



August 26, 2026

**National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051**

**BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001**

Name of Scrip: LEMONTREE

BSE Scrip Code: 541233

Subject: Intimation of 34th Annual General Meeting ("AGM") of the Company & submission of Integrated Annual Report for the Financial Year 2025-26

Dear Sir/ Madam,

Pursuant to the Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we hereby inform that 34th AGM of the Company will be held on Friday, September 18, 2026 at 01:00 P.M. (IST) through Video Conferencing ('VC') /Other Audio Visual Means ('OAVM').

Further, pursuant to the Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company will be providing the facility for voting by electronic means ("remote e-voting"). The remote e-voting period will commence on Monday, September 14, 2026 (9:00 a.m. IST) and end on Thursday, September 17, 2026 (5:00 p.m. IST). The voting rights of Members shall be reckoned on the basis of number of equity shares held by Members of the Company as on the cut-off date viz. Friday, September 11, 2026.

Pursuant to Regulation 30, 34(1), 36 & other relevant regulations as applicable of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith Integrated Annual Report of the Company for Financial Year 2025-26 along with the Notice of 34th AGM of the Company.

The aforesaid documents are also hosted on the website of the Company viz. www.lemontreehotels.com

Please take the above intimation on your record.

Thanking You

For Lemon Tree Hotels Limited

Pawan Kumar Kumawat Digitally signed by Pawan Kumar Kumawat
Date: 2026.08.26 16:08:29 +05'30'

**Pawan Kumar Kumawat
Company Secretary
& Compliance Officer
M. No: A25377**

Encl: a/a

Lemon Tree Hotels Limited

CIN No. L74899HR1992PLC140546

Reg. Office: Lemon Tree Corporate Park, Urban Complex, Ullahawas, Sector 60, Gurugram, Haryana-122011

Corporate Office: Asset No. 6, Aerocity Hospitality District, New Delhi-110037

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LEMON TREE HOTELS LIMITED

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NOTICE

NOTICE is hereby given that the **THIRTY FOURTH (34TH) ANNUAL GENERAL MEETING ("AGM")** of the members of **LEMON TREE HOTELS LIMITED** will be held on Friday the **18TH DAY OF SEPTEMBER, 2026 at 01:00 P.M. (IST)** through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM') facility, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2026 together with the reports of the Auditors and the Board of Directors thereon; and
 - b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2026 together with the report of the Auditors thereon.
2. To appoint a Director in place of Mr. Aditya Madhav Keswani (DIN: 07208901) who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. Willem Albertus Hazeleger (DIN: 07902239) who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

4. Appointment of Mr. Patanjali Govind Keswani (DIN: 00002974) as Chairman and Non-Executive Director ("Non-Executive Chairman") of the Company w.e.f. April 1, 2027

To consider and if thought fit, to pass the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 152 read with other applicable provisions of the Companies Act, 2013 ("the Act") and the Rules made thereunder including the Companies (Appointment and Qualification of Directors) Rules,

2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, and subject to such other provisions as may be applicable, and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, consent of the members be and is hereby accorded for the appointment of Mr. Patanjali Govind Keswani (DIN:00002974) as Chairman and Non-Executive Director ("Non-Executive Chairman") of the Company, liable to retire by rotation, with effect from April 1, 2027, upon expiry of his existing term as Executive Director and Chairman of the Company on March 31, 2027, on such terms and conditions as may be determined in accordance with the applicable provisions of the Act and the SEBI Listing Regulations.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to the aforesaid resolution, including delegation of all or any of the powers conferred on it to any Committee of Board of Directors and/or any other person as it deems fit, and to do all such acts, deeds, matters and things and take all such steps as may be considered necessary, proper or expedient to give effect to the aforesaid resolution and for matters connected therewith, or incidental thereof."

**By Order of the Board of Directors
For Lemon Tree Hotels Limited**

Sd/-
Pawan Kumar Kumawat
Company Secretary
and Compliance Officer
Membership No.: A25377

Date: August 7, 2026
Place: New Delhi

NOTES:

1. An Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ('the Act'), in respect of the special business to be transacted at the meeting under Item No. 4 is annexed hereto. Additional information, pursuant to 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations') and the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ("SS-2") is also annexed hereto.
2. The Ministry of Corporate Affairs ("MCA") vide its General Circular No. 03/2025 dated September 22, 2025, read with circulars issued earlier on the subject ("MCA Circulars") and the Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 read with the circulars issued earlier on the subject ("SEBI Circulars"), have permitted the holding of the Annual General Meeting through Video Conferencing ("VC") or through Other Audio-Visual Means ("OAVM"), without the physical presence of the Members at a common venue.
3. In compliance with applicable provisions of the Act read with aforesaid MCA Circulars and SEBI Circulars, the 34th Annual General Meeting of the Company is being conducted through Video Conferencing (VC) and shall hereinafter be referred to as the "AGM". The deemed venue of the AGM shall be the Registered Office of the Company situated at Lemon Tree Corporate Park, Urban Complex, Ullahawas, Sector 60, Gurugram, Haryana-122011.
4. **PURSUANT TO PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS AND SEBI CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND SEBI CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ROUTE MAP AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE HOWEVER, THE BODY CORPORATES ARE ENTITLED TO APPOINT AUTHORISED**

REPRESENTATIVES TO ATTEND THE AGM THROUGH VC/OAVM AND PARTICIPATE THEREAT AND CAST THEIR VOTES THROUGH E-VOTING.

5. The Attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. Institutional/Corporate shareholders (i.e. other than individuals, HUFs, NRIs etc.) who are intending to appoint their authorised representatives pursuant to Sections 112 or 113 of the Act, as the case may be, to attend the AGM and vote through e-Voting, are required to send certified scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Resolution/ Letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to info@tgladvisors.com, with a copy marked to evoting@nsdl.com. Institutional / Corporate shareholders (i.e. other than individuals, HUFs, NRIs etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution/ Authority Resolution/ Letter" displayed under "e-Voting" tab in their login.
7. In case of joint holders, only such joint holder whose name appeared as the first holder as per the Register of Members of the Company as of the cut-off date will be entitled to vote at the AGM.
8. The Notice of AGM and Integrated Annual Report ("Annual Report" or "Integrated Report") will be sent to those Members / beneficial owners whose name will appear in the Register of Members / list of beneficiaries received from the Depositories as on August 21, 2026.
9. In line with the MCA Circulars and SEBI circulars, the Notice calling the AGM along with the Integrated Report is being sent only through electronic mode to those members whose email addresses are registered with the Company/Depositories/RTA. The members further note that notice of AGM and Integrated Report has been uploaded on the website of the Company at www.lemontreehotels.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The Notice is also available on the website of NSDL at www.evoting.nsdl.com. Besides this, in terms of Regulation 36(1)(b) of the SEBI Listing Regulations, a letter will be sent by the Company to members whose e-mail address is not registered with Company/DP/RTA providing the exact web-link of

Company's website from where the Annual Report for financial year 2025-26 can be accessed. In case any member is desirous of obtaining hard copy of the Annual Report for the financial year 2025-26 they may send a request from their registered email address to the Company's e-mail address at sectdeptt@lemontreehotels.com.

