately.

For the preparation of the consolidated financial statements:

- assets and liabilities of foreign operations, together with goodwill and fair value adjustments assumed on acquisition thereof, are translated to Indian Rupees at exchange rates prevailing at the reporting period end;
- income and expense items are translated at the average exchange rates prevailing during the period; when exchange rates fluctuate significantly the rates prevailing on the transaction date are used instead.

Differences arising on such translation are accumulated in foreign currency translation reserve and attributed to non-controlling interests proportionately.

On the disposal of a foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Group is reclassified to the Statement of Profit and Loss. In relation to a partial disposal, that does not result in losing control over the subsidiary, the proportionate exchange differences accumulated in equity is reclassified to the Statement of Profit and Loss.

Investment in Associates and Joint Ventures

Investment in associates and joint venture are accounted for using the 'equity method' less accumulated impairment, if any.

Financial instruments, Financial assets, Financial liabilities and Equity instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale

of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Group commits to purchase or sell the asset.

Financial Assets

Recognition: Financial assets include Investments, Trade Receivables, Advances, Security Deposits, Other Bank Balances, Cash and Cash equivalents. Such assets are initially recognised at fair value or transaction price, as applicable, when the Group becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.
- fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value, including interest income and dividend income, if any, are recognised in the 'Other Income' in Statement of Profit and Loss in the period in which they arise.

Trade Receivables, Advances, Security Deposits, Other Bank Balances, Cash and Cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. Further, investments in equity instruments may be

Notes to the Consolidated Financial Statements

2. Material Accounting Policies (Contd.)

classified as fair value through other comprehensive income, where an irrevocable election is made for such classification at the time of initial recognition of the investment.

Impairment: The Group assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Reclassification: When and only when the business model is changed, the Group shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

Derecognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Group has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment, in which case the cumulative fair value adjustments previously taken to reserves are reclassified within equity.

Income Recognition: Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at fair value and are

subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled or on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

Revenue

Revenue is measured at the transaction price that the Group receives or expects to receive as consideration for goods supplied and services rendered, net of returns and estimates of variable consideration such as discounts and schemes. Revenue excludes taxes such as VAT and Goods and Services Tax which are payable in respect of sale of goods and services. Revenue is recognised when it can be measured reliably and recovery of the consideration is probable.

Revenue from room, food & beverage, banquet and allied services, real estate etc. is generally recognised at a point in time when control is transferred to the customer, which generally occurs when the room is occupied, food & beverages is sold, banquet and allied services are rendered, apartments are delivered etc. in accordance with the contract with the customer.

The Group provides hotel management services, grants license to use its trademark & other intellectual property and offers sale of memberships of loyalty programs and hotel facilities. Revenue for the same is recognised over time in accordance with the terms of the contract.

The Group also offers Loyalty Programs to eligible customers and business partners. Such programs entitle the members to rewards in accordance with the terms & conditions of the program. The revenue

Notes to the Consolidated Financial Statements

2. Material Accounting Policies (Contd.)

attributable to such reward is deferred and a contract liability is created at the time of initial sales which is measured considering the likelihood of its redemption, as evidenced by the Group's historical experience. On redemption / expiry of such reward, revenue is recognised at pre-determined rates.

Dividend Distribution

Dividends paid (including income tax thereon, if any) are recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by the shareholders.

Employee Benefits

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Group has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

The Group makes contributions to both defined benefit and defined contribution schemes.

Contributions to provident fund, defined contribution pension plan and national pension system are in the nature of defined contribution schemes. The contribution payable is recognised as an expense, when an employee renders the related service. The contributions in respect of provident fund are statutorily deposited with the Employee Provident Fund Organisation.

The Group also makes contribution to defined benefit pension and gratuity plan which are mainly administered through duly constituted and approved Trusts. The cost of providing benefits under the defined benefit obligation is calculated by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of remeasurements are recognised immediately through other comprehensive income in the period in which they occur.

The employees of the Group are entitled to compensated leave for which the Group records the liability based on actuarial valuation computed using projected unit credit method. These benefits are unfunded.

Employee Share Based Compensation

Stock Options granted under ITC Employee Stock Option Scheme ("ITC ESOS") and ITC Employee Cash Settled Stock Appreciation Linked Reward Plan ("ITC ESARP")

Certain employees of the Group and those who are deputed to the Group from ITC Limited are covered under ITC ESOS and ITC ESARP. These schemes are in the nature of equity / cash settled.

In the case of equity settled awards, the fair value of the awards at the grant date is amortised on a straight-line basis over the vesting period. In case of cash settled awards, the fair value of awards at the grant date is initially recognised and remeasured at each reporting date, until settled.

The cost in respect of such share-based payments is recognised as an employee benefit expenses in the Statement of Profit and Loss with corresponding increase in other financial liabilities.

Stock Options granted under ITC Hotels Special Purpose Employee Stock Option Scheme ("ITCHL SP ESOS") and ITCHL Employee Stock Appreciation Rights Scheme, 2025 ("ITCHL ESARS")

The cost of ITCHL SP ESOS granted pursuant to the Scheme to the grantees of ITC ESOS, and ITCHL ESARS granted by the Company, is recognised based on the fair value of such stock options in accordance with applicable standards and the Scheme. The fair value of the stock options, which are equity settled, is recorded over the balance vesting term and is recognised as employee benefit expense to the extent it pertains to the employees of the Group or those who are deputed to the Group by ITC Limited over the period in which the performance and / or service conditions are fulfilled by such employees.

The fair value, to the extent it pertains to the options granted to the employees of ITC Group and the subsidiaries / associates / joint venture of the Company, is recovered from the respective entities.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Notes to the Consolidated Financial Statements

2. Material Accounting Policies (Contd.)

Group as a Lessee

Right-of-Use (ROU) assets are recognised at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred and lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight line basis. Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and low value leases (i.e., where the value of the underlying asset, when new, in order of magnitude ₹ 5 lakhs or less) are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

The Group recognises lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognised as expense in the periods in which they are incurred. Interest on lease liability is recognised using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities is also remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurements is adjusted to the value of the ROU assets.

Group as a Lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Group is a lessor under an operating lease, the asset is capitalised within property, plant and equipment or investment property and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the term of the lease.

Taxes on Income

Taxes on income comprise current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, insofar as it relates to items disclosed under other comprehensive income or equity, is disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Claims

Claims against the Group not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

Provisions

Provisions are recognised when, as a result of a past event, the Group has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

Notes to the Consolidated Financial Statements

2. Material Accounting Policies (Contd.)

Operating Segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Strategic Executive Management Committee.

Segments are organised based on businesses which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods.

Segment revenue arising from third party customers is reported on the same basis as revenue in the financial statements. Inter-segment revenue is reported on the basis of transactions which are primarily market led. Segment results represent profits before finance charges, unallocated corporate expenses and taxes.

Unallocated revenue and expenses, where applicable, relate to initiatives / costs attributable to the enterprise as a whole.

3. Use of estimates and judgements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

A. Judgements in applying accounting policies

The following are the judgements, apart from those involving estimations (see note B below), that the Group have made in the process of applying the accounting policies and that have a significant effect on the amounts recognised in the consolidated financial statements:

1. Control:

The Group assessed whether or not it has control on its investees based on whether, as an investor, it has the power / rights and consequently the practical ability to direct the relevant activities of its investees unilaterally. In making this judgement, the Group considered the purpose & design of the investee, the absolute size of its holding, whether any contractual arrangements exist between the Company (and its subsidiaries) and other shareholders of the investees, the exposure or rights to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the Group's returns. In accordance with the applicable standards and its Accounting Policy, the Group is considered not to be in control of entities where it is unclear as to whether it enjoys such power over the investee. Based on the above, the Group has determined that the entities listed in the notes to the financial statements are the only entities over which the Group has control.

2. Significant influence:

The Group assessed whether or not it has significant influence on its investees based on its practical ability to participate in the financial and operating policy decisions of the investee, though it is not in control or in joint control of these policies. Based on such assessment, the Group determined that the entities listed in the notes to the financial statements are the only entities over which the Group has significant influence, and accordingly recognised as associates.

3. Joint Control:

The Group holds 50% of the equity share capital of Maharaja Heritage Resorts Limited, a company involved in operation of hotel properties. The Group do not consider that it is able to exercise control over the company as the decisions about relevant activities of the company are made jointly between the Group and the co-venturer (who holds 50% of the equity share capital) and both the parties have rights to the net assets of such arrangement.

Notes to the Consolidated Financial Statements

3. Use of estimates and judgements (Contd.)

B. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

1. Useful lives of property, plant and equipment and intangible assets:

As described in the material accounting policies, the Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period based on management assessment and independent technical expert review, where applicable, and the impact of changes in the estimated useful life is considered in the period in which the estimate is revised.

2. Claims, Provisions and Contingent Liabilities:

The Group has ongoing litigations mainly with various regulatory authorities. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about

such litigations is provided in notes to the financial statements.

3. Fair value measurements and valuation processes:

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements. Also refer Note 30 (i) for details of independent valuation report in respect of the Scheme.

4. Actuarial Valuation:

The determination of the Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

Particulars	Gross Block								
	As at 31st March, 2024	Additions	Withdrawals and adjustments	Foreign Currency Translation Reserve Adj	As at 31st March, 2025	Additions	Withdrawals and adjustments	Foreign Currency Translation Reserve Adj	As at 31st March, 2026
4A. Property, Plant and Equipment									
Land	1007.85	4.36	-	-	1012.21	-	-	-	1012.21
Buildings	3728.86	923.05	2.38	17.17	4666.70	30.22	3.14	37.78	4731.56
Leasehold Improvements	6.74	0.83	0.01	-	7.56	1.10	0.20	-	8.46
Plant and Equipment	2414.04	755.28	35.64	11.98	3145.66	153.72	40.51	26.50	3285.37
Furniture and Fixtures	806.00	416.42	4.37	7.71	1225.76	49.76	10.00	17.33	1282.85
Vehicles	59.15	12.78	6.66	0.06	65.33	8.41	4.92	0.06	68.88
Office Equipment	1.36	0.15	0.05	-	1.46	0.04	0.01	-	1.49
TOTAL	8024.00	2112.87	49.11	36.92	10124.68	243.25	58.78	81.67	10390.82
4B. Capital work-in-progress	1766.66	465.46	2111.53	35.38	155.97	284.65	239.18	4.65	206.09
4C. Goodwill									
Goodwill on Consolidation	16.98	-	-	-	16.98	-	-	-	16.98
TOTAL	16.98	-	-	-	16.98	-	-	-	16.98
4D. Other Intangible assets (acquired)									
Computer Software	62.67	0.73	3.48	-	59.92	5.86	0.27	-	65.51
Business and Commercial Rights	-	3.77	-	-	3.77	-	-	-	3.77
TOTAL	62.67	4.50	3.48	-	63.69	5.86	0.27	-	69.28
4E. Intangible assets under development	0.90	6.76	5.72	-	1.94	4.56	5.78	-	0.72
4F. Right-of-use assets									
Land	335.86	4.78	-	9.44	350.08	-	7.28	10.25	353.06
Buildings	49.19	0.16	-	-	49.35	-	-	-	49.35
TOTAL	385.05	4.94	-	9.44	399.43	-	7.28	10.25	402.41

Particulars	Depreciation and Amortization								Net Book Value	
	As at 31st March, 2024	For the year	On Withdrawals and adjustments	Foreign Currency Translation Reserve Adj	Up to 31st March, 2025	For the year	On Withdrawals and adjustments	Foreign Currency Translation Reserve Adj	Up to 31st March, 2026	As at 31st March, 2026
4A. Property, Plant and Equipment										
Land	-	-	-	-	-	-	-	-	-	1012.21
Buildings	400.23	76.29	0.44	0.25	476.33	79.44	0.55	0.85	556.07	4175.49
Leasehold Improvements	5.10	0.17	0.01	-	5.26	0.10	0.29	-	5.07	3.39
Plant and Equipment	1060.09	199.13	30.71	0.78	1229.28	203.25	35.27	2.59	1399.85	1885.52
Furniture and Fixtures	478.44	110.58	3.74	0.83	586.11	117.46	8.80	2.85	697.62	585.23
Vehicles	33.15	6.08	4.49	0.04	34.78	5.94	3.55	0.05	37.22	31.66
Office Equipment	1.26	0.03	0.05	-	1.24	0.03	-	-	1.27	0.22
TOTAL	1978.27	392.28	39.44	1.90	2333.00	406.22	48.46	6.34	2697.10	7693.72
4B. Capital work-in-progress	-	-	-	-	-	-	-	-	-	206.09
4C. Goodwill										
Goodwill on Consolidation	-	-	-	-	-	-	-	-	-	16.98
TOTAL	-	-	-	-	-	-	-	-	-	16.98
4D. Other Intangible assets (acquired)										
Computer Software	48.11	4.75	3.48	-	49.38	4.31	0.27	-	53.42	12.09
Business and Commercial Rights	-	0.13	-	-	0.13	0.49	-	-	0.62	3.15
TOTAL	48.11	4.88	3.48	-	49.51	4.80	0.27	-	54.04	15.24
4E. Intangible assets under development	-	-	-	-	-	-	-	-	-	0.72
4F. Right-of-use assets										
Land	24.15	4.91	-	0.56	29.62	5.11	0.54	0.72	34.91	318.15
Buildings	1.99	1.21	-	-	3.20	1.21	-	-	4.41	44.94
TOTAL	26.14	6.12	-	0.56	32.82	6.32	0.54	0.72	39.32	363.09

Notes:

- The amount of expenditure recognised in the carrying amount of property, plant and equipment in the course of construction is ₹ 62.58 Crores (2025: ₹ 124.86 Crores). The same includes Nil (2025: ₹ 119.33 Crores) pursuant to the Scheme.
- As per the Scheme, all immovable property (including but not limited to capital works in progress, land, buildings, and any other rights, titles, interests, rights of way and easements in relation thereto) shall be vested in the Group or be deemed to have been so, automatically without any further act or deed, with effect from the Appointed Date. Accordingly, all the immovable properties of the Demerged Company, forming part of the Demerged Undertaking have vested in the Group with effect from 1st January, 2025. The Group has also filed / is in the process of filing the necessary applications for updation of the name with the concerned authorities. Also refer Note 30 (i).
- During the year, based on management's annual review of the estimated useful life of its assets, after considering the nature of use, maintenance standards, superior structural condition and also independent technical evaluation carried out by an expert in certain cases, the Group has reassessed the useful life of its building assets for its properties. Accordingly, the estimated useful life of certain buildings has been revised from 60 years to 80 years. The Group has treated this change as a change in accounting estimate and has applied the same prospectively in accordance with Ind AS 8. The impact of this change is not material to the financial statements of the Group.

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

Capital work-in-progress (CWIP) ageing schedule

Particulars	As at 31st March, 2025					As at 31st March, 2026				
	Amount in CWIP for a period of					Amount in CWIP for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in Progress	153.40	0.70	1.07	0.80	155.97	84.95	44.33	76.35	0.46	206.09
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-
TOTAL	153.40	0.70	1.07	0.80	155.97	84.95	44.33	76.35	0.46	206.09

Intangible assets under development (IAUD) ageing schedule

Particulars	As at 31st March, 2025					As at 31st March, 2026				
	Amount in IAUD for a period of					Amount in IAUD for a period of				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in Progress	1.18	0.76	-	-	1.94	0.67	0.05	-	-	0.72
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-
TOTAL	1.18	0.76	-	-	1.94	0.67	0.05	-	-	0.72

Note: There are no projects in CWIP or IAUD which are overdue or have exceeded its cost compared to its original plan as at 31st March, 2026 and 31st March, 2025.