10. All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection through electronic mode, basis the request being sent to sectdeptt@lemontreehotels.com
11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act and Certificate from Secretarial Auditors of the Company certifying that Krizm Hotels Private Limited Employee Stock Option Scheme 2006 and LTHL Stock Appreciation Rights Scheme - 2024 of the Company is being implemented in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 will be available electronically for inspection by the Members on the website of the Company at www.lemontreehotels.com during the time of the AGM.
12. Members desiring any information/clarification on the accounts or any matter to be placed at the AGM are requested to write to the Company at sectdeptt@lemontreehotels.com mentioning their name, DP ID and Client ID/folio number and mobile number at least seven days in advance, to reply to the queries. Members desiring to seek information/clarification during the AGM on the accounts or any matter to be placed at the AGM may ask through the chat box facility provided by NSDL.
13. Members are requested to note that KFin Technologies Limited having its office at Selenium Tower B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032, is the Registrar and Share Transfer Agent to manage the work related to shares held in physical and dematerialized form.
14. Regulation 40 of Listing Regulations, as amended, mandates that transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI, vide its Circular number SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 and SEBI Circular HO/38/13/(3)2026-MIRSD-POD/I/3763/2026 dated January 30, 2026 has clarified that listed companies, with immediate effect, shall issue the securities only in demat mode while processing investor service requests pertaining to issuance of duplicate shares, exchange of shares, endorsement, sub-division/ consolidation of share certificates, etc. In view of this as well as to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to demat mode.
15. To prevent fraudulent transactions, Members are requested to exercise due diligence and immediately notify to the RTA any change in their address and/or bank mandate in respect of shares held in physical form and to their DPs in respect of shares held in the dematerialized form. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.
16. The Securities and Exchange Board of India ('SEBI') has mandated the submission of Permanent Account Number ('PAN') by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ RTA.
17. Pursuant to Section 72 of the Act, member(s) of the Company may nominate a person in whom the shares held by him/them shall vest in the event of his/ their unfortunate death. Member(s) holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent (RTA). In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.
18. The voting rights of Member(s) shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date i.e. September 11, 2026. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e. September 11, 2026 only shall be entitled to avail the facility of remote e-voting. A person who is not a Member as on the cut-off date should treat this Notice of AGM for information purpose only.
19. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. September 11, 2026, may obtain

the login ID and password by sending a request at evoting@nsdl.com

20. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by

a member using remote e-Voting system as well as e-voting on the date of the AGM will be provided by NSDL.

21. **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

The remote e-voting period begins on September 14, 2026 at 09:00 A.M. and ends on September 17, 2026 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 11, 2026, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 11, 2026.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026 individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	- For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	- If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. - Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Individual Shareholders holding securities in demat mode with CDSL	- Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. - After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. - If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. - Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to info@tgladvisors.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Pallavi Mhatre, Assistant Vice President, NSDL at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Registrar and Share Transfer Agent of the Company at einward.ris@kfintech.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to einward.ris@kfintech.com or sectdeptt@lemontreehotels.com. If you are an Individual shareholders holding

securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**

- Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
- In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID

and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

- Members are encouraged to join the Meeting through Laptops for better experience.
- Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at sectdeptt@lemontreehotels.com. The same will be replied by the company suitably.

GENERAL INFORMATION:

- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call at 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager, National Securities Depository Ltd., 3rd Floor, Naman Chamber, Plot C-32, G-Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra - 400051 at the designated email address: evoting@nsdl.com
- The Board of Directors has appointed Mr. Prakash Verma, Company Secretary in Whole-Time Practice (email: info@tgadvisors.com), as the Scrutinizer to scrutinize the remote e-voting process before and during the AGM in a fair and transparent manner.

3. The Scrutinizer shall immediately after the conclusion of voting at the AGM, unblock and count the votes cast during the AGM and votes cast through remote e-voting and make, not later than 2 working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
4. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company www.lemontreehotels.com and on the website of NSDL www.evoting.nsdl.com immediately after

the result is declared by the Chairman or any other person authorised by the Chairman and the same shall be communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

**By Order of the Board of Directors
For Lemon Tree Hotels Limited**

Sd/-

Pawan Kumar Kumawat

Company Secretary

and Compliance Officer

Membership No.: A25377

Date: August 7, 2026

Place: New Delhi

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

The following Statement sets out all the material facts relating to the Special Business as set out in Item no. 4 mentioned in the above Notice:

Item No. 4

Appointment of Mr. Patanjali Govind Keswani (DIN: 00002974) as Chairman and Non-Executive Director ("Non-Executive Chairman") of the Company w.e.f. April 1, 2027

Mr. Patanjali Govind Keswani is the promoter of the Company and has been associated with the Company for more than 23 years. He has served as the Chairman and Managing Director of the Company from October 7, 2002 to September 30, 2025 and thereafter was appointed as Chairman and Executive Director for a period of 18 (Eighteen) months commencing from October 01, 2025 to March 31, 2027.

Over the years, Mr. Patanjali Govind Keswani has been instrumental in scripting the phenomenal growth and success of the Company, leading it to become one of the premier hotel chains in India with a consistent track record of profitability and growth.

To facilitate the continuity of the Company's growth and as a part of succession planning, Mr. Patanjali Govind Keswani will transition to the role of Chairman and Non-Executive Director ("Non-Executive Chairman") of the Company effective from April 1, 2027 upon completion of his current tenure. In this role, his invaluable expertise will remain instrumental in shaping the Company's long-term vision, strategic direction, and mentoring the next generation of leaders.

Based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors at its meeting held on August 7, 2026, Mr. Patanjali Govind Keswani is proposed to be appointed as Non-Executive Chairman, liable to retire by rotation, with effect from April 1, 2027. The Company has received a notice in writing from a Member under Section 160 of the Companies Act, 2013 proposing his candidature for appointment as a Director of the Company.

Further he will not draw any remuneration from the Company in the capacity of Chairman and Non-

Executive Director, except Commission payable to the Non-Executive Directors, in accordance with the applicable provisions of the Companies Act, 2013.

Mr. Keswani is not disqualified under Section 164 of the Companies Act, 2013, nor is he debarred, by virtue of any order of the Securities and Exchange Board of India ("SEBI") or any other such authority, from holding office as a Director. He is a member of the Risk Management Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Sustainability Committee, and Share Allotment Committee, and also serves as the Chairman of the Reorganization Committee of the Company.

Further he is also serving as the Executive Director and Chairman of Fleur Hotels Limited (FHL), material subsidiary of the Company, w.e.f. October 01, 2025 for a period of 5 (Five) years. He is drawing remuneration from FHL, as approved by the shareholders of the Company at its 33rd Annual General Meeting.

The brief profile and other particulars of Mr. Patanjali Govind Keswani, as required pursuant to Regulation 36 of the Listing Regulations and the Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, are provided under the head "Profile of Directors" as Annexure- A forming part of the Notice.

Besides being a promoter of the Company, Mr. Patanjali Govind Keswani does not have any other material pecuniary relationship with the Company.

Mr. Patanjali Govind Keswani is the father of Mr. Aditya Madhav Keswani, Non-Executive Director of the Company.

Other than Mr. Patanjali Govind Keswani and Mr. Aditya Madhav Keswani, none of the other Directors, Key Managerial Personnel of the Company, or their relatives, are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board recommends the Resolution as set out at Item No. 4 of the Notice for approval of the Members.

"Profile of Directors"

As required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India (SS-2), the particulars of the Directors seeking appointment/ re-appointment at the Annual General Meeting are given below:

Particulars	Mr. Patanjali Govind Keswani	Mr. Aditya Madhav Keswani	Mr. Willem Albertus Hazeleger
DIN	00002974	07208901	07902239
Date of Birth	09.02.1959	07.05.1991	06.11.1968
Age	67 Years	35 Years	57 Years
Nationality	Indian	Indian	Dutch
Brief Resume of the Director including Qualification and Experience	Mr. Patanjali Govind Keswani graduated with a Bachelor's Degree in Electrical Engineering from IIT Delhi and a Post Graduate Diploma in Business Management from IIM Calcutta. He joined the TATA Administrative Service (TAS) in 1983 and worked with the TATA Group for 17 years, where his last assignment was as Senior Vice President of the Taj Group of Hotels. He subsequently worked with management consulting firm, A.T. Kearney Inc. as an Associate Consultant and Director in their India Office, before promoting Lemon Tree Hotels in 2002. He has served as Chairman and Managing Director of the Company from October 7, 2002 to September 30, 2025 and thereafter was appointed as Chairman and Executive Director for a period of 18 (Eighteen) months commencing from October 01, 2025 to March 31, 2027. Mr. Keswani was inducted into the FHRAI (The Federation of Hotel and Restaurant Associations of India) Hall of Fame in 2010 and was also awarded the SATTE 2010 Hotelier for 'Best Mid-Market Developer' of hotels in India. He was also honoured by IIT Delhi for outstanding contributions made by him as an Entrepreneur. He was inducted into the 'Hall of Fame' at the Hotelier India Awards held in Gurgaon in 2012. Under his leadership, Lemon Tree Hotels is today the fastest growing and largest mid-market and upscale hotel chain in India and has set new benchmarks in the hotel industry. The Company was publicly listed under his guidance on April 9, 2018.	Mr. Aditya Madhav Keswani holds a Bachelor's Degree in arts from the New York University. Post the completion of his education, Mr. Aditya Madhav Keswani has joined the Company as a non-executive Director on our Board on June 17, 2015 and has not drawn any remuneration from this Company except Commission.	Mr. Willem Albertus Hazeleger holds Executive MBA from INSEAD in France and Executive MBA from Tsinghua University School of Economics and Management in the People's Republic of China. He also holds LLM from Utrecht University in Netherlands and Diploma in Corporate Governance from the Corporate Governance Institute. He has held various executive and non-executive roles in private and public companies and non-profit organisations. Most recently, Mr. Hazeleger served as the Chief Executive Officer for Asia Pacific of APG Asset Management, one of the largest institutional investors globally. Before joining APG Asset Management, Mr. Hazeleger worked as a senior securities and capital markets lawyer with global law firms Linklaters and Allen & Overy. He started his career at PricewaterhouseCoopers.

Particulars	Mr. Patanjali Govind Keswani	Mr. Aditya Madhav Keswani	Mr. Willem Albertus Hazeleger
Nature of expertise in specific functional areas	Business, Leadership, Industry Knowledge, Strategy & Planning, Governance & Compliance, Financial, Business Development	Corporate Governance, Strategic Management, Board oversight	Asset Management, Capital Markets & Securities Law, Corporate Governance, and Global Executive Leadership
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements (In case of Independent Directors only)	Not Applicable	Not Applicable	Not Applicable
Date of first appointment on the Board	August 3, 2002	June 17, 2015	August 9, 2017
Directorship held in other companies (excluding foreign companies and Section 8 companies)	• Fleur Hotels Limited • Totally Foxed Solutions Private Limited • Crow Real Estates Private Limited • Toucan Real Estates Private Limited • Oceanus Development Company Private Limited • Myna Real Estates Private Limited • Redstart Real Estate Private Limited • Sparrow Buildwell Private Limited • Spank Management Services Private Limited • Garnet Hotels Private Limited • Unistar Hotels Private Limited • Carnation Hotels Private Limited • Prinia Hotels Private Limited	• Fleur Hotels Limited • Totally Foxed Solutions Private Limited • Garnet Hotels Private Limited • Crow Real Estates Private Limited • Toucan Real Estates Private Limited • Oceanus Development Company Private Limited • Myna Real Estates Private Limited • Viva Botanica Private Limited • Pony Tale Hotels Private Limited • Redstart Real Estate Private Limited • Sparrow Buildwell Private Limited • Spank Management Services Private Limited • Prinia Hotels Private Limited • Unistar Hotels Private Limited	None
Memberships/ Chairmanships of Committees of other Public Companies	• Fleur Hotels Limited (Chairman of General Management Committee, Finance Committee and Member in Corporate Social Responsibility Committee, Reorganization Committee)	• Fleur Hotels Limited (Chairman of Corporate Social Responsibility Committee and Member in General Management Committee)	Not Applicable
Listed entities from which the person has resigned in the past three year	Nil	Nil	Nil
Inter-se relationship between Directors and KMP's	Mr. Patanjali Govind Keswani is the father of Mr. Aditya Madhav Keswani, Non-Executive Director of the Company.	Mr. Aditya Madhav Keswani is the son of Mr. Patanjali Govind Keswani, Chairman and Executive Director of the Company.	There is no relationship with other Directors on the Board and KMPs.

Particulars	Mr. Patanjali Govind Keswani	Mr. Aditya Madhav Keswani	Mr. Willem Albertus Hazeleger
Last Drawn Remuneration (FY 2025-26)	₹ 689.34 Lakhs (including one time Ex-gratia as approved by the members of the Company) during FY 2025-26 from the Company. He has also drawn remuneration of ₹ 164.37 Lakhs from Fleur Hotels Limited during FY 2025-26 in the capacity of Executive Director.	₹ 8.93 Lakhs (Commission paid for FY 2025-26 from the Company) He has also paid commission of ₹ 8.01 Lakhs from Fleur Hotels Limited for FY 2025-26 in the capacity of Non-Executive Director.	₹ 16.38 Lakhs (Sitting Fees and Commission paid for FY 2025-26 from the Company)
Number of Meetings of the Board attended during the year	7 out of 7	7 out of 7	7 out of 7
No. of equity shares held in the Company (singly or jointly as first holder) as on the date of Notice	30,000	15,500	NIL
Terms and conditions of Appointment or Re-appointment	Appointment as Non - Executive Non - Independent Director, liable to retire by rotation.	Re-appointment as Non - Executive Non - Independent Director, liable to retire by rotation.	Re-appointment as Non - Executive Non - Independent Director, liable to retire by rotation.
Remuneration sought to be paid	He will not be drawing any remuneration from the Company except Commission, in accordance with the applicable provisions of the Companies Act, 2013. (He was getting remuneration from Fleur Hotels Limited, material subsidiary of the Company, as approved by the shareholders of the Company, due to his active engagement as Executive Director)	He will not be drawing any remuneration from the Company except Commission, in accordance with the applicable provisions of the Companies Act, 2013. (He will not be drawing any remuneration from Fleur Hotels Limited (FHL), material subsidiary of the Company, except commission in the capacity of Non-Executive Director, as may be approved by the Board of FHL.)	He will not be drawing any remuneration from the Company except sitting fees and Commission, in accordance with the applicable provisions of the Companies Act, 2013.

The Evolution of Excellence

Growth | Leadership | Responsibility

Integrated Annual Report 2025-26

Lemon Tree Hotels Limited

A Contemporary Platform for Indian Hospitality

Lemon Tree Hotels was built around a clear need gap in the market. In the early 2000s, nearly 80% of India's branded hotel inventory was concentrated in the upper upscale, upscale and luxury segments, while the midscale and economy categories remained largely underserved. This created the opportunity to build a hospitality brand for travellers seeking quality, consistency and safety at accessible price points.

The Company opened its first hotel in May 2004, with 49 rooms. Today, Lemon Tree Hotels Limited has a portfolio of 268 hotels, including 131 operational properties and 137 in the pipeline across India and international markets.

With a diversified portfolio of owned, leased, managed and franchised hotels spanning the upscale, upper midscale, midscale and economy segments, the Company is strategically positioned to cater to a broad spectrum of business and leisure travellers. Its strategy is to build a truly national hospitality network across India while selectively expanding its international footprint in high-potential markets. This enables the Company to serve a diverse customer base through a multi-brand, multi-segment approach, strengthen brand recognition and deliver sustainable long-term growth.

Keys Select by Lemon Tree Hotels, Udaipur

PRELUDE

The Evolution of Excellence

Growth. Leadership. Responsibility.

When Lemon Tree Hotels started operations in 2004 with a 49-room hotel, we were not only entering the hospitality business, we were responding to a clear need in the market. India's branded hotel industry had room to become broad-based, economically accessible and more relevant to a new generation of travellers.

Over the past two decades, that belief has shaped our growth. We have built brands across segments, expanded through multiple operating models and created a platform that serves business and leisure travellers across India and select international markets. Each stage of our journey has made us more focused, more resilient and better prepared for the opportunities ahead.

FY 2025-26 marks an important moment in this evolution. Our operating strength and financial performance have given us the confidence to undertake the proposed Composite Scheme of Arrangement. This step is intended to create two distinct yet complementary businesses: an asset-heavy hotel ownership company and an asset-light management and franchising company, each with a clear strategic mandate and capital allocation framework.

For us, this is more than a change in structure. It is a way to give each company the clarity, capital discipline and strategic focus it needs to grow well over the next two decades and more.

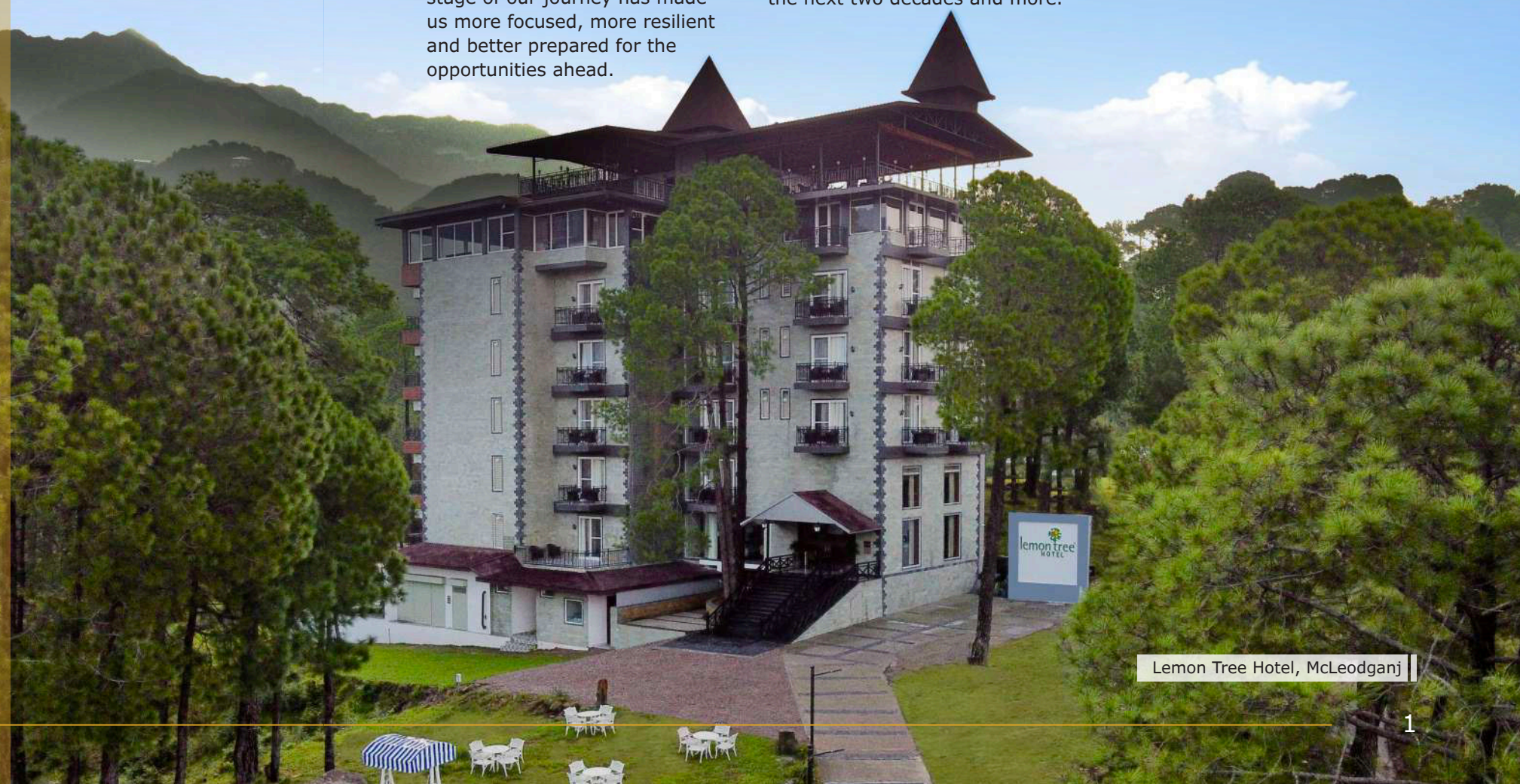
This is the thinking behind the theme of this year's report.

Growth means expanding with intention, not simply scale.

Leadership means making anticipatory choices that prepare us for the future.

Responsibility means ensuring that our progress continues to create value for our people, guests, shareholders, partners and communities.

As we move forward, we do so with the same belief that shaped our beginning: hospitality grows stronger when it is relevant, accessible and responsibly built.



Lemon Tree Hotel, McLeodganj

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Lemon Tree Premier, Tirupati



Lemon Tree Amarante Beach Resort, Goa

About the Report

We present the fifth Integrated Annual Report and sixth ESG disclosure of Lemon Tree Hotels Limited (hereafter also referred to as ‘Lemon Tree’, ‘Lemon Tree Hotels’, ‘LTH’, ‘Our Company’ or ‘We’). This FY 2025-26 Integrated Annual Report provides our shareholders and other stakeholders with an overview of our financial performance, ESG initiatives, key achievements, strategic priorities and outlook.

Reporting Period

1 April 2025 to 31 March 2026

Scope and Boundary

- 41 Owned Hotels
- 31 Managed Hotels

For a full list of the 72 hotels included, please see the annexure on page » 128

Precautionary Approach

We regularly review the Environment, Health and Safety (EHS) performance of our hotels to identify and address potential risks. This precautionary approach helps us minimise the environmental impact of our operations while strengthening EHS performance across our portfolio.

Responsibility Statement

To uphold our commitment to transparent and prudent corporate governance, this Report has been reviewed by the senior leadership and the Managing Director of the Company, ensuring accuracy, integrity and completeness of the facts and information presented herein.

Data Integrity

Data integrity underpins our Integrated Report, supporting the accuracy, reliability and transparency of the information we disclose. We follow structured processes for data collection and

analysis, supported by internal controls that promote consistency, comparability and completeness. Where relevant, we also disclose any limitations associated with the reported data.

Framework, Guidelines and Standards			
	<IR> Framework of International Financial Reporting Standards (IFRS) Foundation		Global Reporting Initiative (GRI) Standards 2021
	United Nations Sustainable Development Goals (SDGs)		Business Responsibility and Sustainability Reporting (BRSR) Core
	Securities and Exchange Board of India (SEBI) Regulations		Companies Act, 2013 and MCA Rules
	Institute of Chartered Accountants of India (ICAI) Standards		Institute of Company Secretaries of India (ICSI) Standards

Materiality

We identify our material issues through a materiality assessment and ongoing engagement with our stakeholders.

Read more on pages » 52-53

Our Capitals

-  Financial Capital
-  Manufactured Capital
-  Human Capital
-  Social and Relationship Capital
-  Intellectual Capital
-  Natural Capital

Our Stakeholders

-  Employees
-  Customers
-  Regulatory Bodies/ Government
-  Investors and Shareholders
-  Owners and Partners
-  Suppliers, Vendors and Contractors
-  Online Travel Agents (OTAs)/Portals
-  NGOs
-  Local Communities
-  Industry Associations
-  Media
-  Auditors
-  Bankers

External Assurance

External assurance for our ESG disclosures was provided by Felix Advisory Private Limited in accordance with the GRI Standards 2021 and the IFAC Code of Ethics. The assurance statement is included in this report and is available on page 130. Business performance information is based on our audited FY 2025-26 financial statements.