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

		Face Value (₹) (Fully Paid)	As at 31st March, 2026		As at 31st March, 2025	
			Number	Amount	Number	Amount
5.	Non-current Investments					
INVESTMENT IN EQUITY INSTRUMENTS *						
In Associates (carrying amount determined using the equity method of accounting)						
Quoted						
International Travel House Limited		10	39,14,233		39,14,233	
Cost of acquisition				21.87		21.87
Add / (Less) : Group Share of Profits / (Losses)				78.50		71.66
				100.37		93.53
Gujarat Hotels Limited		10	17,33,907		17,33,907	
Cost of acquisition				1.94		1.94
Add / (Less) : Group Share of Profits / (Losses)				23.48		21.42
				25.42		23.36
In Joint Ventures (carrying amount determined using the equity method of accounting)						
Unquoted						
Maharaja Heritage Resorts Limited		100	1,80,000		1,80,000	
Cost of acquisition				1.80		1.80
Add / (Less) : Group Share of Profits / (Losses)				(1.46)		(1.65)
				0.34		0.15
In Others (at fair value through other comprehensive income)						
Unquoted						
Jupiter Township Limited		1	150	...	150	...
INVESTMENT IN GOVERNMENT OR TRUST SECURITIES (at amortised cost)						
Unquoted						
Government Securities (cost ₹ 44000.00)				...		...
INVESTMENT IN BONDS IN THE NATURE OF DEBENTURES (at amortised cost)						
Quoted						
HDFC Bank Limited						
9.05% - Series U-001 - 004 - 16-Oct-2028		10,00,000	50	5.23	-	-
9.00% - Series U-005 - 29-Nov-2028		10,00,000	600	62.81	-	-
8.44% - Series 1/2018-19 - 28-Dec-2028		10,00,000	100	10.35	-	-
8.55% - Series V004 - 27-Mar-2029		10,00,000	1,000	104.30	-	-
National Bank for Agriculture and Rural Development						
7.70% - Series 25A - 30 Sep 2027		1,00,000	1,000	10.00	1,000	10.00
7.62% - Series 23I - 31-Jan-2028		1,00,000	5,000	50.08	5,000	50.12
7.53% - Series 25E - 24-Mar-2028		1,00,000	25,000	250.14	25,000	250.20
7.68% - Series F24 - 30-Apr-2029		1,00,000	5,000	50.12	-	-
Power Finance Corporation Limited						
7.42% - Series 246A - 15-Apr-2028		1,00,000	5,000	50.55	-	-
7.45% - Series 248B - 15-Jul-2028		1,00,000	2,500	25.32	-	-
Small Industries Development Bank of India						
7.43% - Series I - 31-Aug-2026		1,00,000	-	-	2,000	19.90
7.44% - Series I - 04-Sep-2026		1,00,000	-	-	500	4.99
7.79% - Series VI - 14-May-2027		1,00,000	5,000	50.13	5,000	50.23
6.66% - Series I - 25-Oct-2028		1,00,000	6,000	59.30	-	-
7.34% - Series III - 26-Feb-2029		1,00,000	22,500	225.77	-	-
7.22% - Series V - 10-Apr-2029		1,00,000	5,000	49.54	-	-
Aggregate amount of quoted investments				1129.43		502.33
Aggregate amount of unquoted investments				0.34		0.15
TOTAL				1129.77		502.48

Aggregate market value of quoted investments: ₹ 1137.78 Crores (2025: ₹ 598.78 Crores)

* Pursuant to the Scheme [Refer Note 30 (i)]

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

	As at 31st March, 2026		As at 31st March, 2025	
	Current	Non-Current	Current	Non-Current
6. Other Financial assets				
Security Deposits	8.13	3.36	9.01	3.07
Bank deposits with more than 12 months maturity	-	528.50	-	7.21
Others				
Deposits other than Security Deposits	0.35	0.04	0.32	0.11
Interest accrued on Investments, Deposits etc.	38.39	-	30.26	-
Other Receivables*	4.14	-	23.47	-
TOTAL	51.01	531.90	63.06	10.39

* Includes amount recoverable in terms of the Scheme, reimbursements, derivatives etc.

	As at 31st March, 2026		As at 31st March, 2025	
7. Deferred tax assets / liabilities				
Deferred tax liabilities (Net)		431.65		425.73
Less: Deferred tax assets (Net)		4.38		3.87
TOTAL		427.27		421.86

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

7. Deferred tax assets / liabilities (Contd.)

Movement in deferred tax liabilities / assets balances

For the year ended 31st March, 2026	Opening Balance	Recognised in profit or loss	Recognised in OCI	Effect of foreign exchange	Closing Balance
Deferred tax liabilities / assets in relation to:					
On fiscal allowances on property, plant and equipment etc.	473.11	24.93	-	0.11	498.15
Other timing differences	2.86	1.52	-	-	4.38
Total deferred tax liabilities	475.97	26.45	-	0.11	502.53
On employees' separation and retirement etc.	10.83	19.72	5.96	-	36.51
On provision for doubtful debts/advances	2.69	0.16	-	-	2.85
On State and Central taxes etc.	7.94	(1.96)	-	-	5.98
On tax losses	21.04	(4.73)	-	-	16.31
Other timing differences	11.61	2.00	-	-	13.61
Total deferred tax assets	54.11	15.19	5.96	-	75.26
Deferred tax liabilities (Net)	421.86	11.26	(5.96)	0.11	427.27

For the year ended 31st March, 2025	Opening Balance	Recognised in profit or loss	Recognised in OCI	Effect of foreign exchange	Closing Balance
Deferred tax liabilities / assets in relation to:					
On fiscal allowances on property, plant and equipment etc.	428.30	44.76	-	0.05	473.11
Other timing differences	2.79	0.07	-	-	2.86
Total deferred tax liabilities	431.09	44.83	-	0.05	475.97
On employees' separation and retirement etc.	10.97	0.09	(0.23)	-	10.83
On provision for doubtful debts/advances	3.07	(0.38)	-	-	2.69
On State and Central taxes etc.	10.55	(2.61)	-	-	7.94
On tax losses	0.78	20.26	-	-	21.04
Other timing differences	9.77	1.84	-	-	11.61
Total deferred tax assets	35.14	19.20	(0.23)	-	54.11
Deferred tax liabilities (Net)	395.95	25.63	0.23	0.05	421.86

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

	As at 31st March, 2026	As at 31st March, 2025
8. Income tax assets (Net)		
Income tax assets (Net of provisions)	1.70	2.72
TOTAL	1.70	2.72

	As at 31st March, 2026		As at 31st March, 2025	
	Current	Non-Current	Current	Non-Current
9. Other Assets				
Capital Advances	-	161.83	-	62.87
Advances other than capital advances				
Security Deposits				
- With Statutory Authorities	4.72	33.58	4.04	33.08
- Others	-	60.87	-	50.29
Advances with vendors for supply of goods or services	63.04	-	37.09	0.11
Prepaid Expenses	41.07	2.99	38.73	3.07
Input Taxes (GST etc.)	16.51	-	11.48	-
Other Advances (including advances to employees etc.)	0.57	2.88	1.34	3.07
Balance with Pension Funds *	-	-	18.05	-
Other Receivables (including recoverable towards withholding taxes etc.)	20.34	-	12.79	-
TOTAL	146.25	262.15	123.52	152.49

*Refer Note 30 (vi)

	As at 31st March, 2026	As at 31st March, 2025
10. Inventories		
(At lower of cost and net realisable value)		
Food, beverage etc.	38.24	37.11
Work-in-progress	1193.94	1196.71
Stores and operating supplies	7.50	7.34
TOTAL	1239.68	1241.16

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

	Face Value (₹) (Fully Paid)	As at 31st March, 2026 Number	As at 31st March, 2026 Amount	As at 31st March, 2025 Number	As at 31st March, 2025 Amount
11. Current Investments					
INVESTMENT IN BONDS IN THE NATURE OF DEBENTURES (at amortised cost)					
Quoted					
National Bank for Agriculture and Rural Development					
7.58% - Series 23H 31-Jul-2026	1,00,000	12,500	125.05	-	-
Small Industries Development Bank of India					
7.43% - Series I - 31-Aug-2026	1,00,000	3,000	29.97	-	-
7.44% - Series I - 04-Sep-2026	1,00,000	1,500	14.98	-	-
INVESTMENT IN CERTIFICATE OF DEPOSITS (at amortised cost)					
Unquoted					
Axis Bank Limited - 6-May-2026	5,00,000	1,000	49.64	-	-
Axis Bank Limited - 15-May-2026	5,00,000	1,000	49.56	-	-
Axis Bank Limited - 12-Jun-2026	5,00,000	500	24.66	-	-
HDFC Bank Limited - 7-May-2026	5,00,000	1,000	49.63	-	-
HDFC Bank Limited - 12-Jun-2026	5,00,000	1,000	49.32	-	-
Small Industries Development Bank of India - 5-May-2026	5,00,000	500	24.81	-	-
INVESTMENT IN MUTUAL FUNDS (at fair value through profit or loss)					
Unquoted					
Liquid / Overnight Funds					
Axis Mutual Fund	1,000	-	-	48,685	14.04
Aditya Birla Sunlife Mutual Fund	100	-	-	60,498	2.53
DSP Mutual Fund	1,000	9,337	3.68	-	-
HDFC Mutual Fund	1,000	-	-	2,368	1.21
ICICI Prudential Mutual Fund	100	1,70,758	6.96	1,63,339	6.27
Nippon India Mutual Fund	1,000	8,633	5.82	2,859	1.81
UTI Mutual Fund	1,000	443	0.20	12,139	5.16
Debt Index Funds					
Aditya Birla Sunlife Mutual Fund	10	-	-	4,92,22,347	50.35
Low Duration Funds					
Axis Mutual Fund	1,000	53,566	18.18	53,566	17.01
Aditya Birla Sunlife Mutual Fund	100	2,56,821	15.02	10,24,759	18.35
DSP Mutual Fund	10	50,31,579	10.75	-	-
HDFC Mutual Fund	10	86,20,756	56.50	-	-
ICICI Prudential Savings Fund	100	2,66,232	15.15	2,66,232	14.18
Kotak Mahindra Mutual Fund	1,000	1,49,598	57.11	-	-
Nippon Mutual Fund	1,000	1,41,018	58.58	-	-
SBI Mutual Fund	1,000	8,171	3.10	82,530	28.37
Money Market Funds					
Aditya Birla Sunlife Mutual Fund	100	8,86,126	34.75	-	-
Kotak Mahindra Mutual Fund	1,000	-	-	9,488	4.18
Nippon Mutual Fund	1,000	18,687	8.22	-	-
Short Duration Funds					
Nippon India Mutual Fund	100	-	-	7,69,580	4.31
SBI Mutual Fund	1,000	-	-	3,34,617	1.11
Corporate Bond Funds					
ICICI Prudential Mutual Fund	10	6,88,057	2.23	6,88,057	2.10
Kotak Mahindra Mutual Fund	1,000	-	-	7,008	2.70
Arbitrage Funds					
Aditya Birla Sunlife Mutual Fund	10	33,78,699	10.15	-	-
Axis Mutual Fund	10	47,75,928	10.18	-	-
ICICI Prudential Mutual Fund	10	39,54,713	15.26	-	-
Kotak Mahindra Mutual Fund	10	24,29,379	10.21	-	-
Nippon India Mutual Fund	10	33,92,841	10.21	-	-
Income plus Arbitrage Funds					
Axis Mutual Fund	10	82,63,769	12.61	-	-
HDFC Mutual Fund	10	28,39,121	12.61	-	-
ICICI Prudential Mutual Fund	10	26,12,445	18.25	-	-
Kotak Mahindra Mutual Fund	10	98,34,092	12.64	-	-
Aggregate amount of quoted investments			170.00		-
Aggregate amount of unquoted investments			655.99		173.68
TOTAL			825.99		173.68

Aggregate market value of quoted investments: ₹ 170.12 Crores (2025: Nil)

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

	As at 31st March, 2026	As at 31st March, 2025
12. Trade receivables (Current)		
Considered Good - Secured	5.77	1.69
Considered Good - Unsecured	224.48	200.08
Which have significant increase in credit risk	-	-
Credit impaired	10.49	9.93
Less: Allowance for Credit impairment (Refer Note 33)	10.49	9.93
TOTAL	230.25	201.77

Trade receivables ageing schedule

	Outstanding for following periods from due date of payment as at 31st March, 2026						Total
	Not Due*	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	149.97	73.73	4.61	1.88	-	0.06	230.25
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	0.01	2.14	2.06	2.24	1.65	0.76	8.86
Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	1.63	1.63
SUB-TOTAL	149.98	75.87	6.67	4.12	1.65	2.45	240.74
Less: Allowance for Credit Impairment							10.49
TOTAL							230.25

* includes unbilled trade receivables of ₹ 14.23 Crores.

	Outstanding for following periods from due date of payment as at 31st March, 2025						Total
	Not Due*	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	93.58	94.56	10.36	3.17	0.03	0.07	201.77
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	2.98	2.00	2.06	0.16	1.10	8.30
Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	1.63	1.63
SUB-TOTAL	93.58	97.54	12.36	5.23	0.19	2.80	211.70
Less: Allowance for Credit Impairment							9.93
TOTAL							201.77

* includes unbilled trade receivables of ₹ 13.00 Crores.

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

	As at 31st March, 2026	As at 31st March, 2025
13. Cash and cash equivalents[@]		
Balances with Banks		
Current accounts	33.03	75.32
Cheques, drafts on hand	0.02	0.01
Cash on hand	2.16	3.38
TOTAL	35.21	78.71

[@] Cash and cash equivalents include cash on hand, cheques, drafts on hand, cash at bank and deposits with banks with original maturity of 3 months or less.

	As at 31st March, 2026	As at 31st March, 2025
14. Bank Balances other than Cash and cash equivalents		
Earmarked balances*	...	-
In deposit accounts [§]	730.15	1574.85
TOTAL	730.15	1574.85

* Represent ESOP application money pending allotment.

[§] Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.

	As at 31st March, 2026	As at 31st March, 2025
15. Loans		
Other Loans - Employees		
- Unsecured, considered good	0.31	0.21
TOTAL	0.31	0.21

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

	As at 31st March, 2026 (No. of Shares)	As at 31st March, 2026	As at 31st March, 2025 (No. of Shares)	As at 31st March, 2025
16. Equity Share capital				
Authorised				
Equity Shares of ₹ 1.00 each	2,50,00,00,000	250.00	2,50,00,00,000	250.00
Issued, Subscribed and Paid up				
Equity Shares of ₹ 1.00 each, fully paid	2,08,29,76,309	208.30	2,08,11,71,040	208.12
A) Reconciliation of number of Equity Shares outstanding				
As at beginning of the year	2,08,11,71,040	208.12	83,00,00,000	83.00
Add: Issue of Shares on exercise of Options	18,05,269	0.18	-	-
Add: Issued pursuant to the Scheme [Refer Note 30 (i)]	-	-	1,25,11,71,040	125.12
As at end of the year	2,08,29,76,309	208.30	2,08,11,71,040	208.12
B) Shareholders holding more than 5% of the Equity Shares in the Company:				
	As at 31st March, 2026 (No. of Shares)	As at 31st March, 2026 (%)	As at 31st March, 2025 (No. of Shares)	As at 31st March, 2025 (%)
ITC Limited	83,00,00,000	39.85	83,00,00,000	39.88
Life Insurance Corporation of India	18,12,14,332	8.70	19,18,47,649	9.22
HCL Capital Private Limited	14,75,57,912	7.08	-	-
Tobacco Manufacturers (India) Limited	13,07,76,269	6.28	25,41,49,586	12.21
C) Shareholding of Promoters:				
	Promoter Name	As at 31st March, 2026		
		No. of shares as at end of the year	% of Total Shares (No. of Shares)	% change during the year
Equity Shares of ₹ 1.00 each, fully paid	ITC Limited	83,00,00,000	39.85	(0.03)
	Promoter Name	As at 31st March, 2025		
		No. of shares as at end of the year	% of Total Shares (No. of Shares)	% change during the year
Equity Shares of ₹ 1.00 each, fully paid	ITC Limited	83,00,00,000	39.88	(60.12)
D) Equity Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the period of five years immediately preceding 31st March:				
		2026 (No. of Shares)	2025 (No. of Shares)	
Fully paid up equity shares of ₹ 1.00 each allotted in terms of the Scheme [Refer Note 30 (i)]		-	1,25,11,71,040	

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

16. Equity Share capital (Contd.)				
E) Equity Shares allotted as fully paid pursuant to contract(s) as fully paid up Bonus Shares during the period of five years immediately preceding 31st March: Nil				
F) Rights, preferences and restrictions attached to the Equity Shares:				
The Equity Shares of the Company, having par value of ₹ 1.00 per share, rank <i>pari passu</i> in all respects including voting rights and entitlement to dividend.				
G) Shares reserved for issue under options:				
Refer Note 30 (xi) and (xii) for number (including terms and conditions) of Stock Options / ESARs against which equity shares to be issued by the Company upon vesting and exercise of those Stock Options / ESARs by the Option / ESAR holders as per the relevant schemes.				
	As at 31st March, 2026		As at 31st March, 2025	
	Current	Non-Current	Current	Non-Current
17. Lease Liabilities *				
Lease Liabilities	0.57	72.41	0.52	72.78
TOTAL	0.57	72.41	0.52	72.78
*Refer Note 30 (ix)				

Movement of Lease Liabilities during the year

Particulars	31st March, 2026	31st March, 2025
Opening Lease Liabilities	73.30	73.59
Interest expense on Lease Liabilities	6.58	6.60
Payment of Lease Liabilities (including interest)	(6.90)	(6.89)
Foreign Currency Translation Reserve Adjustments	...	...
Closing Lease Liabilities	72.98	73.30

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

	As at 31st March, 2026	As at 31st March, 2025
18. Other financial liabilities		
Non-current		
Security Deposits	33.85	31.74
Payable towards employee benefits	8.34	9.58
Others (Includes retention money payable towards property, plant and equipment etc.)	0.92	2.75
TOTAL	43.11	44.07
Current		
Security Deposits	7.32	8.59
Payable towards employee benefits	79.35	65.48
Payable towards property, plant and equipment	56.79	69.15
Others (Includes payable towards derivatives not designated as hedging instruments etc.)	1.00	0.68
TOTAL	144.46	143.90

	As at 31st March, 2026		As at 31st March, 2025	
	Current	Non-Current	Current	Non-Current
19. Provisions				
Provision for employee benefits [Refer Note 30 (vi)]				
Retirement benefits	62.03	37.49	10.40	27.80
TOTAL	62.03	37.49	10.40	27.80

	As at 31st March, 2026		As at 31st March, 2025	
	Current	Non-Current	Current	Non-Current
20. Other liabilities				
Statutory Liabilities	112.47	-	109.94	-
Advances received from customers **	248.00	-	294.14	-
Liability towards loyalty programmes #	123.64	1.04	121.80	-
Deferred Revenue#	20.62	22.77	22.99	16.70
Others (includes accruals etc.)	31.26	-	28.39	-
TOTAL	535.99	23.81	577.26	16.70

*Generally settled within 12 months (except for branded residences where the same is settled upon sale)

#Balances forming part of contract balances

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

	As at 31st March, 2026	As at 31st March, 2025
21. Borrowings		
Unsecured		
Loans from Banks		
- Working Capital Loan	1.21	-
TOTAL	1.21	-

	As at 31st March, 2026	As at 31st March, 2025
22. Trade Payables		
Dues of micro and small enterprises	12.86	13.43
Dues of creditors other than micro and small enterprises	412.67	408.00
TOTAL	425.53	421.43

(i) Trade payables ageing schedule

	Outstanding for following periods from due date of payment as at 31st March, 2026					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - Micro and small enterprises	3.12	-	-	-	-	3.12
Undisputed dues - Others	43.08	33.95	0.07	-	-	77.10
Disputed dues - Micro and small enterprises	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
SUB-TOTAL	46.20	33.95	0.07	-	-	80.22
Accrued Payables (not due)						
- Micro and small enterprises						9.74
- Others						335.57
TOTAL						425.53

	Outstanding for following periods from due date of payment as at 31st March, 2025					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed dues - Micro and small enterprises	2.62	-	-	-	-	2.62
Undisputed dues - Others	39.66	29.21	0.05	-	-	68.92
Disputed dues - Micro and small enterprises	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
SUB-TOTAL	42.28	29.21	0.05	-	-	71.54
Accrued Payables (not due)						
- Micro and small enterprises						10.81
- Others						339.08
TOTAL						421.43

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

	As at 31st March, 2026	As at 31st March, 2025
23. Current Tax Liabilities (Net)		
Current taxation (net of advance payment)	7.82	7.23
TOTAL	7.82	7.23
	For the year ended 31st March, 2026	For the year ended 31st March, 2025
24. Revenue From Operations		
Rooms	1985.92	1804.14
Food & beverages	1535.04	1422.68
Management & operating fees etc.	172.97	134.67
Real estate	210.89	-
Others (including membership fees etc.)	204.30	164.37
Gross Revenue from sale of products and services	4109.12	3525.86
Other Operating Income *	30.28	33.95
TOTAL	4139.40	3559.81
	For the year ended 31st March, 2026	For the year ended 31st March, 2025
25. Other Income		
Interest income	162.26	55.93
Other non-operating income	29.68	10.37
TOTAL	191.94	66.30
	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Interest income:		
a) Deposits with banks etc. - carried at amortised cost	114.54	47.96
b) Financial assets measured:		
- at FVTPL	1.08	0.08
- at amortised cost	46.34	6.00
c) Others (from statutory authorities etc.)	0.30	1.89
TOTAL	162.26	55.93
	For the year ended 31st March, 2026	For the year ended 31st March, 2025
Other non-operating income:		
Net foreign exchange gain / (loss)	0.14	(1.73)
Net gain / (loss) arising on financial instruments measured at FVTPL (Refer Note 33)*	26.93	10.73
Others	2.61	1.37
TOTAL	29.68	10.37

* Includes ₹ 17.08 Crores (2025: ₹ 4.79 Crores) being net gain / (loss) on sale of investments.

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

	For the year ended 31st March, 2026	For the year ended 31st March, 2025
26. Employee benefits expense		
Salaries and wages	637.16	580.83
Remuneration of personnel on deputation reimbursed	24.90	4.98
Contribution to provident and other funds	44.96	37.85
Share based payments to employees \$ [Includes cash-settled share based payment ₹ 0.10 Crore (2025: ₹ 0.18 Crore)]	7.30	4.06
Staff welfare expenses	76.91	73.37
	791.23	701.09
Less: Recoveries made / reimbursements received	8.34	8.58
TOTAL	782.89	692.51

\$ Refer Note 30 (x), 30 (xi) & 30 (xii)

	For the year ended 31st March, 2026	For the year ended 31st March, 2025
27. Finance costs		
Interest expense:		
- On Lease Liabilities *	6.58	6.60
- On other financial liabilities measured at amortised cost	1.35	...
- Others (to statutory authorities etc.)	-	0.04
TOTAL	7.93	6.64

* Refer Note 17

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

	For the year ended 31st March, 2026	For the year ended 31st March, 2025
28. Other Expenses		
Power and fuel	182.45	187.33
Consumption of stores and operating supplies	112.69	101.34
Rent	49.05	40.91
Rates and taxes	60.73	64.73
Insurance	23.62	21.77
Repairs		
- Buildings	46.45	49.18
- Machinery	95.59	94.12
- Others	41.21	34.94
Maintenance and upkeep	111.77	90.91
Advertising and Sales promotion	67.96	71.01
Hotel reservation and Marketing expenses	111.10	78.76
Bank and credit card charges	47.52	37.58
Information technology services	80.33	74.93
Corporate Social Responsibility expense [Refer Note 30(iii)]	4.30	0.39
Commission to agents	122.84	92.39
Banquet equipment, manpower hiring etc.	81.82	77.75
Travelling and conveyance	41.50	44.91
Legal and professional charges	52.02	40.46
Communication Costs	4.17	3.38
Printing and stationery	7.93	8.76
Loss on sale of property, plant and equipment - Net	8.46	6.45
Miscellaneous Expenses	66.44	71.27
TOTAL	1419.95	1293.27

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

	For the year ended 31st March, 2026	For the year ended 31st March, 2025
29. Income tax expenses		
A. Amount recognised in profit or loss		
Current tax		
Income tax for the period	286.33	220.79
Adjustments / (credits) related to previous years - Net	4.13	-
Total current tax	290.46	220.79
Deferred tax		
Deferred tax for the period	15.39	25.63
Adjustments / (credits) related to previous years - Net	(4.13)	-
Total deferred tax	11.26	25.63
TOTAL	301.72	246.42
B. Amount recognised in other comprehensive income		
The tax (charge)/credit arising on income and expenses recognised in other comprehensive income is as follows:		
On items that will not be reclassified to profit or loss		
Remeasurements gains / (losses) on defined benefit plans	5.96	(0.23)
TOTAL	5.96	(0.23)
C. Reconciliation of effective tax rate		
The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax	1122.98	884.06
Income Tax expense calculated @ 25.168% (2025: 25.168%)	282.63	222.50
Effect of tax relating to uncertain tax positions	1.80	0.59
Effect of different tax rate on certain items	(0.59)	(0.46)
Difference in tax rates of subsidiary companies	(3.41)	(5.64)
Other differences	21.65	29.43
TOTAL	302.08	246.42
Adjustments recognised during the current year in relation to the current tax of prior years	(0.36)	-
Income Tax recognised in profit or loss	301.72	246.42

The tax rate of 25.168% (22% + surcharge @10% and cess @4%) used for the year 2025-26 and 2024-25 is the corporate tax rate applicable on taxable profits under the Income-tax Act, 1961.

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

30. Additional Notes to the Consolidated Financial Statements

- (i) The Hon'ble National Company Law Tribunal, Kolkata Bench, vide Order dated 4th October, 2024 (the "Order"), approved the Scheme of Arrangement amongst ITC Limited ("Demerged Company") and ITC Hotels Limited ("Resulting Company" / "the Company") and their respective shareholders and creditors under Sections 230 to 232 read with other applicable provisions of the Companies Act, 2013 ("the Scheme") for demerger of the Hotels Business of ITC Limited ("Demerged Undertaking") into the Company; certified copy of the Order was received on 16th December, 2024. Upon fulfilment of all the conditions stated in the Scheme, including filing of the aforesaid Order with the Registrar of Companies, West Bengal, the Scheme became effective from 1st January, 2025, being the Appointed Date and the Effective Date of the Scheme.

With effect from the Appointed Date, the Hotels Business of ITC Limited (along with all assets and liabilities thereof, excluding ITC Grand Central, Mumbai) and the investments held by ITC Limited in Hospitality entities Viz., Fortune Park Hotels Limited, Bay Islands Hotels Limited, Landbase India Limited, WelcomHotels Lanka (Private) Limited, Srinivasa Resorts Limited, International Travel House Limited, Gujarat Hotels Limited and Maharaja Heritage Resorts Limited were transferred to the Company on a going concern basis. As a Consideration, the Company issued 1 Equity Share of face and paid-up value of ₹ 1/- for every 10 Ordinary Shares of face and paid-up value of ₹ 1/- each held by the Shareholders in ITC Limited ('Share Entitlement Ratio').

The Group had given effect to the Scheme as hereunder in accordance with the accounting treatment specified in the Scheme and as per applicable accounting standards (Ind AS) as under:

- Recorded the assets and liabilities at their respective carrying values as appearing in the Consolidated Financial Statements of the Resultant Company [refer details in (a) below].
- Issued 1,25,11,71,040 Equity Shares of face and paid up value of ₹ 1/- each to the shareholders of Demerged Company and an amount of ₹ 21908.25 Crores (being excess of the fair value of the Equity Shares issued, i.e., ₹ 22033.37 Crores as determined by external valuation expert, over the face value of the equity shares issued, i.e., ₹ 125.12 Crores), had been credited into Securities Premium Account.
- Difference between the fair value of the Equity Shares issued and the book value of the assets and liabilities of the Demerged Undertaking, along with consequential adjustments [refer details in (b) below] amounting to ₹ 11361.50 Crores had been recognised as Capital Reserve, and the same had been adjusted against the Securities Premium account in accordance with the Scheme.

- a. Carrying Value of net assets of the Demerged Undertaking as on the appointed date:

Particulars	Amount
Property, Plant and Equipment, intangible assets (including capital work-in-progress and intangible assets under development) and right-of-use assets	8377.94
Goodwill on consolidation	16.98
Investments accounted for using the equity method	112.49
Investments	119.78
Other non-current assets	1656.30
Inventories	1207.06
Trade receivables	197.05
Cash and cash equivalents	198.30
Other current assets	188.80
Total assets (A)	12074.70
Deferred tax liabilities (Net)	417.82
Lease Liabilities	73.35
Trade payables	373.35
Other liabilities	794.83
Total liabilities (B)	1659.35
Non-controlling interests (C)	35.37
Net assets transferred (A)-(B)-(C)	10379.98

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

30. Additional Notes to the Consolidated Financial Statements (Contd.)

- b. Consequential adjustments in Other Equity as on appointed date, recognized in these consolidated financial statements:

Particulars	Amount
Share Options Outstanding account recognised	22.89
Pertaining to Subsidiaries' Capital Reserve, Subsidy Reserve, General Reserve and Retained Earnings	49.98
Pertaining to Capital Reserve and Exchange differences on translating the financial statements of foreign operations, arising out of Consolidation	(364.76)

The figures for the comparative period ending 31st March, 2025, have been computed as if the arrangement had occurred from the date of incorporation of the Company i.e., 28th July, 2023. Accordingly, the figures for the year ended 31st March, 2025 include the results of the Group and the Demerged Undertaking transferred under the Scheme.

- (ii) Earnings per share has been computed as under:

	For the year ended 31st March, 2026	For the year ended 31st March, 2025
(a) Profit for the period attributable to owners of the parent (₹ in Crores)	816.89	634.57
(b) Weighted average number of equity shares outstanding for the purpose of basic earnings per share*	2,08,23,13,053	2,08,11,71,040
(c) Effect of potential equity shares	8,04,008	11,83,606
(d) Weighted average number of equity shares in computing diluted earnings per share [(b) + (c)]	2,08,31,17,061	2,08,23,54,646
(e) Earnings per share on profit for the period (Face Value ₹ 1.00 per share)		
- Basic [(a) / (b)]	3.92	3.05
- Diluted [(a) / (d)]	3.92	3.05

* Earnings per share (Basic & Diluted) are calculated after considering the impact of issuance of equity shares, as stated in Note 30 (i) above, from the date of incorporation of the Company.

- (iii) Amount required to be spent by the Group during the year as per Section 135 read with Section 198 of the Companies Act, 2013 - ₹ 4.25 Crores (2025: ₹ 0.37 Crore) being 2% of the average Net Profit of the respective Companies.

Expenditure incurred during the year is ₹ 4.30 Crores (2025: ₹ 0.39 Crore) which has been included in other expenses. CSR activities undertaken during the year pertain to promoting education and skill development; ensuring environmental sustainability; promoting gender equality and women empowerment and rural development projects.

- (iv) (a) The subsidiaries (which along with ITC Hotels Limited, the parent, constitute the Group) considered in the preparation of these Consolidated Financial Statements are:

Name	Country of Incorporation	Percentage of ownership interest as at 31st March, 2026	Percentage of ownership interest As at 31st March, 2025 *
Srinivasa Resorts Limited	India	68	68
Fortune Park Hotels Limited	India	100	100
Landbase India Limited	India	100	100
Bay Islands Hotels Limited	India	100	100
WelcomHotels Lanka (Private) Limited	Sri Lanka	100	100

* acquired pursuant to the Scheme, refer Note 30 (i)

The financial statements of the subsidiaries, considered in the Consolidated Accounts, is drawn upto 31st March.

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

30. Additional Notes to the Consolidated Financial Statements (Contd.)

(b) Interests in Joint Venture:

The Group's interest in jointly controlled entity (incorporated Joint Venture) is:

Name	Country of Incorporation	Percentage of ownership interest as at 31st March, 2026	Percentage of ownership interest As at 31st March, 2025 *
Maharaja Heritage Resorts Limited	India	50	50

* acquired pursuant to the Scheme, refer Note 30 (i)

The financial statements of the Joint Venture, considered in the Consolidated Accounts, is drawn upto 31st March.

(c) Investments in Associates:

The Group's Associates are:

Name	Country of Incorporation	Percentage of ownership interest as at 31st March, 2026	Percentage of ownership interest As at 31st March, 2025 *
Gujarat Hotels Limited	India	45.78	45.78
International Travel House Limited	India	48.96	48.96

* acquired pursuant to the Scheme, refer Note 30 (i)

The financial statements of the Associates, considered in the Consolidated Accounts, are drawn upto 31st March.

- (d) These Consolidated Financial Statements are based, in so far as they relate to amounts included in respect of subsidiaries, associates and joint ventures on the audited financial statements prepared for consolidation in accordance with the requirements of Indian Accounting Standard - 110 (Ind AS 110) on "Consolidated Financial Statements" and Indian Accounting Standard - 28 (Ind AS 28) on "Investments in Associates and Joint Ventures" by each of the included entities.

(v) Contingent liabilities and commitments:

(a) Contingent liabilities:

Claims against the Group not acknowledged as debts ₹ 284.22 Crores (2025: ₹ 287.99 Crores) including interest on claims, where applicable, estimated to be ₹ 65.91 Crores (2025: ₹ 67.46 Crores). These comprise:

- Service Tax and other indirect taxes claims disputed by the Group relating to issues of applicability and classification aggregating ₹ 91.36 Crores (2025: ₹ 102.36 Crores) including interest on claims, where applicable, estimated to be ₹ 40.07 Crores (2025: ₹ 53.15 Crores).
- Local Authority taxes claims disputed by the Group relating to issues of applicability and determination aggregating ₹ 49.77 Crores (2025: ₹ 49.29 Crores) including interest on claims, where applicable, estimated to be ₹ 2.69 Crores (2025: ₹ 2.69 Crores).
- Disputed lease rent claims from lessors in respect of a property ₹ 140.41 Crores (2025: ₹ 126.20 Crores) including interest on claims, where applicable, estimated to be ₹ 23.15 Crores (2025: ₹ 11.62 Crores)
- Other matters ₹ 2.68 Crores (2025: ₹ 10.14 Crores).

It is not practicable for the Group to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above.

(b) Commitments

Estimated amount of contracts remaining to be executed on capital accounts and not provided for ₹ 231.63 Crores (2025: ₹ 169.46 Crores).

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

30. Additional Notes to the Consolidated Financial Statements (Contd.)

(vi) Employee Benefit Plans

The Group has adopted Indian Accounting Standard-19 (Ind AS 19) on 'Employee Benefits'. These Consolidated Financial Statements include the obligations as per requirement of this standard except for a subsidiary which is incorporated outside India who has determined the valuation / provision for employee benefits as per requirements of its respective country. In the opinion of the management, the impact of this deviation is not considered material.

Description of Plans

The Group makes contributions to both Defined Benefit and Defined Contribution Plans for qualifying employees. Provident Fund contributions are made to the Employee Provident Fund Organisation (EPFO) and contributions for other employee benefits like pension and gratuity are made to approved Trusts, which are sponsored by ITC Limited where the Company is a participating member. These Trusts operate in accordance with the Trust Deeds, Rules and applicable Statutes. The concerned Trusts are managed by Trustees who provide strategic guidance with regard to the management of their investments and liabilities and also periodically review their performance. For certain employees, who were members of the Provident Fund Trust sponsored by ITC Limited, the balances are being transferred to EPFO.