Feedback

For any questions or feedback about this report, please contact us at ESG@lemontreehotels.com

Registered Office

Lemon Tree Corporate Park, Urban Complex, Ullahawas, Sector 60, Gurugram, Haryana 122011

Corporate Office

Asset No. 6, Aerocity Hospitality District, New Delhi 110037
+91 11 4605 0101

sectdeptt@lemontreehotels.com
www.lemontreehotels.com

CIN No.:
L74899HR1992PLC140546



Lemon Tree Resort, Somnath

KEY PERFORMANCE HIGHLIGHTS

FY 2025-26 in Perspective



Strong Financials

₹ 1,452.7 Cr

Revenue

13% YoY

₹ 699.3 Cr

Net EBITDA

10% YoY

₹ 288.3 Cr

PAT

19% YoY

₹ 443.1 Cr

Cash Profit¹

16% YoY

¹Cash Profit = PAT + Depreciation + Provision for New Labour Code and Stock Appreciation Rights



Operational Excellence

₹ 169.7 Cr

Total Management Fees²

14% YoY

₹ 6,875

Gross ARR³

8% YoY

73.5%

Occupancy³

186 bps

₹ 5,055

RevPAR³

11% YoY



Environmental Stewardship

90,974.35 GJ

Total Renewable Energy Consumption⁴

35.74%

Reduction in GHG Emissions (Intensity-Based) over the FY19 Baseline³

100%

Certified Green Buildings (Owned/Leased Hotels)

9.77%

Reduction in Water Consumption (Intensity-Based) over the FY19 Baseline³

²These fees are without inter-company eliminations

³For 41 Owned/Leased hotels

⁴For 41 Owned/Leased hotels and 31 Managed hotels covered in the scope of this Integrated Annual Report



Social Commitment

12.60%

Women in the Workforce⁴

15.4%

ODIs in the Workforce⁴

1,12,123

Training Man Hours⁴

53.26%

Turnover Rate⁴

₹ 511 Lakhs

CSR Spend by Lemon Tree Hotels and its Subsidiary Companies



Responsible Governance

50%

Independent Directors on the Board

60%

Committees led by Independent Directors

10%

Women on the Board

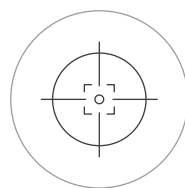
15.19%

Women's Participation in Senior Roles (KMPs and Senior Management)

ABOUT THE COMPANY

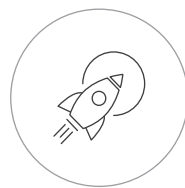
Hospitality with A Clear Purpose

Lemon Tree Hotels Limited is India's largest hotel chain in the mid-market, spanning the upper-midscale, midscale and economy segments and the third-largest overall by number of rooms. With a portfolio of brands designed for the needs of business and leisure travellers, we combine quality service, operating efficiency and value-led offerings to deliver a consistent guest experience across our network.



Vision

Lemon Tree Hotels shall be the largest and most preferred Indian chain of upper-upscale, upscale, upper-midscale, midscale and economy hotels and resorts.



Mission

We shall be committed to:

- Ensuring the well-being and self-worth of our colleagues, who are of the utmost importance to us
- Contributing to the community we live in and to India in general
- Delighting our guests, whose comfort, safety, security and well-being are our main reason for being
- Rewarding our stakeholders, whose trust motivates us to excel further
- Protecting the environment
- Maximising the efficiency of our processes, to enable us to be the most cost-effective brand offering the greatest value, which our customers have every right to expect



Core Values

H
A
S

Health and Safety

We will always focus on ensuring the health, safety, security and well-being of all our stakeholders, including the communities within which we operate our business.



Teamwork

We recognise that superlative performance is always the result of teamwork.



Ownership

We always take responsibility for our actions.

T
OR
I
S
E

Respect and Empathy

We always exhibit respect and concern for colleagues, guests and partners.



Integrity

We always maintain the highest standards of fairness and transparency in all our dealings.



Spirited Fun

We create an exciting and spirited work environment, encouraging our colleagues to think freely.



Excellence

We always drive excellence in what we do.

Delivering Meaningful Guest Experiences

Every stay is shaped by the details that matter: attentive service, safe and comfortable spaces and clear operating standards. Together, these help us deliver a consistent guest experience across our portfolio.

Our people bring this commitment to life. Through continuous learning and a culture of accountability, collaboration and respect, we enable our teams to understand guest needs and serve with care. We also continue to invest in technology, property upgrades and operating improvements, including digital guest touchpoints, to make each stay more convenient and efficient.

Our Infinity Rewards loyalty programme strengthens this relationship further. With personalised benefits and experiences, it encourages repeat engagement and deepens the value we create for our guests.

Lemon Tree Resort, Kumbhalgarh

Celebrating Two Decades. Building the Future.

2026#

- 22K+ rooms*
- 260+ hotels**
- 160+ destinations

2025#

- 17K+ rooms*
- 210+ hotels**
- 130+ destinations

2023#

- 12K+ rooms*
- 150+ hotels**
- Operationalised Aurika, Mumbai Skycity on 5 October; largest hotel in India by number of rooms

2010



- Launched Lemon Tree Premier brand

2018

- Lemon Tree Hotels IPO
- Opened the 50th hotel

2019



- Launched Aurika Hotels & Resorts brand
- Acquired Keys Hotels
- Expanded Lemon Tree Hotels internationally with Lemon Tree Hotel, Dubai
- Opened the 75th hotel

2009



- Launched Red Fox by Lemon Tree Hotels brand
- Opened the 10th hotel

2004

- 49 rooms
- 1 hotel
- 1 destination

2002



- Company founded



Lemon Tree Premier, Bhubaneswar

*Rooms = Operational Rooms + Rooms in Pipeline
 **Hotels = Operational Hotels + Hotels in Pipeline
 *As on 31 March of the year shown in the chart

A Compelling Investment Opportunity



Distinct Portfolio of Brands, Operating Pan India

Largest mid to upscale hotel chain with **~6% of the total branded inventory in India** and segment disruptor in the mid-market segment.



Rapidly Growing and Highly Capital Efficient Business Model

~12,000 rooms operationalised in 20+ years, industry-leading profitability driven by process efficiencies.



Strong Commercial Engine Driving Superior Outcomes for Hotel Owners

Through higher occupancy, RevPAR growth, loyalty-led demand and industry-leading EBITDA margins.



Significant Growth Profile

Owned/Leased and Managed/Franchised hotels pipeline of ~11,000 rooms; opportunity to consolidate India's unbranded mid-market inventory.



Across the Hospitality Value Chain

Presence across ownership, leasing, management and franchising.
131 total operating hotels across owned/leased and managed/franchised properties.

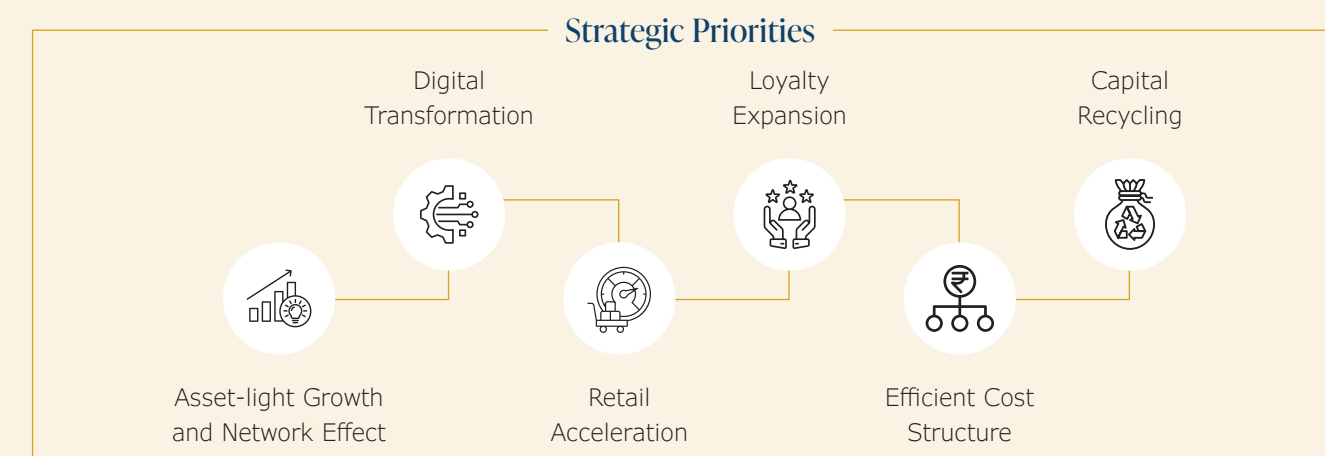


Investing in Sustainable Growth

Strategic investments to advance our ESG priorities.
₹ 1,765.96 Lakhs invested in sustainable development.