Pension benefits are funded, gratuity benefits are both funded as well as unfunded and Leave Encashment Benefits are unfunded in nature. The Defined Benefit Pension Plans are based on employees' pensionable remuneration and length of service. Under the Provident Fund, Gratuity and Leave Encashment Schemes, employees are entitled to receive lump sum benefits.

(a) Defined Benefit Plans:

The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method. The Group makes regular contributions to these Defined Benefit Plans which are administered by respective trusts. Additional contributions are made to these plans as and when required based on actuarial valuation. The Group makes contributions to the Plans for its employees on a uniform basis and ascertains its obligation through independent actuarial valuation. The net defined benefit cost is recognised by the Company in its Financial Statements.

Risk Management

The Defined Benefit Plans expose the Group to risk of actuarial deficit arising out of investment risk, interest rate risk and salary cost inflation risk.

Investment Risk: This may arise from volatility in asset values due to market fluctuations and impairment of assets due to credit losses. These Plans primarily invest in debt instruments such as Government securities and highly rated corporate bonds, the valuation of which is inversely proportional to the interest rate movements.

Interest Rate Risk: The present value of Defined Benefit Plan liability is determined using the discount rate based on the market yields prevailing at the end of reporting period on Government securities. A decrease in yields will increase the fund liabilities and vice-versa.

Salary Cost Inflation Risk: The present value of the Defined Benefit Plan liability is calculated with reference to the future salaries of participants under the Plan. Increase in salary might lead to higher liabilities.

These Plans have a relatively balanced mix of investments in order to manage the above risks. The investment strategy is designed based on the interest rate scenario, liquidity needs of the Plans and pattern of investment as prescribed under various statutes.

The Trustees regularly monitor the funding and investments of these Plans. Risk mitigation systems are in place to ensure that the health of the portfolio is regularly reviewed and investments do not pose any significant risk of impairment. Periodic audits are conducted to ensure adequacy of internal controls. Pension obligation of the employees is secured by purchasing annuities thereby de-risking the Plans from future payment obligation.

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

30. Additional Notes to the Consolidated Financial Statements (Contd.)

		For the year ended 31st March, 2026				For the year ended 31st March, 2025			
		Pension	Gratuity		Leave Encashment	Pension	Gratuity		Leave Encashment
		Funded	Funded	Unfunded	Unfunded	Funded	Funded	Unfunded	Unfunded
I	Components of Employer Expense								
	Recognised in the Statement of Profit and Loss								
1	Current Service Cost	3.37	6.66	0.34	6.12	3.64	4.91	0.10	4.86
2	Past Service Cost	-	45.44	0.70	8.05	-	0.19	-	0.03
3	Net Interest Cost	(1.51)	0.75	0.09	2.13	(1.41)	(0.25)	0.08	1.95
4	Total expense recognised in the Statement of Profit and Loss	1.86	52.85	1.13	16.30	2.23	4.85	0.18	6.84
	Remeasurements recognised in Other Comprehensive Income								
5	Return on plan assets (excluding amounts included in Net interest cost)	2.81	0.03	-	-	1.38	(0.72)	-	-
6	Effect of changes in demographic assumptions	-	-	-	-	(7.51)	0.36	-	(0.03)
7	Effect of changes in financial assumptions	-	-	0.29	-	4.64	3.23	0.02	1.57
8	Changes in asset ceiling (excluding interest income)	19.74	-	-	-	-	-	-	-
9	Effect of experience adjustments	1.00	0.93	0.19	(1.25)	(0.96)	(1.56)	0.01	(1.35)
10	Total remeasurements included in Other Comprehensive Income	23.55	0.96	0.48	(1.25)	(2.45)	1.31	0.03	0.19
11	Total defined benefit cost recognised in the Statement of Profit and Loss and Other Comprehensive Income (4+10)	25.41	53.81	1.61	15.05	(0.22)	6.16	0.21	7.03
The current service cost, past service cost and net interest cost for the year, as applicable, pertaining to Pension and Gratuity expenses have been recognised in "Contribution to Provident and other funds" and Leave Encashment in "Salaries and wages" under Note 26. The remeasurements of the net defined benefit liability are included in Other Comprehensive Income.									
II	Actual Returns	5.57	5.18	-	-	7.36	5.72	-	-
III	Net Asset / (Liability) recognised in Balance Sheet								
1	Present Value of Defined Benefit Obligation	(110.13)	(128.27)	(2.89)	(43.63)	(104.88)	(77.98)	(1.26)	(33.11)
2	Fair Value of Plan Assets	125.30	79.84	-	-	122.93	74.46	-	-
3	Effect of Asset Ceiling	(19.74)	-	-	-	-	-	-	-
4	Status [Surplus/(Deficit)]	(4.57)	(48.43)	(2.89)	(43.63)	18.05	(3.52)	(1.26)	(33.11)
5	Net Asset / (Liability) recognised in Balance Sheet								
a.	Current	(4.57)	(47.94)	(0.54)	(8.98)	18.05	(3.64)	(0.25)	(6.51)
b.	Non-Current	-	(0.49)	(2.35)	(34.65)	-	0.12	(1.01)	(26.60)

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

30. Additional Notes to the Consolidated Financial Statements (Contd.)

		For the year ended 31st March, 2026				For the year ended 31st March, 2025			
		Pension	Gratuity		Leave Encashment	Pension	Gratuity		Leave Encashment
		Funded	Funded	Unfunded	Unfunded	Funded	Funded	Unfunded	Unfunded
IV	Change in Defined Benefit Obligation (DBO)								
1	Present Value of DBO at the beginning of the year	104.88	77.98	1.26	33.11	111.71	73.66	1.21	30.86
2	Current Service Cost	3.37	6.66	0.34	6.12	3.64	4.91	0.10	4.86
3	Past Service Cost	-	45.44	0.70	8.05	-	0.19	-	-
4	Interest Cost	6.87	5.96	0.09	2.13	7.33	4.75	0.08	1.95
5	Remeasurement gains / (losses)	-	-	-	-	-	-	-	-
a.	Effect of changes in demographic assumptions	-	-	-	-	(7.51)	0.36	-	(0.03)
b.	Effect of changes in financial assumptions	-	-	0.29	-	4.64	3.23	0.02	1.57
c.	Changes in asset ceiling (excluding interest income)	-	-	-	-	-	-	-	-
d.	Effect of experience adjustments	1.00	0.93	0.19	(1.25)	(0.96)	(1.56)	0.01	(1.35)
6	Curtailment Cost / (Credits)	-	-	-	-	-	-	-	-
7	Settlement Cost / (Credits)	-	-	-	-	-	-	-	-
8	Liabilities assumed in business combination	-	-	-	-	-	-	-	-
9	Effects of transfer In/ (Out)	0.42	0.18	0.19	-	(0.01)	-	-	-
10	Benefits Paid	(6.41)	(8.88)	(0.17)	(4.53)	(13.96)	(7.56)	(0.16)	(4.75)
11	Present Value of DBO at the end of the year	110.13	128.27	2.89	43.63	104.88	77.98	1.26	33.11
V	Best Estimate of Employers' Expected Contribution for the next year	As at 31st March, 2026		As at 31st March, 2025					
	- Pension	2.97		3.33					
	- Gratuity	57.87		13.52					

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

30. Additional Notes to the Consolidated Financial Statements (Contd.)

VI	Change in Fair Value of Assets	For the year ended 31st March, 2026				For the year ended 31st March, 2025			
		Pension	Gratuity		Leave Encashment	Pension	Gratuity		Leave Encashment
		Funded	Funded	Unfunded	Unfunded	Funded	Funded	Unfunded	Unfunded
1	Plan Assets at the beginning of the year	122.93	74.76	-	-	126.94	68.79	-	-
2	Asset acquired in Business Combination	-	-	-	-	-	-	-	-
3	Interest Income	8.38	5.21	-	-	8.74	5.00	-	-
4	Remeasurement Gains / (Losses) on plan assets	(2.81)	(0.03)	-	-	(1.38)	0.72	-	-
5	Actual Company Contributions	2.79	8.60	-	-	2.60	7.51	-	-
6	Benefits Paid	(6.41)	(8.88)	-	-	(13.96)	(7.56)	-	-
7	Effects of transfer In / (Out)	0.42	0.18	-	-	(0.01)	-	-	-
9	Plan Assets at the end of the year	125.30	79.84	-	-	122.93	74.46	-	-

VII	Actuarial Assumptions	As at 31st March, 2026	As at 31st March, 2025
		Discount Rate (%)	Discount Rate (%)
1	Pension	6.75	6.75
2	Gratuity	6.75	6.75
3	Leave Encashment	6.75	6.75

The estimates of future salary increases, generally between 5% to 7% for the Company (being the largest component of the Group), considered in actuarial valuations take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

VIII	Major Category of Plan Assets as a % of the Total Plan Assets	As at 31st March, 2026	As at 31st March, 2025
1	Government Securities / Special Deposit with RBI	11.45%	13.32%
2	High Quality Corporate Bonds	10.13%	10.50%
3	Insurer / Citizen Investment Trust Managed Funds#	68.23%	64.71%
4	Mutual Funds	6.72%	7.01%
5	Cash and Cash Equivalents	3.47%	4.46%
6	Term Deposits	-	-

In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

The fair value of Government securities, corporate bonds and mutual funds are determined based on quoted market prices in active markets. The employee benefit plans do not hold any securities issued by the Group.

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

30. Additional Notes to the Consolidated Financial Statements (Contd.)

IX		Basis used to determine the Expected Rate of Return on Plan Assets							
		The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario. In order to protect the capital and optimize returns within acceptable risk parameters, the plan assets are well diversified.							
X	Net Asset / (Liability) recognised in Balance Sheet (including experience adjustment impact)	For the year ended 31st March, 2026				For the year ended 31st March, 2025			
		Pension	Gratuity		Leave Encashment	Pension	Gratuity		Leave Encashment
		Funded	Funded	Unfunded	Unfunded	Funded	Funded	Unfunded	Unfunded
1	Present Value of Defined Benefit Obligation	110.13	128.27	2.89	43.63	104.88	77.98	1.26	33.11
2	Fair Value of Plan Assets	105.56	79.84	-	-	122.93	74.46	-	-
3	Effect of Asset Ceiling	(19.74)	-	-	-	-	-	-	-
4	Status [Surplus/(Deficit)]	(4.57)	(48.43)	(2.89)	(43.63)	18.05	(3.52)	(1.26)	(33.11)
5	Experience Adjustment of Plan Assets [Gain/ (Loss)]	(2.81)	(0.03)	-	-	-	-	-	-
6	Experience Adjustment of obligation [(Gain)/ Loss]	1.00	0.93	0.19	(1.25)	(0.96)	(1.56)	0.01	(1.35)

XI Sensitivity Analysis	
The Sensitivity Analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may partially offset this impact. For presenting the sensitivities, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from Previous Year.	

Maturity Analysis of the Benefit Payments

		As at 31st March, 2026	As at 31st March, 2025
1	Year 1	72.53	43.18
2	Year 2	62.47	39.88
3	Year 3	35.48	39.36
4	Year 4	29.50	24.03
5	Year 5	21.97	19.24
6	Next 5 Years	69.50	57.77

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

30. Additional Notes to the Consolidated Financial Statements (Contd.)

- (b) Amounts towards Defined Contribution Plans have been recognised under “Contribution to Provident and other funds” in Note 26: ₹ 35.26 Crores (2025: ₹ 30.59 Crores).
- (c) Exceptional items include estimated one time impact on recognition of past service cost of ₹ 54.19 Crores (2025: Nil) with respect to gratuity and compensated absences pursuant to notifications issued by the Ministry of Labour & Employment dated 21st November, 2025 bringing into force the provisions of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the “New Labour Codes”). The Group continues to monitor the finalization of rules by the Government and other related aspects of the New Labour Codes and will appropriately account for such changes, if required.
- (vii) Exceptional items also include net loss of ₹ 25.98 Crores (2025: Nil) on account of inventory and capital work-in-progress damaged due to cyclone Ditwah in Sri Lanka net of insurance claim receivable.
- (viii) **Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:**

Name of the entity	Net Assets		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of Consolidated Net Assets	Amount	As % of Consolidated Profit or (Loss)	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
Parent								
ITC Hotels Limited	66.04%	7725.83	100.58%	826.09	(15.30%)	(17.76)	86.23%	808.33
Subsidiaries								
Indian								
1 Landbase India Limited	2.50%	291.99	1.82%	14.98	(0.28%)	(0.32)	1.56%	14.66
2 Srinivasa Resorts Limited	0.75%	88.00	1.13%	9.29	0.09%	0.10	1.00%	9.39
3 Fortune Park Hotels Limited	0.64%	75.14	2.90%	23.79	0.15%	0.17	2.56%	23.96
4 Bay Islands Hotels Limited	0.25%	29.29	0.41%	3.37	0.03%	0.04	0.36%	3.41
Foreign								
1 WelcomHotels Lanka (Private) Limited	28.39%	3321.44	(8.82%)	(72.50)	115.36%	133.92	6.56%	61.42
Non-Controlling Interest in all subsidiaries	0.35%	40.69	0.53%	4.37	0.04%	0.05	0.47%	4.42
Associates								
Indian								
1 International Travel House Limited	0.86%	100.37	1.10%	9.05	(0.06%)	(0.07)	0.96%	8.98
2 Gujarat Hotels Limited	0.22%	25.42	0.32%	2.59	-	-	0.28%	2.59
Joint Venture								
Indian								
1 Maharaja Heritage Resorts Limited	...	0.34	0.03%	0.23	(0.03%)	(0.04)	0.02%	0.19
Total	100.00%	11698.51	100.00%	821.26	100.00%	116.09	100.00%	937.35

(ix) Leases:

As a Lessee

The Group's significant leasing arrangements are in respect of operating leases for land and buildings (comprising licensed properties etc.). These arrangements generally range up to 99 years. The lease arrangements have extension/ termination options exercisable by either parties which may make the assessment of lease term uncertain. While determining the lease term, all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option are considered.

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

30. Additional Notes to the Consolidated Financial Statements (Contd.)

The amount of ROU Assets and Lease Liabilities recognised in the Balance Sheet are disclosed in Note 4F and Note 17 respectively. The total cash outflow for leases for the year is ₹ 55.95 Crores (2025: ₹ 47.79 Crores) [including payments of ₹ 46.12 Crores (2025: ₹ 36.41 Crores) in respect of short-term/low-value leases and variable lease payments of ₹ 2.93 Crores (2025: ₹ 4.49 Crores)].

The sensitivity of variable lease payments and effect of extension/termination options not included in measurement of lease liabilities is not material.

The undiscounted maturities of lease liabilities over the remaining lease term are as follows:

Term	As at 31st March, 2026	As at 31st March, 2025
Not later than three years	20.82	21.50
Later than three years and not later than ten years	49.18	50.81
Later than ten years and not later than twenty-five years	99.83	103.43
Later than twenty-five years and not later than fifty years	63.18	68.52
Later than fifty years	1.70	1.78

(x) Information in respect of Options granted under the ITC Employee Stock Option Schemes (ITC ESOS), ITC Employee Stock Appreciation Linked Reward Plan (ITC ESAR Plan) & ITC Employee Stock Appreciation Rights Scheme (ITC ESAR Scheme):

The eligible employees of the Group, including employees deputed from ITC Limited (ITC), have been granted Stock Options by ITC under the ITC ESOS. ITC has also granted Employee Stock Appreciation Linked Reward Units (ESAR Units) in the previous year(s) to the eligible grantees under ITC ESAR Plan and Employee Stock Appreciation Rights (ESARs) in the current year to the eligible grantees under ITC ESAR Scheme.

The cost of equity settled options granted under the ESOS / ESAR schemes / cash settled units granted under ITC ESAR Plan have been recognised as equity settled / cash settled share-based payments, respectively, in accordance with Ind AS 102 – Share Based Payment. In terms of the deputation arrangement, the Company has accounted for the cost of the fair value of Stock Options / ESAR Units granted to the deputed employees on-charge by ITC. Accordingly, an amount of ₹ 6.67 Crores (2025: ₹ 3.96 Crores) towards Stock Options and ₹ 0.10 Crore (2025: ₹ 0.18 Crore) towards ESAR Units have been recognised as employee benefits expense (Refer Note 26).

The summary of movement of the aforesaid stock options granted by ITC and status of the outstanding Options is as under:

Particulars	As at 31st March, 2026	As at 31st March, 2025
	No. of Options (ITC)	No. of Options (ITC)
Outstanding at the beginning of the period	3,64,904	75,696
Add: Granted during the period	28,520	16,450
Add / (Less): Movement due to transfer of employees	-	-
(Less): Lapsed during the period	(17,596)	-
Add: Options due to transfer in and transfer out	(2,670)	2,98,040
(Less): Exercised during the period	(75,923)	25,282
Outstanding at the end of the period	2,97,235	3,64,904
Options exercisable at the end of the period	1,67,210	1,62,029
Options Vested and Exercisable during the period	86,295	14,695

Note: The weighted average exercise price of the Options granted to all Optionees under the ITC ESOS/ESAR is computed by ITC as a whole.

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

30. Additional Notes to the Consolidated Financial Statements (Contd.)

(xi) Information in respect of Options granted under the ITC Hotels Special Purpose Employee Stock Option Scheme ('ITCHL SP ESOPS')

Sl. No.	Particulars	
1.	Date of approval	25th January 2025
2.	Total number of Options approved under the Schemes	Options equivalent to 76,86,270 equity shares of ₹1.00 each
3.	Vesting Schedule	Options granted under the Scheme shall have remaining Vesting Period and Exercise Period of corresponding outstanding stock options of ITC as on the Record Date.
4.	Pricing Formula	The Exercise Price per Option has been approved by the Nomination and Remuneration Committee, based on the fair and reasonable adjustments made to the options granted to the Eligible Employee under the ITC Employee Stock Option Schemes and the Options granted under the Scheme.
5.	Maximum term of Options granted	Five years - the exercise period commences from the date(s) of vesting of the Options granted and end with expiry of five years from the date of vesting.
6.	Source of Shares	Primary
7.	Variation in terms of Options	None
8.	Method used for accounting of share-based payment plans and effect of employee share based plans on the entity's profit or loss for the period and on its financial position	The employee compensation cost has been calculated using the fair value method of accounting for Options issued under the ITCHL SP ESOP Scheme. The employee compensation cost as per fair value method for the financial year 2025-26 is ₹ 5.69 Crores (2025: ₹ 2.16 Crores); out of which ₹ 0.33 Crore (2025: ₹ 0.14 Crore) relate to employee benefit expenses (Refer Note 26) and ₹ 5.36 Crores (2025: ₹ 2.02 Crores) relate to Promoter and group entities, which has been recovered from the respective entities.
9.	Nature and extent of employee share based payment plans that existed during the period including the general terms and conditions of each plan	In addition to the terms and conditions provided in the table under Serial Nos. (3) to (5) hereinbefore, each Option entitles the holder thereof to apply for and be allotted ten Equity Shares of the Company of ₹ 1.00 each upon payment of the exercise price during the exercise period.
10.	Weighted average exercise prices and weighted average fair values of Options whose exercise price either equals or exceeds or is less than the market price of the stock	N.A.

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

30. Additional Notes to the Consolidated Financial Statements (Contd.)

Sl. No.	Particulars				
11.	Option movements during the year				
	a)	Options outstanding at the beginning of the year			7,68,536
	b)	Options granted during the year			-
	c)	Options lapsed during the year			10,878
	d)	Options vested and exercisable during the year (net of Options lapsed)			1,36,942
	e)	Options exercised during the year			1,80,527
	f)	Number of Equity Shares of ₹ 1.00 each arising as a result of exercise of Options during the year			18,05,269
	g)	Options outstanding at the end of the year (a+b-c-e)			5,77,131
	h)	Options exercisable at the end of the year			4,18,919
	i)	Money realised by exercise of the Options during the year (₹ in Crores)			26.82
12.	Summary of status of options				
	Particulars	As at 31st March, 2026		As at 31st March, 2025	
		No. of Options	Weighted Average Exercise Prices (₹)	No. of Options	Weighted Average Exercise Prices (₹)
	Outstanding at the beginning of the year	7,68,536	1883.41	-	-
	Add: Granted during the year pursuant to the Scheme	-	-	7,68,627	1883.40
	Less: Lapsed during the year	10,878	2283.85	91	1796.54
	Less: Exercised during the year	1,80,527	1485.57	-	-
	Outstanding at the end of the year	5,77,131	2000.31	7,68,536	1883.41
	Options exercisable at the end of the year	4,18,919	1792.09	4,64,026	1527.62
13.	Weighted average share price of Shares arising upon exercise of Options	The weighted average share price of Shares, arising upon exercise of Options during the year ended 31st March, 2026 was ₹ 224.34 (2025: NA). This was based on the closing market price on NSE on the date of exercise of Options (i.e. the date of allotment of shares by the Securityholders Relationship Committee).			

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

30. Additional Notes to the Consolidated Financial Statements (Contd.)

Sl. No.	Particulars						
14.	Summary of options outstanding						
	Particulars	As at 31st March, 2026			As at 31st March, 2025		
		No. of Options Outstanding	Range of Exercise Prices (₹)	Weighted average remaining contractual life	No. of Options Outstanding	Range of Exercise Prices (₹)	Weighted average remaining contractual life
	ITCHL SP ESOP Scheme	5,77,131	916.70 to 2611.10	3.99	7,68,536	916.70 to 2611.10	4.05
15.	A description of the method used during the year to estimate the fair values of Options, the weighted average exercise prices and weighted average fair values of Options granted	N.A.					

(xii) Information in respect of ITCHL Employees Stock Appreciation Rights Scheme ('ITCHL ESARS'):

Sl. No.	Particulars	
1.	Date of approval	20th January 2026
2.	Total number of ESARs approved under the Schemes	ESARs equivalent to 4,16,54,391 equity shares of ₹ 1.00 each
3.	Vesting Schedule	ESARs under the Grant shall vest as per the following Vesting Schedule: On completion of 12 months from the date of Grant : 30% of the ESARs On completion of 24 months from the date of Grant : 30% of the ESARs On completion of 36 months from the date of Grant : 40% of the ESARs
4.	Pricing Formula	The Pricing Formula is such price, as determined by the Nomination and Remuneration Committee, which is no lower than the closing price of the Company's Share on National Stock Exchange of India Limited ('the NSE') on the date of grant, or the average price of the Company's Share in the six months preceding the date of Grant based on the daily closing price on the NSE, or the 'market price' as defined from time to time under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The ESARs have been granted at 'market price' as defined under the aforesaid Regulations.
5.	Maximum term of ESARs granted	Five years - the exercise period commences from the date(s) of vesting of the ESARs granted and end with expiry of five years from the date of vesting.
6.	Source of Shares	Primary
7.	Variation in terms of ESARs	None

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

30. Additional Notes to the Consolidated Financial Statements (Contd.)

Sl. No.	Particulars	
8.	Method used for accounting of share-based payment plans and effect of employee share based plans on the entity's profit or loss for the period and on its financial position	The employee compensation cost has been calculated using the fair value method of accounting for Grants issued under the ITCHL ESAR Scheme. The employee compensation cost as per fair value method for the financial year 2025-26 is ₹ 0.21 Crore (2025: Nil); out of which ₹ 0.20 Crore (2025: Nil) relate to employee benefit expenses (Refer Note 26) and ₹ 0.01 Crore (2025: Nil) relate to Promoter and group entities, which has been recovered from the respective entities.
9.	Nature and extent of employee share based payment plans that existed during the period including the general terms and conditions of each plan	In addition to the terms and conditions provided in the table under Serial Nos. (3) to (5) hereinbefore, each Grant entitles the Grantee to shares equivalent to Appreciation for the total number of ESARs exercised computed in the manner specified in the ITCHL ESAR Scheme.
10.	Weighted average exercise prices and weighted average fair values of ESARs whose exercise price either equals or exceeds or is less than the market price of the stock	Weighted average exercise price per ESAR : ₹ 1583.90 Weighted average fair value per ESAR : ₹ 637.32
11.	ESARs movements during the year	
	a) ESARs outstanding at the beginning of the year	-
	b) ESARs granted during the year	1,33,830
	c) ESARs lapsed during the year	-
	d) ESARs vested and exercisable during the year (net of ESARs lapsed)	-
	e) ESARs exercised during the year	-
	f) Number of Equity Shares of ₹ 1.00 each arising as a result of exercise of ESARs during the year	-
	g) ESARs outstanding at the end of the year (a+b-c-e)	1,33,830
	h) ESARs exercisable at the end of the year	-
	i) Money realised by exercise of the ESARs during the year (₹ in Crores)	Nil

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

30. Additional Notes to the Consolidated Financial Statements (Contd.)

Sl. No.	Particulars						
12.	Summary of status of ESARs						
	Particulars	As at 31st March, 2026			As at 31st March, 2025		
		No. of ESARs	Weighted Average Exercise Prices (₹)		No. of ESARs	Weighted Average Exercise Prices (₹)	
	Outstanding at the beginning of the year	-	-		-	-	
	Add: Granted during the year	1,33,830	1583.90		-	-	
	Less: Lapsed during the year	-	-		-	-	
	Less: Exercised during the year	-	-		-	-	
	Outstanding at the end of the year	1,33,830	1583.90		-	-	
	ESARs exercisable at the end of the year	-	-		-	-	
13.	Weighted average share price of Shares arising upon exercise of ESARs		NA				
14.	Summary of ESARs outstanding						
	Particulars	As at 31st March, 2026			As at 31st March, 2025		
		No. of ESARs Outstanding	Range of Exercise Prices (₹)	Weighted average remaining contractual life	No. of ESARs Outstanding	Range of Exercise Prices (₹)	Weighted average remaining contractual life
	ITCHL ESARS	1,33,830	1583.90	7.07	-	-	-
15.	A description of the method used during the year to estimate the fair values of ESARs, the weighted average exercise prices and weighted average fair values of ESARs granted		Fair value per ESAR has been determined using Black Scholes Options Pricing Model Weighted average exercise price per ESAR : ₹ 1583.90 Weighted average fair value per ESAR : ₹ 637.32				
	The significant assumptions used to ascertain the above:		The fair value of each ESAR is estimated using the Black Scholes Option Pricing model after applying the following key assumptions on a weighted average basis: (i) Risk-free interest rate : 6.25% (ii) Expected life : 4.60 years (iii) Expected volatility : 35.78% (iv) Expected dividends : Nil (v) The price of the underlying shares in market at the time of Grant : ₹ 1583.90 (One ESAR = Ten Equity Shares)				
16.	Methodology for determination of expected volatility		The volatility used in the Black Scholes Option Pricing model is the annualised standard deviation of the continuously compounded rates of return on the stocks of comparable peer companies over a period of time. The period considered for the working is commensurate with the expected life of the Grant and is based on the daily volatility of the comparable peer companies’ stock price on NSE. There are no market conditions attached to the grant and vest.				

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

30. Additional Notes to the Consolidated Financial Statements (Contd.)

- (xiii) Figures presented as “...” are below the rounding off norm adopted by the Group.
- (xiv) Figures for the previous year have been re-arranged, wherever necessary, to conform to the figures of the current year. The same does not have any material impact on the consolidated financial statements.
- (xv) The consolidated financial statements were approved for issue by the Board of Directors on 15th May, 2026. Such financial statements are required to be placed before the shareholders for adoption in terms of Companies Act, 2013.

31. Segment Reporting

	For the year ended 31st March, 2026			For the year ended 31st March, 2025		
	External	Inter Segment	Total	External	Inter Segment	Total
1. Segment Revenue - Gross						
Hotels	3859.83	-	3,859.83	3491.95	-	3491.95
Real Estate	210.89	-	210.89	-	-	-
Others	38.40	8.50	46.90	33.91	7.54	41.45
Segment Total	4109.12	8.50	4117.62	3525.86	7.54	3533.40
Eliminations			(8.50)			(7.54)
Gross Revenue from sale of products and services			4109.12			3525.86
2. Segment Results						
Hotels			943.33			802.66
Real Estate			63.73			(3.92)
Others			16.45			12.77
Segment Total			1023.51			811.51
Unallocated corporate expenses net of unallocated income			(11.61)			(4.67)
Profit before interest etc. and taxation			1011.90			806.84
Finance Costs			(7.93)			(6.64)
Interest earned on loans and deposits, income from current and non current investments, profit and loss on sale of investments etc. - Net			187.31			67.99
Share of profit of associates & joint venture			11.87			15.87
Exceptional Items [Refer Note 30 (vi) & 30 (vii)]			(80.17)			-
Profit before tax			1122.98			884.06
Tax expense			(301.72)			(246.42)
Profit for the year			821.26			637.64

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

Other Information	For the year ended 31st March, 2026		For the year ended 31st March, 2025	
	Segment Assets	Segment Liabilities	Segment Assets	Segment Liabilities
Hotels	8751.67	1149.21	8706.99	1117.88
Real Estate	1337.26	141.30	1340.45	144.05
Others	136.78	54.89	133.76	52.92
Segment Total	10225.71	1345.40	10181.20	1314.85
Unallocated Corporate Assets / Liabilities	3258.88	440.68	2295.06	432.97
Total	13484.59	1786.08	12476.26	1747.82

	For the year ended 31st March, 2026		For the year ended 31st March, 2025	
	Capital expenditure	Depreciation and amortization	Capital expenditure	Depreciation and amortization
Hotels	288.25	412.97	466.67	398.97
Real Estate	-	0.10	-	0.20
Others	5.12	3.44	5.55	3.18
Segment Total	293.37	416.51	472.22	402.35
Unallocated	-	-	-	-
Total	293.37	416.51	472.22	402.35
	Non Cash expenditure Other than depreciation		Non Cash expenditure Other than depreciation	
Hotels		10.50		6.37
Real Estate		56.45		-
Others		0.13		0.04
Segment Total		67.08		6.41

GEOGRAPHICAL INFORMATION

	For the year ended 31st March, 2026	For the year ended 31st March, 2025
1. Revenue from external customers		
- Within India	3725.70	3391.52
- Outside India	383.42	134.34
Total	4109.12	3525.86
2. Non current assets		
- Within India	6329.22	6291.65
- Outside India	2230.47	2210.91
Total	8559.69	8502.56

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

31. Segment Reporting (Contd.)

NOTES :

- The Operating Segments have been reported in a manner consistent with the internal reporting provided to the Strategic Executive Management Committee, which is the Chief Operating Decision Maker. The Group has presence in Hotels and Real Estate businesses. The Group's organisational structure and governance processes are designed to support effective management of these businesses.
- The business groups comprise the following :
 - Hotels - Hotel Services
 - Real Estate - Branded Residences
 - Others - Golfing and ancillary services
- The Group companies have been included in segment classification as follows:
 - Hotels - Srinivasa Resorts Limited, Fortune Park Hotels Limited, Bay Islands Hotels Limited, WelcomHotels Lanka (Private) Limited and Landbase India Limited.
 - Real Estate - WelcomHotels Lanka (Private) Limited.
 - Others - Landbase India Limited
- The geographical information considered for disclosure are :
 - Revenue within India.
 - Revenue outside India.
- The Group is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

32. Related Party Disclosures

1. HOLDING COMPANY:

ITC Limited (up to 31.12.2024)

2. OTHER RELATED PARTIES WITH WHOM THE COMPANY AND ITS SUBSIDIARIES HAD TRANSACTIONS

i) Promoter

ITC Limited (w.e.f. 01.01.2025) - of which the Company is an associate

ii) Promoter Group

- ITC Infotech India Limited
- ITC Integrated Business Services Limited
- Surya Nepal Private Limited

iii) Associates & Joint Ventures:

Associates

- Gujarat Hotels Limited
- International Travel House Limited

Joint Venture

Maharaja Heritage Resorts Limited

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

iv) a. Key Management Personnel (KMP)

A. Chadha	Managing Director
T. Pandey	Non-Executive Director (up to 05.03.2026)
P. R. Ramesh	Independent Director
V. Sarup	Independent Director
M. Gupta	Independent Director
K. Bali	Independent Director
I. Bhushan	Independent Director
M.R. Ahmed	Independent Director of a Subsidiary
R. Chadha	Non-Executive Director of a Subsidiary
T.P. Kooretti	Independent Director of a Subsidiary
S.K. George	Managing Director of a Subsidiary

Chief Financial Officer

C. Saboo (up to 13.12.2024)
A. Thakar (w.e.f. 14.12.2024)

Company Secretary

D. Dinesh

Members - Strategic and Executive Management Committee

A. Chadha
A. Thakar
S. Bose

b. Related Parties of KMP

G. Sulochanamma (mother of G. Sivakumar Reddy)
G. Samyuktha (wife of G. Sivakumar Reddy/mother of G. Pranav Reddy)

v) Employee Trusts:

- a) ITC Defined Contribution Pension Fund
- b) ITC Management Staff Gratuity Fund
- c) ITC Employees Gratuity Fund
- d) ITC Gratuity Fund 'C'
- e) ITC Pension Fund

32. Related Party Disclosures (Contd.)

3. DISCLOSURE OF TRANSACTIONS BETWEEN THE GROUP AND RELATED PARTIES AND THE STATUS OF OUTSTANDING BALANCES

RELATED PARTY TRANSACTIONS SUMMARY	For the year ended 31st March, 2026							For the year ended 31st March, 2025								
	Associates	Joint Ventures	Promoter Group	Promoter Group	Key Management Personnel	Related Parties of KMP ^a	Employee Trusts	Total	Holding Company	Associates	Joint Ventures	Promoter Group	Promoter Group	Key Management Personnel	Employee Trusts	Total
1. Sale of Goods/Services	0.06	...	62.07	2.53	-	-	-	64.66	-	0.23	-	11.50	0.34	-	-	12.07
2. Purchase of Goods/Services	15.81	-	85.04	13.82	-	-	-	114.67	-	5.04	-	18.57	3.72	-	-	27.33
3. Rent Received	0.59	-	0.64	-	-	-	-	1.23	-	0.14	-	0.17	-	-	-	0.31
4. Rent Paid *	5.45	-	2.84	-	0.29	0.14	-	8.72	-	1.55	-	0.70	-	0.06	-	2.31
5. Remuneration of Employees/Key Management Personnel on Deputation reimbursed	6.42	-	17.84	-	-	-	-	24.26	1.22	1.52	-	2.33	-	-	-	5.07
6. Remuneration of Employees on Deputation recovered	6.25	0.94	-	-	-	-	-	7.19	-	1.13	0.10	-	-	-	-	1.23
7. Reimbursement/Recovery of share based payments ¹	0.51	-	12.64	-	-	-	-	13.15	0.09	0.18	0.01	5.24	-	-	-	5.52
8. Contribution to Employee Benefit Plans	-	-	-	-	-	-	17.51	17.51	-	-	-	-	-	-	4.28	4.28
9. Dividend Income	2.67	-	-	-	-	-	-	2.67	-	-	-	-	-	-	-	-
10. Expenses Recovered	0.17	0.36	5.27	-	-	-	-	5.80	-	0.19	0.01	15.91	-	-	-	16.11
11. Expenses Reimbursed	0.25	-	26.24	-	-	-	-	26.49	-	0.07	-	0.22	-	-	-	0.29
12. Remuneration to Key Management Personnel ²	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12A. - Short term benefits	-	-	-	-	6.40	-	-	6.40	-	-	-	-	-	1.77	-	1.77
12B. - Other long-term incentives	-	-	-	-	4.93	-	-	4.93	-	-	-	-	-	1.05	-	1.05
12C. - Other remuneration	-	-	-	-	0.39	-	-	0.39	-	-	-	-	-	-	-	-
12D. - Share Based Payments ³	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12E. - Remuneration of Key Management Personnel on Deputation reimbursed	-	-	-	-	3.93	-	-	3.93	-	-	-	-	-	1.97	-	1.97
13. Issue of equity shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14. Outstanding Balances ⁴	0.24	0.11	9.32	0.52	-	-	-	10.19	-	1.24	...	13.05	0.37	-	-	14.66
i) Receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	18.83	18.83
ii) Advances Given	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
iii) Payables	2.95	-	12.20	-	-	0.01	1.56	16.72	-	2.67	-	6.23	1.68	-	4.60	15.18

* Includes rent pertaining to leases classified as Right-of-Use Assets.