Our Strategy

Our Lemon Tree 2.0 strategy sets out the priorities that will guide our growth over the next five years. Built around operational excellence, digital transformation, asset-light expansion and ESG integration, it is designed to strengthen our fundamentals, improve financial performance and reinforce our position in India's mid-market hospitality sector.



Our ESG parameters form the basis for establishing and executing these levers.

Read more on pages » 42-45

OUR PORTFOLIO

A Portfolio Designed for Every Stay

Our brand portfolio is designed to serve a wide spectrum of travel needs, from efficient business stays to exclusive leisure experiences. Across economy, midscale, upper-midscale and upscale hotels, each brand has a clear role, allowing us to match the right product to the right guest, location and occasion. Inventory as on 31 March 2026 is presented below.

Aurika Hotels & Resorts

Aurika Hotels & Resorts brings together contemporary design, warm service and a strong sense of local culture. Each hotel reflects its destination through considered spaces, distinctive dining, wellness offerings and the flexibility to work, relax or unwind. With comfort, ease and unusual experiences at its core, Aurika is designed for stays that feel personal, distinctive and quietly memorable.

Operational		Pipeline	
2 Hotels	808 Rooms	8 Hotels	1,374 Rooms



Lemon Tree Premier

Lemon Tree Premier offers an elevated expression of the Lemon Tree experience, with the same fresh, vibrant character in an upgraded setting. Designed for business and leisure travellers, the brand brings together spacious interiors, well-appointed rooms, modern amenities and personalised service. Guests can enjoy the best in dining, a refreshing swimming pool, an energising fitness centre and a rejuvenating spa experience. These hotels offer well-equipped meeting spaces and business facilities that make work and travel feel seamless.

Operational		Pipeline	
24 Hotels	2,984 Rooms	14 Hotels	1,651 Rooms



Our Brands















Keys Prima by Lemon Tree Hotels

Keys Prima offers stylish, premium stays shaped by comfort, convenience and personalised service. Designed for business and leisure travellers, the brand brings together well-appointed rooms, thoughtfully curated amenities and warm, welcoming spaces. With dining options, spa and salon services and swimming pool facilities, Keys Prima creates an easy, comfortable stay supported by attentive service at every touchpoint.

Operational		Pipeline	
4 Hotels	231 Rooms	8 Hotels	538 Rooms



Lemon Tree Hotels

Lemon Tree Hotels are the only midscale hotels that uplift your spirits at the end of a long day. Like the fruit they are named after, Lemon Tree Hotels are fresh, cool and sparkling with zest. Cheery greetings, friendly smiles and a whiff of the signature lemon fragrance welcome you at every Lemon Tree Hotel.

These hotels refresh you with their witty humour, bright interiors and spirited environment. What's more, the professional service ensures all your needs are promptly met. Lemon Tree's 'close to home' comfort helps you unwind with its smart in-room amenities, vibrant café, recreation bar, pool and fitness centre. All this, at an unbeatable value.

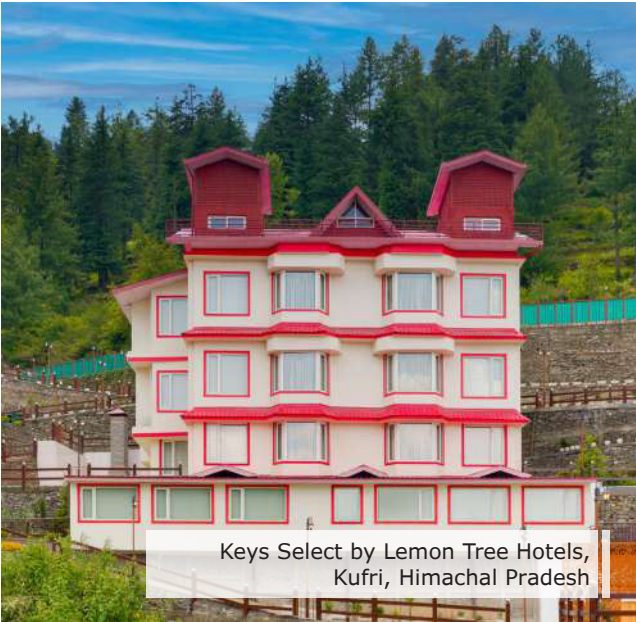
Operational		Pipeline	
72 Hotels	5,192 Rooms	71 Hotels	5,316 Rooms



Keys Select by Lemon Tree Hotels

Keys Select offers contemporary midscale stays designed for comfort, ease and reliability. Created for business and leisure travellers, the brand brings together relaxing rooms, practical business facilities, warm hospitality and a hassle-free atmosphere to make every stay convenient and comfortable.

Operational		Pipeline	
12 Hotels	1,231 Rooms	22 Hotels	1,308 Rooms



Red Fox by Lemon Tree Hotels

Red Fox by Lemon Tree Hotels offers smart, value-for-money accommodation for business and leisure travellers. Bright interiors, comfortable rooms and practical amenities, including high-speed Wi-Fi, meeting spaces, a fitness centre, laundry services and a casual dining café, make each stay easy and efficient.

With a friendly, relaxed atmosphere and dependable service, Red Fox delivers the essentials of a comfortable stay at the right price point.

Operational		Pipeline	
9 Hotels	1,003 Rooms	1 Hotels	50 Rooms



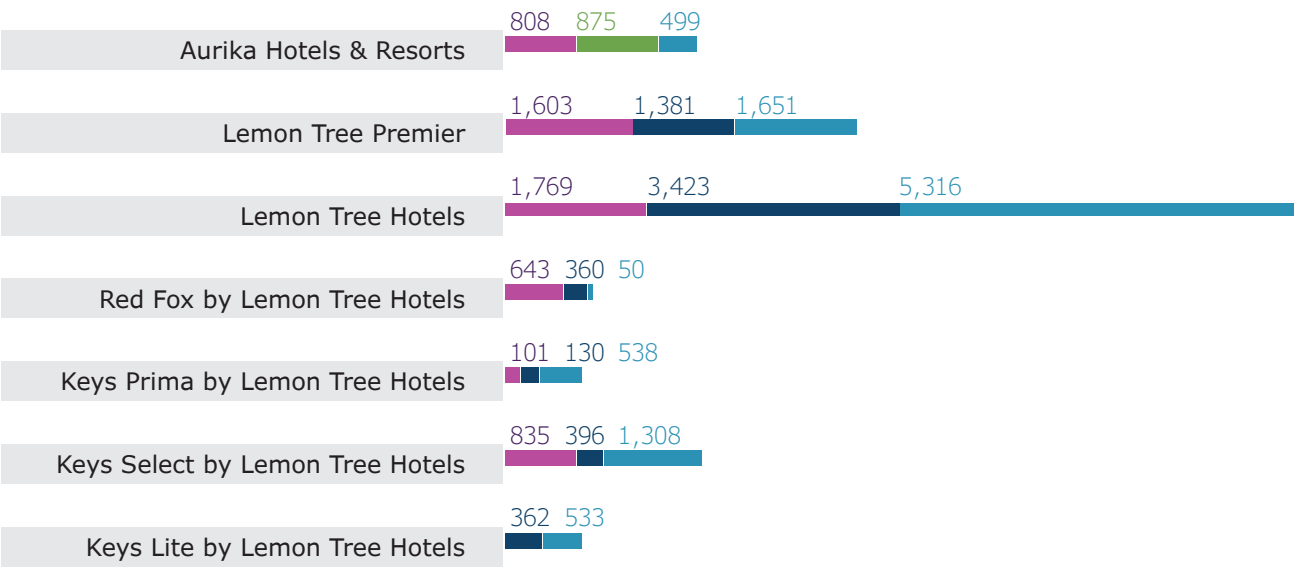
Keys Lite by Lemon Tree Hotels

Keys Lite is our value-focused brand, designed for travellers who want a smart, simple and comfortable stay. With clean rooms, essential amenities, dining options and a strong focus on safety and convenience, the brand offers everything guests need without excess. Whether for work or leisure, Keys Lite delivers a reliable stay at an accessible price point.