¹ The amounts outstanding are unsecured and will be settled in cash.

² Includes transactions with close members of KMP & entities in which KMP/close member of KMP is interested.
³ Includes cost of fair value of option granted under ITC Hotels Special Purpose Employee Stock Option Scheme, ITOHL Employees Stock Appreciation Rights Scheme, ITC Employees Stock Option Scheme and ITC Employee Stock Appreciation Rights Scheme [Refer Note 30 (x), Note 30 (xi) and Note 30 (xii)].

⁴ Post employment benefits are actuarially determined on overall basis and hence not separately provided.

⁵ During the year, the Company granted Stock Appreciation Rights to eligible employees, including Managing Director and KMP, under the Employee Stock Appreciation Rights Scheme and pursuant to the Scheme [Refer Note 30 (i)], the Company had also granted Stock Options to eligible employees, including Managing Director and KMPs, under the Special Purpose Employee Stock Option Scheme at the price calculated in accordance with the Scheme and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. Further, ITC Limited had also granted Stock Options to eligible employees, including Managing Director and KMPs, under its Employee Stock Option Schemes and Employee Stock Appreciation Rights to the aforesaid persons in the previous years under the 'ITC Employee Stock Appreciation Rights Scheme', cost of which is being reimbursed [Refer Note 30 (xi)]. Since such Stock Options are not tradeable, no perquisite or benefit is immediately conferred upon the employee by grant of such Stock Options, and accordingly the said grants have not been considered as 'remuneration'. However, in accordance with Ind AS -102, the Company has recorded employee benefits expense by way of share based payments to employees at ₹ 7.30 Crores for the year ended 31st March, 2026 (2025: ₹ 2.72 Crores), of which ₹ 2.96 Crores (2025: ₹ 0.99 Crore) is attributable to Managing Director and KMPs.

⁶ The related party transactions for the period 1st April 2024 to 31st December 2024 has been disclosed on the basis of transactions entered into by the Company and do not include transactions of the Demerged Undertaking till the Appointed Date under the Scheme.

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

32. Related Party Disclosures (Contd.)

4. INFORMATION REGARDING SIGNIFICANT TRANSACTIONS / BALANCES

(Generally in excess of 10% of the total transaction value of the same type)

RELATED PARTY TRANSACTIONS SUMMARY		2026	2025	RELATED PARTY TRANSACTIONS SUMMARY		2026	2025
1	Sale of Goods/Services			10	Expenses Recovered		
	ITC Limited	62.07	11.50		ITC Limited	5.27	15.91
2	Purchase of Goods/Services			11	Expenses Reimbursed		
	ITC Limited	85.04	18.57		ITC Limited	26.24	0.22
	International Travel House Limited	15.81	5.04		Gujarat Hotels Limited	-	0.07
3	Rent Received			12	Remuneration to KMP#		
	ITC Limited	0.64	0.17	12A.	Short term benefits		
	International Travel House Limited	0.59	0.14		A. Chadha	2.00	0.44
4	Rent Paid				S. Bose	2.09	0.51
	Gujarat Hotels Limited	5.45	1.55		S.K. George	2.10	0.52
	ITC Limited	2.84	0.70	12B.	Other long-term incentives		
5.	Remuneration of Employees/ Key Management Personnel on Deputation reimbursed				A. Chadha	2.97	0.52
	ITC Limited*	17.84	3.55		S. Bose	1.20	0.27
	Gujarat Hotels Limited	6.42	1.52		S.K. George	0.77	0.26
6.	Remuneration of Employees on Deputation recovered			13	Outstanding Balances		
	International Travel House Limited	5.20	0.87	(i)	Receivables		
	Gujarat Hotels Limited	1.05	-		ITC Limited	9.32	13.05
	Maharaja Heritage Resorts Limited	0.94	-	(ii)	Advances Given		
7.	Reimbursement/Recovery of share based payments				ITC Hotels Ltd Employee Superannuation Scheme	-	18.44
	ITC Limited#	12.64	5.33	(iii)	Payables		
8.	Contribution to Employees' Benefit Plans				ITC Limited	12.20	6.23
	ITC Defined Contribution Pension Fund	6.43	1.55		Gujarat Hotels Limited	2.67	2.09
	ITC Management Staff Gratuity Fund	3.70	0.95		ITC Infotech India Limited	-	1.44
	ITC Employees Gratuity Fund	3.02	0.73	* Includes remuneration reimbursed in relation to KMPs of the Company as follows: A. Thakar ₹ 3.04 Crores (2025: ₹ 0.81 Crore), C. Saboo Nil (2025: ₹ 0.48 Crore) and D. Dinesh ₹ 0.89 Crore (2025: ₹ 0.78 Crore)			
	ITC Pension Fund	2.79	0.71	# In accordance with Ind AS - 102, the Company has recognised employee benefits expense by way of share based payments [Refer Note 30 (x), 30 (xi) and 30 (xii)], of which ₹ 2.79 Crores (2025: ₹ 0.99 Crore) is attributable to Managing Director & KMPs: A. Chadha ₹ 0.91 Crore (2025: ₹ 0.31 Crore), A. Thakar ₹ 0.67 Crore (2025: ₹ 0.31 Crore), S. Bose ₹ 0.72 Crore (2025: ₹ 0.25 Crore), S.K. George ₹ 0.49 Crore (2025: ₹ 0.12 Crore) and D. Dinesh ₹ ... (2025: Nil)			
9	Dividend Income						
	International Travel House Limited	2.15	-				
	Gujarat Hotels Limited	0.52	-				

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

33. Financial Instruments and Related Disclosures

1. Capital Management

The Group's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Group funds its operations primarily through internal accruals and aims at maintaining a strong capital base to support the future growth of its businesses. During the year, the Company issued 18,05,269 Equity Shares (2025: Nil) of ₹ 1.00 each amounting to ₹ 0.18 Crore towards its employee stock options. The securities premium stood at ₹ 10580.36 Crores as at 31st March, 2026 (2025 - ₹ 10546.75 Crores).

2. Categories of Financial Instruments

	Note	As at 31st March, 2026		As at 31st March, 2025	
		Carrying Value	Fair Value	Carrying Value	Fair Value
A. Financial Assets					
a) Measured at amortised cost					
i) Cash and cash equivalents	13	35.21	35.21	78.71	78.71
ii) Bank Balances other than (i) above	14	730.15	730.15	1574.85	1574.85
iii) Investment in Bonds / Debentures, Certificates of Deposit & Government or Trust Securities	5, 11	1421.26	1421.62	385.44	385.44
iv) Loans	15	0.31	0.31	0.21	0.21
v) Trade receivables	12	230.25	230.25	201.77	201.77
vi) Other financial assets	6	581.97	581.97	73.45	73.45
Sub-total		2999.15	2999.51	2314.43	2314.43
b) Measured at Fair value through Profit or Loss					
i) Investment in Mutual Funds	11	408.37	408.37	173.68	173.68
ii) Derivative instruments not designated as hedging instruments		0.94	0.94	-	-
Sub-total		409.31	409.31	173.68	173.68
Total Financial Assets		3408.46	3408.82	2488.11	2488.11
B. Financial Liabilities					
a) Measured at amortised cost					
i) Borrowings	21	1.21	1.21	-	-
ii) Trade Payables	22	425.53	425.53	421.43	421.43
iii) Lease Liabilities	17	72.98	72.98	73.30	73.30
iv) Other financial liabilities	18	187.57	187.57	187.77	187.77
Sub-total		687.29	687.29	682.50	682.50
b) Measured at Fair value through Profit or Loss					
Derivative instruments not designated as hedging instruments		-	-	0.20	0.20
Sub-total		-	-	0.20	0.20
Total Financial Liabilities		687.29	687.29	682.70	682.70

3. Financial risk management objectives

The Group has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Group's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with the applicable regulations. It also seeks to drive accountability in this regard.

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

33. Financial Instruments and Related Disclosures (Contd.)

Liquidity Risk

Liquidity risk is the risk that the Group may not be able to settle or meet its obligations as they become due, under both normal and stressed conditions, without incurring significant losses or impacting Group’s reputation. The Group has laid down standard operating procedures for planning and review of cashflow / working capital position to ensure optimum liquidity through judicious mix of liquid assets and committed borrowing facilities.

The Group’s Current assets aggregate ₹ 3258.85 Crores (2025: ₹ 3456.96 Crores) including Current Investments, Cash and cash equivalents and Bank Balances of ₹ 1591.35 Crores (2025: ₹ 1827.24 Crores) against an aggregate Current liabilities of ₹ 1177.61 Crores (2025: ₹ 1160.74 Crores).

Other liabilities due between one year to three years amounted to ₹ 10.96 Crores (2025: ₹ 11.87 Crores) and Other Non-current liabilities due after three years amounted to ₹ 32.15 Crores (2025: ₹ 32.20 Crores) on the reporting date. Similarly, the maturity of undiscounted lease liabilities as provided in Note 30 (vii) over the period of one year to three years are not significant. Further, while the Group’s total equity and non-controlling interests stands at ₹ 11698.51 Crores (2025: ₹ 10728.44 Crores), it has no non-current borrowings (other than lease liabilities). In view of the above, the liquidity risk is not considered significant.

Market Risk

A. Interest Rate Risk

As the Group is virtually debt-free, the exposure to interest rate risk from the perspective of financial liabilities is negligible. Further, treasury activities, focused on managing investments in debt and other instruments, are administered under a set of approved policies and procedures guided by the tenets of safety, liquidity and returns. This ensures that investments are made within acceptable risk parameters after due evaluation.

The Group’s investments are predominantly held in bonds, fixed deposits, certificates of deposit and mutual funds. Mark to market movements in respect of the Group’s investments in bonds / debentures / certificates of deposit that are held at amortised cost are temporary and get recouped through coupon accruals. Fixed deposits are held with highly rated banks and companies and have a short tenure and are not subject to interest rate volatility.

The Group also invests in mutual fund schemes of leading fund houses. Such investments are susceptible to market price risks that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Group has invested, such price risk is not significant.

B. Foreign Currency Risk

The Group undertakes transactions denominated in foreign currency (mainly US Dollar and Euro) which are subject to the risk of exchange rate fluctuations. Financial assets and liabilities denominated in foreign currency, including the Group’s net investments in foreign operations (with a functional currency other than Indian Rupee), are also subject to reinstatement risks.

The carrying amounts of foreign currency denominated financial assets and liabilities including derivative contracts, are as follows:

(₹ in crores)

As at 31st March, 2026	USD	Euro	Total
Financial Assets	0.99	-	0.99
Financial Liabilities	1.62	0.07	1.69
As at 31st March, 2025	USD	Euro	Total
Financial Assets	0.45	-	0.45
Financial Liabilities	5.36	0.37	5.73

The Group uses foreign exchange forward contracts as an economic hedge for its exposures in foreign currency arising from firm commitments. It does not follow hedge accounting as such exposures are not significant.

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

33. Financial Instruments and Related Disclosures (Contd.)

- a. Forward exchange contracts that were outstanding on respective reporting dates:

(In Million)

Particulars	Currency	Cross Currency	As at 31st March, 2026	As at 31st March, 2025
			Buy	Buy
Not designated under Hedge Accounting	US Dollar	Indian Rupee	2.43	3.05
	Euro	US Dollar	0.04	0.09

The aforesaid hedges have a maturity of less than 1 year from the year end.

Foreign Currency Sensitivity

For every percentage point increase/decrease in the underlying exchange rate of the outstanding foreign currency denominated balances, including derivative contracts, holding all other variables constant, the profit before tax for the year ended 31st March, 2026 and other equity as at 31st March, 2026 would increase / decrease by ₹ 0.23 Crore (2025: ₹ 0.22 Crore) on a pre-tax basis.

Credit Risk

Group’s deployment, as stated above, are primarily in fixed deposits with highly rated banks, highly rated bonds / debentures, mutual fund schemes of leading fund houses, certificates of deposit issued by highly rated banks and financial institutions etc. With respect to the Group’s investing activities, mutual fund schemes and counter parties are shortlisted and exposure limits determined on the basis of their credit assessment, financial statements and other relevant information. As these counter parties are Central/ State Government, Government institutions/public sector undertakings with investment grade/sovereign credit ratings, the counter party risk attached to such assets is considered to be insignificant.

The Group’s investments that are held at amortised cost stood at ₹ 2679.91 Crores (2025 - ₹ 1967.50 Crores).

The Group’s customer base is large and diverse limiting the risk arising out of credit concentration. Further, credit is extended in business interest in accordance with the Credit Policy. Extension of credit is managed by appropriate authorities, after due consideration of the counterparty’s credentials and financial capacity, trade practices and prevailing business and economic conditions. The Group’s exposure to trade receivables on the reporting date, net of expected loss provisions, stood at ₹ 230.25 Crores (2025: ₹ 201.77 Crores).

The Group’s historical data and experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognized, where considered appropriate by responsible management.

The movement of the expected loss provision (allowance for bad and doubtful loans, advances and receivables etc.) made by the Group are as under:

Particulars	Expected Loss Provision	
	31st March, 2026	31st March, 2025
Opening Balance	9.93	11.33
Add: Provision made (Net)	0.56	-
Less: Utilisation for impairment / de-recognition	-	(1.40)
Closing Balance	10.49	9.93

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

33. Financial Instruments and Related Disclosures (Contd.)

4. Fair value measurement

The following table presents the fair value hierarchy of financial assets and liabilities measured at fair value on a recurring basis:

Particulars	Fair Value Hierarchy (Level)	As at 31st March, 2026	As at 31st March, 2025
A. Financial assets			
a) Measured at amortised cost			
Investment in Bonds / Debentures, Certificates of Deposit & Government or Trust Securities	2	1421.26	385.44
Sub – total		1421.26	385.44
b) Measured at Fair value through Profit or Loss			
Investment in Mutual Funds	1	408.37	173.68
Derivative instruments not designated as hedging instruments	2	0.94	-
Sub – total		409.31	173.68
Total financial assets		1830.57	559.12
B. Financial Liabilities			
Measured at fair value through Profit or Loss			
Derivative instruments not designated as hedging instruments	2	-	0.20
Sub – total		-	0.20
Total financial liabilities		-	0.20

Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market or Net Asset Value (NAV) for identical assets or liabilities.

Level 2: Inputs other than quoted price included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Derivatives are valued using valuation techniques with market observable inputs such as foreign exchange spot rates and forward rates at the end of the reporting period, yield curves, risk free rate of returns, volatility etc., as applicable. The fair value of investment in Bonds / Debentures, Certificate of Deposits, Venture Capital funds etc.

Notes to the Consolidated Financial Statements

(Rupees in crores unless specified otherwise)

33. Financial Instruments and Related Disclosures (Contd.)

and financial liabilities, where applicable, is determined using market observable inputs such as quotes from market participants, value published by the issuer etc.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted methodologies such as discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short – term nature. Where such items are non-current in nature, the same are classified as Level 3 and fair value determined using discounted cash flow basis.

The Group has not classified any material financial instruments under Level 3 of the fair value hierarchy. Accordingly, the sensitivity of change in the unobservable inputs used in fair valuation of Level 3 financial assets and liabilities is not applicable. There were no transfers between Level 1, Level 2 and Level 3 during the period.

In terms of our report attached

For S. R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration Number: 301003E / E300005
per Sanjay Vij
Partner
Membership No: 095169

New Delhi, 15th May, 2026

On behalf of the Board

S. Puri Chairman (DIN: 00280529)	A. Chadha Managing Director (DIN: 08073567)
A. Thakar Chief Financial Officer	D. Dinesh Company Secretary (Membership No: ACS 22282)

INDEPENDENT AUDITOR’S REPORT
To the Members of ITC Hotels Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of ITC Hotels Limited (hereinafter referred to as “the Holding Company”), its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”), its associates and joint venture comprising of the consolidated Balance sheet as at March 31, 2026, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Statement of Cash Flows and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of material 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 and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint venture, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended (“the 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 venture as at March 31, 2026, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the ‘Auditor’s Responsibilities for the Audit of

the Consolidated Ind AS Financial Statements’ section of our report. We are independent of the Group, associates and joint venture in accordance with the ‘Code of Ethics’ issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS 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 consolidated Ind AS financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditor’s responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to this matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition (Refer Note 24 of the consolidated financial statements)	
The Group generates revenue from sales of real estate. The Group applies Ind AS 115 ‘Revenue from contracts with customers’ for recognition of revenue from real estate projects, which is being recognised at a point in time upon the Group satisfying its performance obligation and the customer obtaining control of the underlying asset. The Group applies accounting policies for revenue recognition as defined in Note 2 of the consolidated financial statements.	Principal audit procedures included: • We have understood the revenue recognition policy adopted by the Group with respect to the sale of real estate. • We have sent group audit instructions to the component auditors of WelcomHotels Lanka (Private) Limited as per the auditing standards and held discussions with them in respect of revenue recognition specifying revenue recognition as a key audit matter. Following procedures were performed in respect of revenue recognition:

Independent Audit Report (Contd.)

Key audit matter	How our audit addressed the key audit matter
Considering application of Ind AS 115 involves significant judgement in identifying performance obligations and determining when ‘control’ of the asset underlying the performance obligation is transferred to the customer, the same has been considered as key audit matter	- Obtained and understood Group’s revenue recognition policies and process including identification of performance obligations and determination of transfer of control of the asset underlying the performance obligation to the customer; - Tested revenue related transactions with the underlying customer contracts and documents, evidencing the transfer of control of the assets to the customer based on which revenue is recognized; - Assessed that the performance obligation is satisfied by the Group; and - Assessed that the revenue related disclosures included in Note 24 to the consolidated financial statements is in accordance with the requirements of Ind AS.

Information Other than the Financial Statements and Auditor’s Report Thereon

The Holding Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated Ind AS financial statements and our auditor’s report thereon.

Our opinion on the consolidated Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS 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.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

The Holding Company’s Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated Ind AS financial performance including other comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity of the Group including its associates and joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of

Directors of the companies included in the Group and of its associates and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies 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 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 Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and joint venture are also responsible for overseeing the financial reporting process of their respective companies.

Auditor’s Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to

Independent Audit Report (Contd.)

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 Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS 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 Holding 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint venture 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 consolidated Ind AS 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 venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint venture of which we are the independent auditors, to express an opinion on the consolidated Ind AS 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 Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS 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.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS 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 Ind AS financial statements for the financial year ended March 31, 2026 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 Matter

- (a) We did not audit the financial statements and other financial information, in respect of three subsidiaries, whose financial statements include total assets of Rs 3,742.90 crores as at March 31, 2026, and total revenues of Rs 476.83 crores and net cash outflows of Rs 54.66 crores for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 11.87 crores for the year ended March

Independent Audit Report (Contd.)

31, 2026, as considered in the consolidated Ind AS financial statements, in respect of two associates and one joint venture, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint venture and associates, is based solely on the report(s) of such other auditors.

One of these subsidiaries is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective country and which have been audited by other auditor under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in their respective country 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 subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated Ind AS 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 and the financial statements and other financial information certified by the Management.

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 sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, associate companies and joint venture, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associates

Independent Audit Report

and joint venture, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

- (a) We/the other auditors whose report we have relied upon 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 Ind AS financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies and joint venture, none of the directors of the Group's companies its associates and joint venture, incorporated in India, is disqualified as on March 31, 2026 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 consolidated Ind AS financial statements of the Holding Company including its subsidiary companies, associate companies and joint venture, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, associates and joint venture incorporated in India, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Holding Company, its subsidiaries, associates and joint

Independent Audit Report (Contd.)

venture incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

- (h) 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, as amended, 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 report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint venture, as noted in the 'Other matter' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and joint venture in its consolidated Ind AS financial statements – Refer Note 30(v) to the consolidated Ind AS financial statements;
 - ii. The Group, its associates and joint venture did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2026;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and joint venture, incorporated in India during the year ended March 31, 2026;
 - iv. a) The respective managements of the Holding Company and its subsidiaries, associates and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates and joint venture respectively that, to the best of its knowledge and belief, 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 such subsidiaries, associates and joint venture to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries, associates and joint venture ("Ultimate

Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The respective managements of the Holding Company and its subsidiaries, associates and joint venture which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates and joint venture respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries, associates and joint venture from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, associates and joint venture shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) 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 subsidiaries, associates and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
 - v. The final dividend paid by the subsidiaries and associate companies incorporated in India during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- As stated in note B of Statement of Changes in Equity to the consolidated Ind AS financial statements, the respective Board of Directors of the Holding Company, its subsidiaries and its associate companies, incorporated in India have proposed final dividend for the year which is subject to the approval of the

Independent Audit Report (Contd.)

members of the respective companies at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries, associates and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, the Holding Company, subsidiaries, its associates and joint venture have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries, associates and joint venture did not come across any instance of audit trail feature being tampered with, in respect of

accounting software where the audit trail has been enabled.

Additionally, the audit trail of prior years has been preserved by the Holding Company and the above referred subsidiaries, associates and joint venture, as per the statutory requirements for record retention to the extent it was enabled and recorded in the prior years.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E / E300005
per Sanjay Vij
Partner
Membership Number: 095169
UDIN: 26095169GYUEML3455

Place of Signature: New Delhi
Date: May 15, 2026

Independent Audit Report (Contd.)

Annexure 1 referred to in paragraph under the heading “Report on other legal and regulatory requirements” of our report of even date**Re: ITC Hotels Limited (“the Holding Company”)**

In terms of the information and explanations sought by us and given by the Holding Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief and based on the consideration of report of respective auditors of the subsidiary companies, associates and joint venture incorporated in India, we state that:

(xxi) There are no qualifications or adverse remarks by the respective auditors in their report on Companies (Auditors Report) Order, 2020 of the companies included in the consolidated Ind AS financial statements.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E / E300005
per Sanjay Vij
Partner
Membership Number: 095169
UDIN: 26095169GYUEML3455

Place of Signature: New Delhi

Date: May 15, 2026

Independent Audit Report (Contd.)

Annexure 2 to the Independent Auditor’s Report of even date on the Consolidated Ind AS Financial Statements of ITC Hotels Limited**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the consolidated Ind AS financial statements of ITC Hotels Limited (hereinafter referred to as the “Holding Company”) as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”), its associates and joint venture, which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, its associates and joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 (ICAI). 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 Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Holding Company’s internal financial controls with reference to consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. 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 consolidated Ind AS financial statements was 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 consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated Ind AS financial statements included obtaining an understanding of internal financial controls with reference to consolidated Ind AS 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 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 auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Ind AS Financial Statements

A company’s internal financial control with reference to consolidated Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to consolidated Ind AS financial statements includes 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 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 financial statements.

Independent Audit Report (Contd.)

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated Ind AS 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 consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group, its associates and joint venture, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company, in so far as it relates to these three subsidiaries, two associates and one joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries, associates and joint venture incorporated in India.

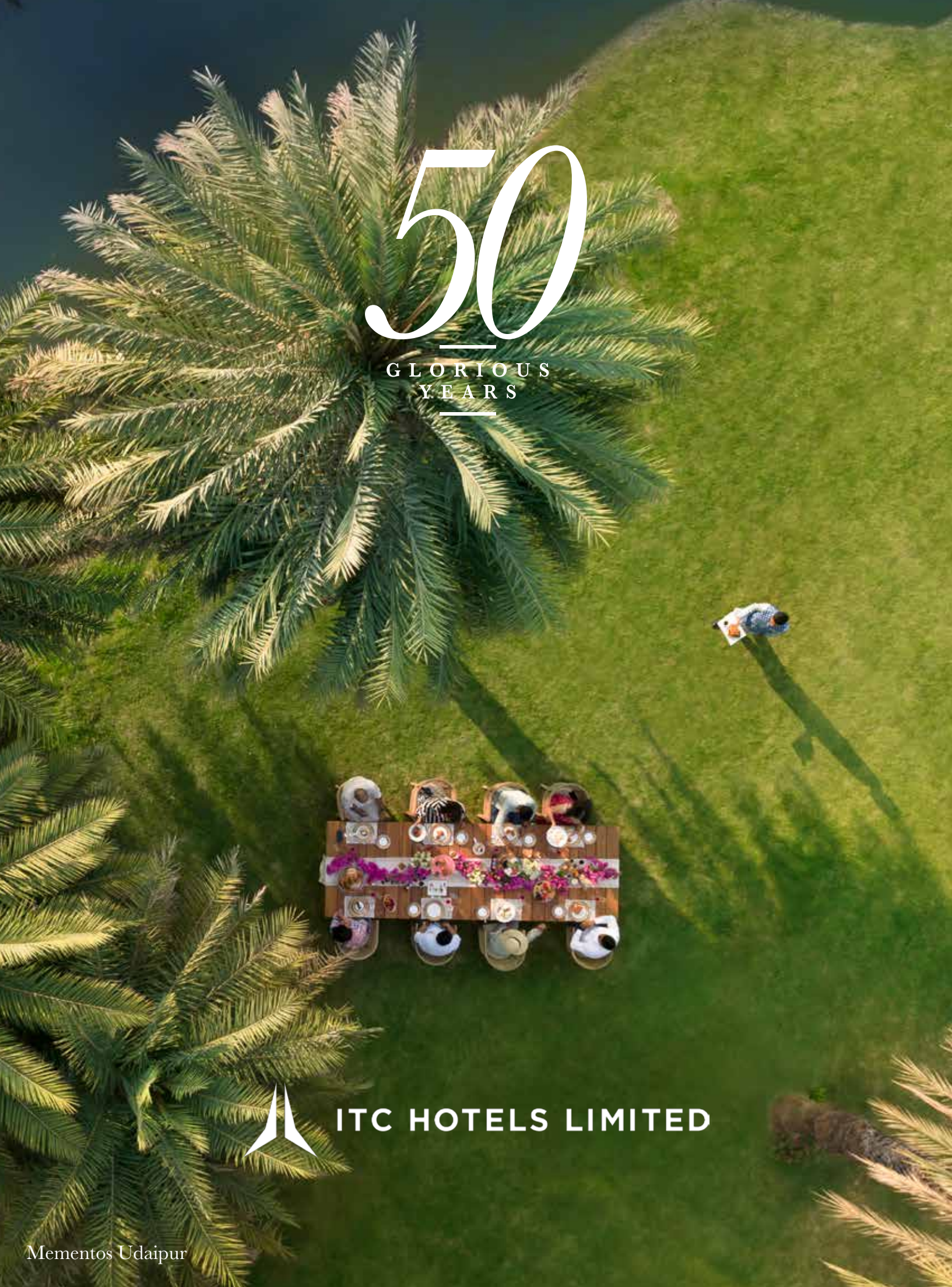
For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E / E300005
per Sanjay Vij
Partner
Membership Number: 095169
UDIN: 26095169GYUEML3455

Place of Signature: New Delhi

Date: May 15, 2026



ITC Grand Chola, Chennai

An aerial photograph of a lush green golf course. In the upper left, a large palm tree's fronds spread out. Below it, a group of about ten people are seated around a long, rectangular wooden dining table. The table is elegantly set with white plates, glasses, and colorful floral centerpieces. To the right of the dining group, a lone golfer in a blue shirt and white pants is walking across the grass, carrying a golf bag. The scene is bathed in the warm, golden light of late afternoon, with long shadows cast across the grass.

50

GLORIOUS
YEARS



ITC HOTELS LIMITED



ITC HOTELS LIMITED

CIN: L55101WB2023PLC263914

Registered Office: Virginia House, 37 Jawaharlal Nehru Road, Kolkata 700 071, West Bengal

Tel: +91 33 2288 9371 • E-mail: investorservices@itchotels.com • Website: www.itchotels.com

NOTICE OF 3RD ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Third Annual General Meeting of the Members of ITC Hotels Limited will be held on Thursday, 6th August, 2026 at 10:30 a.m. (IST), through Video Conferencing / Other Audio Visual Means, for transaction of the following businesses:-

ORDINARY BUSINESS

1. To consider and adopt (i) the Standalone Financial Statements of the Company for the financial year ended 31st March, 2026 and the Reports of the Board of Directors and the Auditors thereon, and (ii) the Consolidated Financial Statements of the Company for the financial year ended 31st March, 2026 and the Report of the Auditors thereon.
2. To declare Final Dividend of ₹ 1/- per Equity Share of ₹ 1/- each for the financial year ended 31st March, 2026.
3. To appoint a Director in place of Mr. Rajendra Kumar Singhi (DIN: 00009931) who retires by rotation and, being eligible, offers himself for re-election.

4. **To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-**

“**RESOLVED THAT**, in accordance with the provisions of Section 142 of the Companies Act, 2013, remuneration of ₹ 1,20,00,000/- (Rupees One Crore and Twenty Lakhs Only) to Messrs. S. R. Batliboi & Co. LLP, Chartered Accountants (Registration No. 301003E / E300005), Statutory Auditors of the Company, to conduct audit for the financial year 2026-27, payable in one or more instalments, plus goods and services tax as applicable and reimbursement of out-of-pocket expenses incurred, be and is hereby approved.”

SPECIAL BUSINESS

5. **To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-**

“**RESOLVED THAT**, in accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Ramakrishnan Chander (DIN: 11331783) be and is hereby appointed as a Director of the Company, liable to retire by rotation, with effect from date of this Annual General Meeting i.e., 6th August, 2026 for a period of three years or till such earlier date upon withdrawal by the recommending Institution or to conform with the policy on retirement and as may be determined by the Board of Directors of the Company and / or by any applicable statutes, rules, regulations or guidelines.”

The Record Date fixed for the purpose of determining entitlement of the Members to the Final Dividend for the financial year ended 31st March, 2026 is **Thursday, 21st May, 2026**, and such Dividend, if declared, will be paid between **Monday, 10th August, 2026** and **Friday, 14th August, 2026** to those Members entitled thereto.

Dated: 15th May, 2026.

By Order of the Board
ITC Hotels Limited
Diwaker Dinesh
Company Secretary

NOTES:

- (i) Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ('the Act'), relating to the Special Business to be transacted at this Annual General Meeting ('AGM') is annexed.
- (ii) Since this AGM is being held through Video Conferencing / Other Audio Visual Means, (a) Members will not be able to appoint proxies for the Meeting, and (b) Attendance Slip and Route Map are not annexed to this Notice.
- (iii) Corporate Members are requested to send a certified copy of the Board Resolution authorising their representative to attend this AGM, pursuant to Section 113 of the Act, at **itchlagm2026@itchotels.com** or by post to the Company Secretary at the Corporate Office of the Company at ITC Green Centre, 10 Institutional Area, Sector 32, Gurugram 122 001.
- (iv) In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Resolutions for consideration at this AGM will be transacted through remote e-voting (i.e., facility to cast vote prior to the AGM) and also e-voting during the AGM, for which purpose the Board of Directors of the Company ('the Board') have engaged the services of National Securities Depository Limited ('NSDL'). The Board has appointed Mr. R. L. Auddy, Senior Solicitor and Partner, Messrs. Sandersons & Morgans, Advocates & Solicitors, as the Scrutinizer to scrutinize the process of e-voting.

Detailed instructions for attending the AGM and for e-voting are annexed.