Operational		Pipeline	
8 Hotels	362 Rooms	13 Hotels	533 Rooms



Total Rooms by Inventory Type



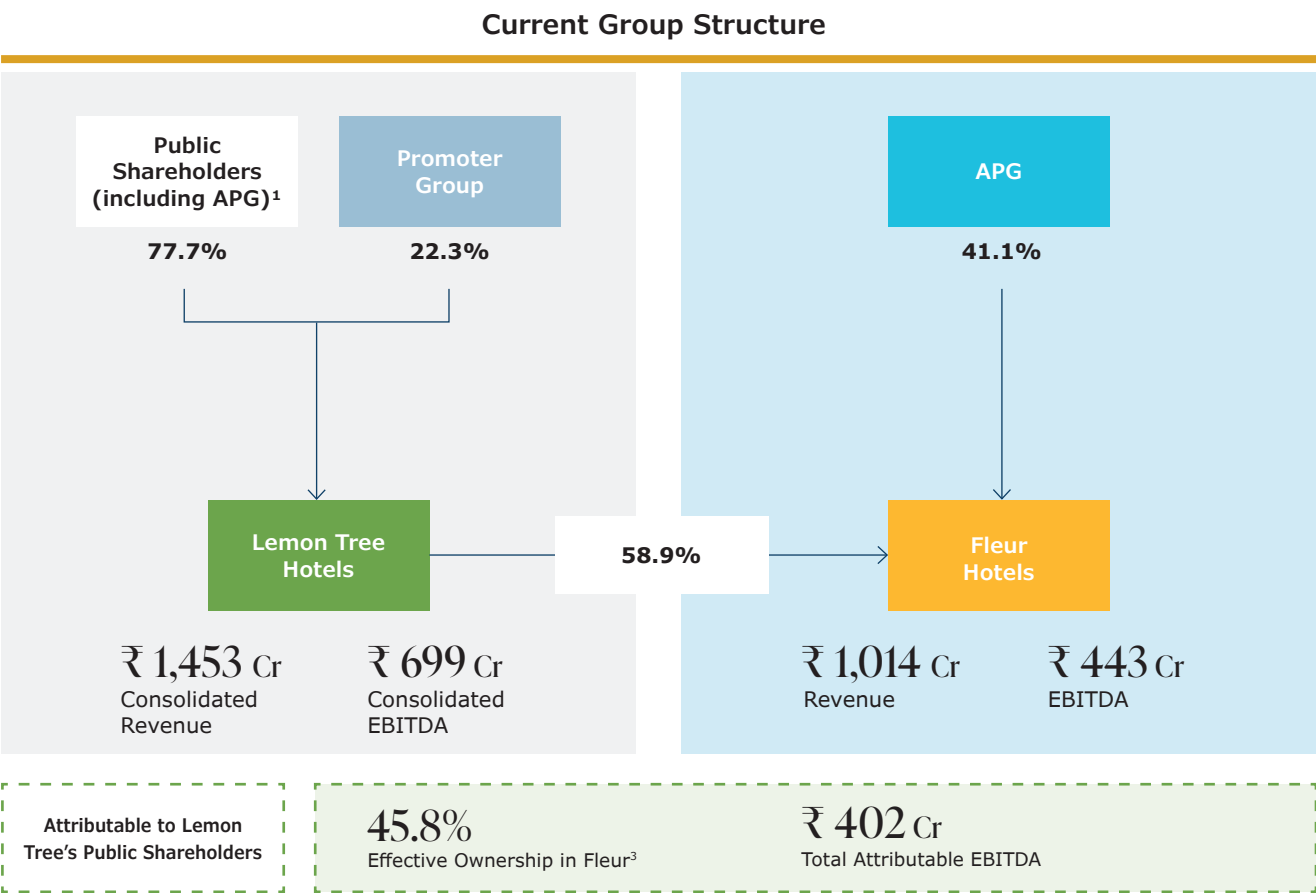
- Operational Owned/Leased
- Operational Managed/Franchised
- Pipeline Owned/Leased
- Pipeline Managed/Franchised

Unlocking Value through Strategic Reorganisation

During FY 2025-26, our Board of Directors approved a Composite Scheme of Arrangement to reshape our corporate and hotel ownership structure. The proposed reorganisation is intended to create two clearly defined businesses, each with its own operating model, capital needs and path to growth.

Group Structure Pre- and Post-Scheme

Restructuring is value-accretive for public shareholders: Effective ownership in Fleur increases from 45.8% to 57.5%; Total Attributable EBITDA increases by 8%+ post-scheme



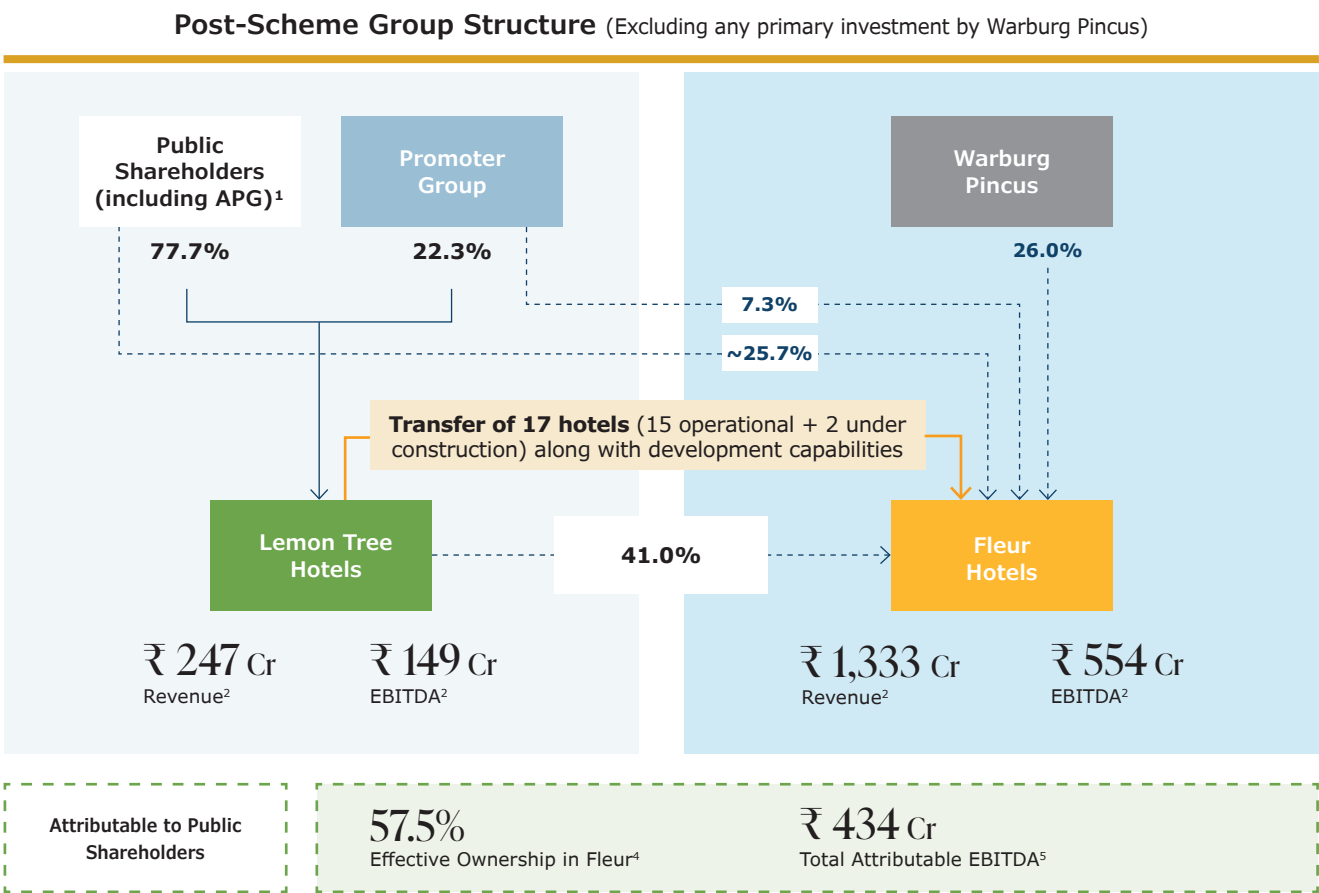
Notes:
¹Including APG's stake of 4.94%
²Based on FY26 Pro-forma Financials
³45.8% effective stake via LTH, derived as 77.7% * 58.9%