- (v) **Remote e-voting will commence at 9:00 a.m. (IST) on Sunday, 2nd August, 2026 and will end at 5:00 p.m. (IST) on Wednesday, 5th August, 2026**, when remote e-voting will be blocked by NSDL.
- (vi) Voting rights will be reckoned on the paid-up value of the shares registered in the name of the Members on **Thursday, 30th July, 2026 (cut-off date)**. Only those Members whose names appear in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or e-voting during the AGM. Those who are not Members on the cut-off date should accordingly treat this Notice as for information purposes only.
- (vii) Pursuant to the Income-tax Act, 2025, dividend income is taxable in the hands of the Members and the Company is required to deduct tax at source from such dividend at the prescribed rates. A communication with detailed information and instructions regarding tax on the Final Dividend for the financial year ended 31st March, 2026 will be sent to the Members in due course. The said communication will also be made available on the Company's website **www.itchotels.com** under the section 'Investor Relations'.
- (viii) Members are advised to contact the Company's Registrar and Share Transfer Agent ('RTA') i.e., Messrs. KFin Technologies Limited at **einward.ris@kfintech.com** or at Selenium Building, Tower B, Plot Nos. 31 and 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy – 500032, Telangana, to avail services relating to submission of documents for claiming tax exemption on dividend, as well as for accessing dividend details, tax deduction certificates, and related information. The prescribed forms and documents for claiming tax exemption or availing the benefit of a tax treaty rate may also be submitted through the RTA portal at **https://ris.kfintech.com/clientservices/investors/taxforms.aspx**.
- (ix) Pursuant to Scheme of Arrangement amongst ITC Limited ('ITC') and the Company and their respective shareholders and creditors for demerger of Hotels Business:
 - (a) the Company had issued Equity Shares in dematerialised form only. The Equity Shares in respect of those Members
 - (i) holding ordinary shares of ITC in the certificate form and who had not provided details of their demat accounts, in accordance with the Scheme of Arrangement, and (ii) whose shares could not be credited due to rejection by the Depositories, were credited to the Escrow Demat Account.

The aforesaid Members are advised to claim their shares by providing details / documents as prescribed in the communication sent to them. For any queries, please contact the RTA at **einward.ris@kfintech.com** or by post.

- (b) the Company had issued Equity Shares in the name of Investor Education and Protection Fund ('IEPF') Authority, in respect of those Members of ITC whose shares were lying with the IEPF Authority. Such shares can be claimed from the IEPF Authority by applying in the prescribed Form No. IEPF-5. Steps for filing the said form are available on the Company's website at **<https://www.itchotels.com/dividend-iefp>** .
- (x) In accordance with the regulatory requirements, the Notice of this AGM and the Report and Accounts 2026 will be sent through electronic mode to those Members who have registered their e-mail address with the Company or the Depositories; a communication providing web links for accessing these documents will be sent to the other Members.
- Members desirous of obtaining physical copies of the said Notice and the Report and Accounts may send a request to the Company, mentioning their name and DP ID & Client ID / folio number, at **itchlagm2026@itchotels.com** or by post to the Company Secretary.
- (xi) Members who have not registered their e-mail address with the Company or the Depositories and wish to cast their votes through remote e-voting or e-voting during the AGM are required to register their e-mail address by sending a request with name and DP ID & Client ID / folio number, (i) in case the shares are held in certificate form, at **einward.ris@kfintech.com** or by post to the RTA, and (ii) in case the shares are held in demat form, to their Depository Participants ('DPs').
- (xii) Members who would like to express their views / ask questions / seek clarifications with respect to the agenda items of the Meeting may register themselves as a speaker by sending a request at **itchlagm2026@itchotels.com** from their registered e-mail address, mentioning their name, DP ID & Client ID / folio number and mobile number. Only those Members who have registered themselves as speaker between 9:00 a.m. (IST) on Saturday, 25th July, 2026 and 5:00 p.m. (IST) on Thursday, 30th July, 2026, and whose names appear in the Register of Members or Register of Beneficial Owners as on the cut-off date (i.e., 30th July, 2026) will have the opportunity to express their views / ask questions / seek clarifications at the Meeting. The Company reserves the right to restrict the number of questions and / or number of speakers in the interest of smooth conduct of the AGM.
- (xiii) Members who would like to have their questions / queries responded to during the AGM are requested to send such questions / queries in advance at **itchlagm2026@itchotels.com** from their registered e-mail address, mentioning their name, DP ID & Client ID / folio number and mobile number, on or before Monday, 3rd August, 2026.
- (xiv) The Register of Directors and Key Managerial Personnel and their shareholding under Section 170 of the Act, the Register of contracts with related party and contracts and bodies etc. in which Directors are interested under Section 189 of the Act and the Certificate from the Secretarial Auditors in respect of Company's Employee Stock Option Scheme and Employee Stock Appreciation Rights Scheme will be available for inspection through electronic mode during the AGM, for which purpose Members are required to send a request at **itchlagm2026@itchotels.com** .
- (xv) The transcript of the AGM proceedings will be made available on the Company's website **www.itchotels.com** .
- (xvi) Pursuant to the Listing Regulations and applicable SEBI Circulars, payment of dividend through dividend warrants, demand drafts or cheques has been discontinued, and dividend shall be paid only through electronic mode to:
- (i) Members holding shares in dematerialised form, upon registration or updation of complete bank details with their DPs; and
 - (ii) Members holding shares in certificate form, upon submission of complete KYC details (i.e., PAN, postal address, mobile number, e-mail address, bank account details, specimen signature, etc.) to the RTA. For further details please visit the Company's website at **<https://www.itchotels.com/mandatory-kyc>** .

EXPLANATORY STATEMENT

Annexed to the Notice convening the Third Annual General Meeting on Thursday, 6th August, 2026.

Item No. 5

The Board of Directors of the Company ('the Board') at the meeting held on 15th May, 2026, on the recommendation of the Nomination and Remuneration Committee, recommended for the approval of the Members, the appointment of Mr. Ramakrishnan Chander (DIN: 11331783) as a Non-Executive Director of the Company, as set out in the Resolution. Mr. Chander, if appointed, will represent the Life Insurance Corporation of India ('LIC').

Mr. Chander, pursuant to Section 152 of the Companies Act, 2013 ('the Act'), has given his consent to act as a Director of the Company and requisite Notice, pursuant to Section 160 of the Act, proposing his appointment as a Director of the Company has been received; he possesses appropriate skills, expertise and competencies in the context of the Company's businesses, particularly in the areas of financial management and administrative experience.

Information in respect of Mr. Chander, including his brief resume, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings, is provided below:

Mr. Ramakrishnan Chander (58 years) is the Managing Director of LIC. He is a Science Graduate, a Fellow Member of the Insurance Institute of India, and also holds a Post Graduate Diploma in Financial Management.

Mr. Chander, who joined LIC in 1990, brings over 35 years of experience across marketing, administration, and investment management. During his illustrious career, he has held several senior leadership positions, including Executive Director (Investment – Front Office), Executive Director of LIC's Strategic Business Unit for International Operations, Chief Investment Officer, Senior Divisional Manager, and Regional Manager for Marketing and Pension & Group Schemes.

Other Directorships

Name of the entity	Position
Life Insurance Corporation of India*	Managing Director
LIC Cards Services Limited	Non-Executive Director
LIC Mutual Fund Trustee Private Limited	Non-Executive Director
LICHFL Care Homes Limited	Non-Executive Director
Life Insurance Corporation (Lanka) Ltd., Sri Lanka	Non-Executive Director

* Denotes Indian entity whose securities are listed on a recognised stock exchange.

Note: During the last three financial years, Mr. Chander has not stepped down from any listed entity.

Committee Membership*

Name of the entity	Committee	Position
Life Insurance Corporation of India	Audit Committee	Member

* Committee Membership covers committee constituted under the Act.

In addition to sitting fees for attending the meetings of the Board & its Committees, Mr. Chander, similar to the Non-Executive Directors of the Company, would be entitled to remuneration by way of commission ranging between ₹ 25,00,000/- and ₹ 40,00,000/- per annum, as may be determined by the Board.

Mr. Chander holds 20 shares in the Company. He is not related to any of the Directors or Key Managerial Personnel of the Company.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is concerned or interested, financial or otherwise, in this Resolution.

The Board recommends this Ordinary Resolution for your approval.

Dated: 15th May, 2026.

By Order of the Board
ITC Hotels Limited
Diwaker Dinesh
Company Secretary

INSTRUCTIONS FOR ATTENDING THE AGM AND FOR E-VOTING

I. Instructions for attending the AGM through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM')

- Members who wish to attend this AGM are requested to follow the steps enumerated under (II) for login to the NSDL e-voting website.
After login, click on the '**VC / OAVM**' link appearing under '**Join Meeting**' against the **Electronic Voting Event Number ('EVEN')** of ITC Hotels Limited.
- The facility for the Members to join this AGM will be available from 30 minutes before the time scheduled for the Meeting and may close not earlier than 30 minutes after the commencement of the Meeting.
- Members are requested to login to the NSDL e-voting website using their laptops / desktops / tablets with stable Wi-Fi or LAN connection for better experience. Members logging in from mobile devices or through laptops / desktops / tablets connecting via mobile hotspot or with low bandwidth, may experience audio / video loss due to fluctuation in their respective network.

II. Instructions for remote e-voting

Step 1: Access to NSDL e-voting website

(A) FOR INDIVIDUAL MEMBERS HOLDING SHARES IN DEMATERIALISED FORM:

For Members holding shares in demat account with DPs registered with NSDL	
If you are registered for NSDL 'IDeAS' facility: - Type the URL: https://eservices.nsdl.com and click on 'Beneficial Owner' tab under the 'IDeAS' section. - Enter your existing user ID, password and the verification code as shown on the screen. - After authentication and login, click on 'Access to e-voting' under value-added services and you will be able to see the e-voting page. - Click on 'evote' link available against ITC Hotels Limited or e-voting service provider i.e., 'NSDL' and proceed to Step 2 to cast your vote.	If you are not registered for 'IDeAS' facility: - Type the URL: https://evoting.nsdl.com and click on 'Login' tab under the 'Shareholder / Member' section. - Enter your existing user ID, password / OTP and the verification code as shown on the screen. - After authentication, you will be re-directed to e-services website of NSDL, wherein you will be able to see the e-voting page. - Click on 'evote' link available against ITC Hotels Limited or e-voting service provider i.e., 'NSDL' and proceed to Step 2 to cast your vote.
Alternate OTP based login - Type the URL: https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp . - Enter your DP ID, Client ID, PAN and verification code shown on the screen, and click on 'Generate OTP'. - Enter the OTP received on your registered e-mail address / mobile number and click on 'Log-in'. - After successful authentication, you will be re-directed to e-services website of NSDL, wherein you will be able to view the e-voting page. - Click on 'evote' link available against ITC Hotels Limited or e-voting service provider i.e., 'NSDL' and proceed to Step 2 to cast your vote.	
You may also download NSDL Mobile App 'NSDL Speede' by scanning the following QR code for e-voting:    	

For Members holding shares in demat account with DPs registered with Central Depository Services (India) Limited ('CDSL')

If you are **registered for CDSL 'Easi / Easiest'** facility, you are required to follow the below-mentioned steps:

- Type the URL: **<https://www.cdslindia.com>** and click on **'Login to - My Easi New (Token)'** or type the URL: **<https://web.cdslindia.com/myeasitoken/home/login>**.
- Enter your existing username and password.
- After OTP based authentication and login, click on e-voting menu.
- Click on **'evote'** link available against ITC Hotels Limited or e-voting service provider i.e., **'NSDL'** and proceed to Step 2 to cast your vote.

You can also directly access the e-voting page by clicking on **'E Voting'** on the home page of **www.cdslindia.com** with your demat account number (BOLD) and PAN.

After authentication, click on **'evote'** link available against ITC Hotels Limited or e-voting service provider i.e., **'NSDL'** and proceed to Step 2 to cast your vote.

For Members logging in through the websites of their DPs

- Login to your demat account, using the login credentials, through the concerned DP registered with NSDL / CDSL.
- Click on the option available for e-voting. You will be re-directed to e-services website of NSDL wherein you will be able to see the e-voting page.
- Click on **'evote'** link available against ITC Hotels Limited or e-voting service provider i.e., **'NSDL'** and proceed to Step 2 to cast your vote.

Note: Members who are unable to retrieve their user ID or password are advised to use **'Forgot User ID' / 'Forgot Password'** option(s) available on the websites of the respective Depositories / DPs.

(B) FOR NON-INDIVIDUAL MEMBERS HOLDING SHARES IN DEMATERIALIZED FORM AND MEMBERS HOLDING SHARES IN CERTIFICATE FORM:
For Non-Individual Members holding shares in dematerialised form

If you are holding shares in dematerialised form and are registered for NSDL **'IDeAS'** facility, you can login at **<https://eservices.nsdl.com>** with your existing IDeAS login and click on **'Access to e-voting'** to proceed to Step 2 to cast your vote.

For other Members including Members holding shares in certificate form

Please follow the below-mentioned steps:

- Type the URL: **<https://www.evoting.nsdl.com>** and click on **'Login'** tab under the **'Shareholder / Member'** section.
- Enter your existing user ID, password and the verification code as shown on the screen.

- User ID**

For Members holding shares in demat account with DPs registered with NSDL.	8 character DP ID followed by 8 digit Client ID. <i>For example, if your DP ID is IN300*** and Client ID is 12*****, then your user ID is IN300***12*****.</i>
For Members holding shares in demat account with DPs registered with CDSL.	16 digit Beneficiary ID. <i>For example, if your Beneficiary ID is 12*****, then your user ID is 12*****.</i>
For Members holding shares in certificate form.	EVEN followed by your folio number registered with the Company. <i>For example, if the EVEN is 101456 and your folio number is 01/12***, then your user ID is 1014560112***.</i>

- **Password**

- (i) **If you are already registered with NSDL for remote e-voting, you should use your existing password for login.**

Members may also use OTP based login.

- (ii) If you are using NSDL e-voting website for the first time, you would need to use your '**initial password**' for login, which has been communicated to you by NSDL in .pdf file. The password to open this file is your 8 digit Client ID for demat account with NSDL or last 8 digits of Beneficiary ID for demat account with CDSL or folio number for shares held in certificate form.

- (iii) If you are unable to retrieve the '**initial password**', or have forgotten your password:

- Click on '**Forgot User Details / Password?**', if holding shares in dematerialised form; or
- Click on '**Physical User Reset Password?**', if holding shares in certificate form.

You may also send an e-mail requesting for password at **evoting@nsdl.com**, mentioning your name, PAN, registered address, and DP ID & Client ID / folio number.

- (c) Agree to the terms and conditions by clicking the box.

- (d) Click on '**Login**'. Home page of remote e-voting opens.

Step 2: Cast your vote on NSDL e-voting website

- (a) Select the EVEN of ITC Hotels Limited.
- (b) Now you are ready for remote e-voting as '**Cast Vote**' page opens.
- (c) Cast your vote by selecting appropriate option and click on '**Submit**'. Thereafter click on '**Confirm**' when prompted; upon confirmation, your vote is cast and the message '**Vote cast successfully**' will be displayed.

Other Instructions

- (a) Corporate and Institutional Members (companies, trusts, societies, etc.) are required to send a scanned copy (in PDF / JPG format) of the relevant Board Resolution / appropriate authorisation to the Scrutinizer at **rla.itchlscrutinizer@gmail.com** with a copy marked to NSDL at **evoting@nsdl.com**.
- (b) Those who become Members of the Company after sending the Notice but on or before Thursday, 30th July, 2026 (cut-off date), including Members holding shares in certificate form and Non-Individual Members, may write to NSDL at **evoting@nsdl.com** or to the Company at **itchlagm2026@itchotels.com** requesting for user ID and password.

On receipt of user ID and password, the steps under '**Step 2: Cast your vote on NSDL e-voting website**' should be followed for casting of vote.
- (c) In case of any query, you may refer to the Frequently Asked Questions and e-voting User Manual for Shareholders available under the Download section of NSDL's e-voting website **www.evoting.nsdl.com**. You may also contact the following persons for any query / grievance:
 - (i) Mr. Amit Vishal, Vice President, National Securities Depository Limited, 301, Naman Chambers, Plot C-32, G-Block, 3rd Floor, Bandra Kurla Complex, Bandra East, Mumbai 400 051, at telephone no. 022 - 4886 7000 or at e-mail ID **AmitV@nsdl.com** ;
 - (ii) Mr. Diwaker Dinesh, Company Secretary, at telephone no. 0124 - 417 1717 or at e-mail ID **investorservices@itchotels.com**.

III. Instructions for e-voting during the AGM

- (a) The procedure for e-voting during the AGM is same as mentioned under (II) for remote e-voting.
- (b) The aforesaid facility will be available only to those Members who participate in the AGM and who do not cast their votes by remote e-voting prior to the AGM. Members who cast their votes by remote e-voting will not be entitled to cast their votes again.

IV. General Information

- (a) There will be one vote for every DP ID & Client ID / folio number irrespective of the number of joint holders.
- (b) In case the Members require any technical assistance with respect to attending the AGM or e-voting during the Meeting, they may contact the helpline numbers mentioned above.

Individual Members holding shares in dematerialised form may also reach out for any technical issue related to login through their respective Depositories, as follows:

- Shares held under NSDL - e-mail at **evoting@nsdl.com** or call at telephone no. **022-4886 7000**.
- Shares held under CDSL - e-mail at **helpdesk.evoting@cdslindia.com** or call at telephone no. **1800-225-533** (toll free).
- (c) The Results of voting will be declared within two working days from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes. The declared Results, along with the Scrutinizer's Report, will be available forthwith on the Company's website **www.itchotels.com** under the section 'Investor Relations' and on the website of NSDL; such Results will also be forwarded to BSE Limited and National Stock Exchange of India Limited, where the Company's shares are listed.