Under this scheme, Lemon Tree Hotels Limited will transition into a pure-play, high-margin, asset-light brand and management company. Concurrently, Fleur Hotels Limited (material subsidiary of the Company) will be established as a dedicated, large-scale hotel ownership and development company, backed by a primary capital infusion from Warburg Pincus and positioned for an independent public listing. By separating the two companies, we optimise capital allocation, sharpen operational focus and unlock clear, long-term intrinsic value for all stakeholders.

Key Elements of the Proposed Restructuring

The proposed restructuring involves three steps:

- Warburg Pincus to acquire APG's entire 41.09% stake in Fleur Hotels Limited. Subsequent to year ended 31 March 2026, on 22 May 2026, Warburg has acquired APG's entire stake of 41.09% in Fleur Hotels Limited
- Lemon Tree Hotels Limited will transfer 17 hotels (15 operational and 2 under construction), along with its development capabilities, to Fleur Hotels Limited post 31 March 2026. In consideration, Fleur will issue new equity shares to Lemon Tree Hotels Limited and its shareholders
- Upon completion of the Scheme and the receipt of the necessary approvals, Fleur Hotels Limited is proposed to be listed as an independent company



Notes:
⁴25.6% held directly + additional 31.9% effective stake through LTH, derived as 77.7% * 41%
⁵Total = EBITDA through direct stake in Fleur of 25.6%: ₹ 142 Cr + EBITDA through indirect stake in Fleur of 31.9%: ₹ 177 Cr + Attributable EBITDA through direct stake in Lemon Tree of 77.7%: ₹ 116 Cr

Benefits of Restructuring



Dedicated Leadership at Each Company

Dedicated management focus for both companies

Fleur Hotels will be led by Mr. Saurabh Shatdal as Managing Director & CEO, supported by Mr. Mayank Sharma, CFO and a dedicated management team. Mr. Patanjali Govind Keswani will serve as Executive Director & Chairman of Fleur Hotels, providing strategic oversight to the business.

Lemon Tree Hotels will be led by Mr. Neelendra Singh, Managing Director, supported by Mr. Kapil Sharma, Executive Director & CFO and an experienced senior leadership team.

This leadership structure is designed to ensure continuity, accountability and focused execution across both companies.



Enhanced Capital Efficiency and Funding for Growth

Capital structure aligned for each business model

Fleur funds asset ownership and development with a new equity line from Warburg, while Lemon Tree operates as an asset-light company



Strategic Flexibility

Creates strategic flexibility for future partnerships

No exclusivity among the companies; long-term management agreement and ownership stake align interests



Improved Valuation Transparency

Enables the market to apply appropriate peer benchmarks rather than a blended multiple

Synergies Driving Value Creation

How Lemon Tree Benefits

By Driving Asset-light, Scalable Growth Across Hotel Owners

- Operator of choice for hotel owners across brands
- Meaningful ownership stake of ~41% ensures alignment in Fleur’s success and pipeline development
- Long-term management agreement with Fleur, allows contractually-anchored growing fee-income visibility
- Lemon Tree to expand management contracts across sub-segments and Tier I/II/III markets

How Fleur Benefits

Expansion Flexibility, While Having a Reliable Management Partner

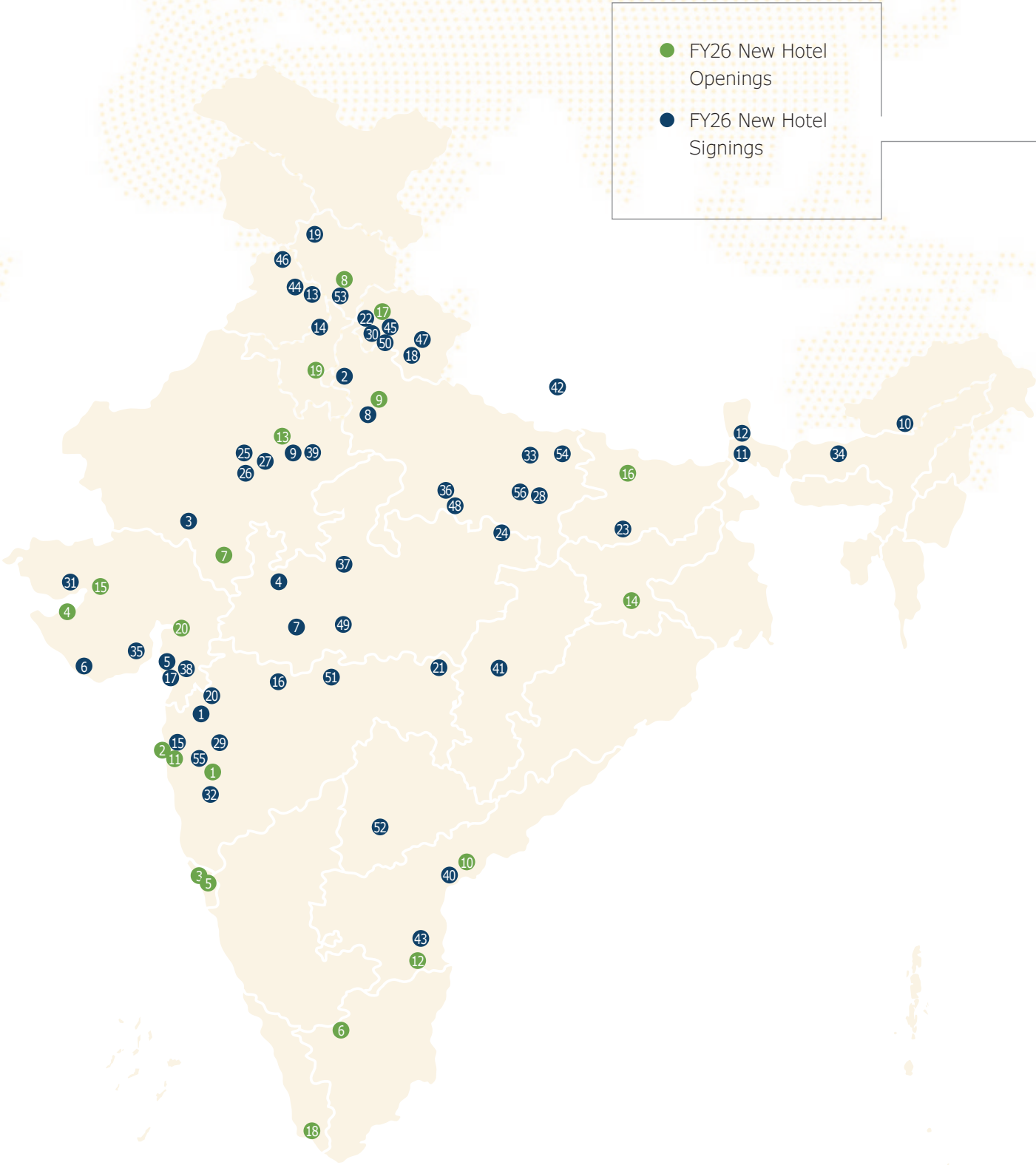
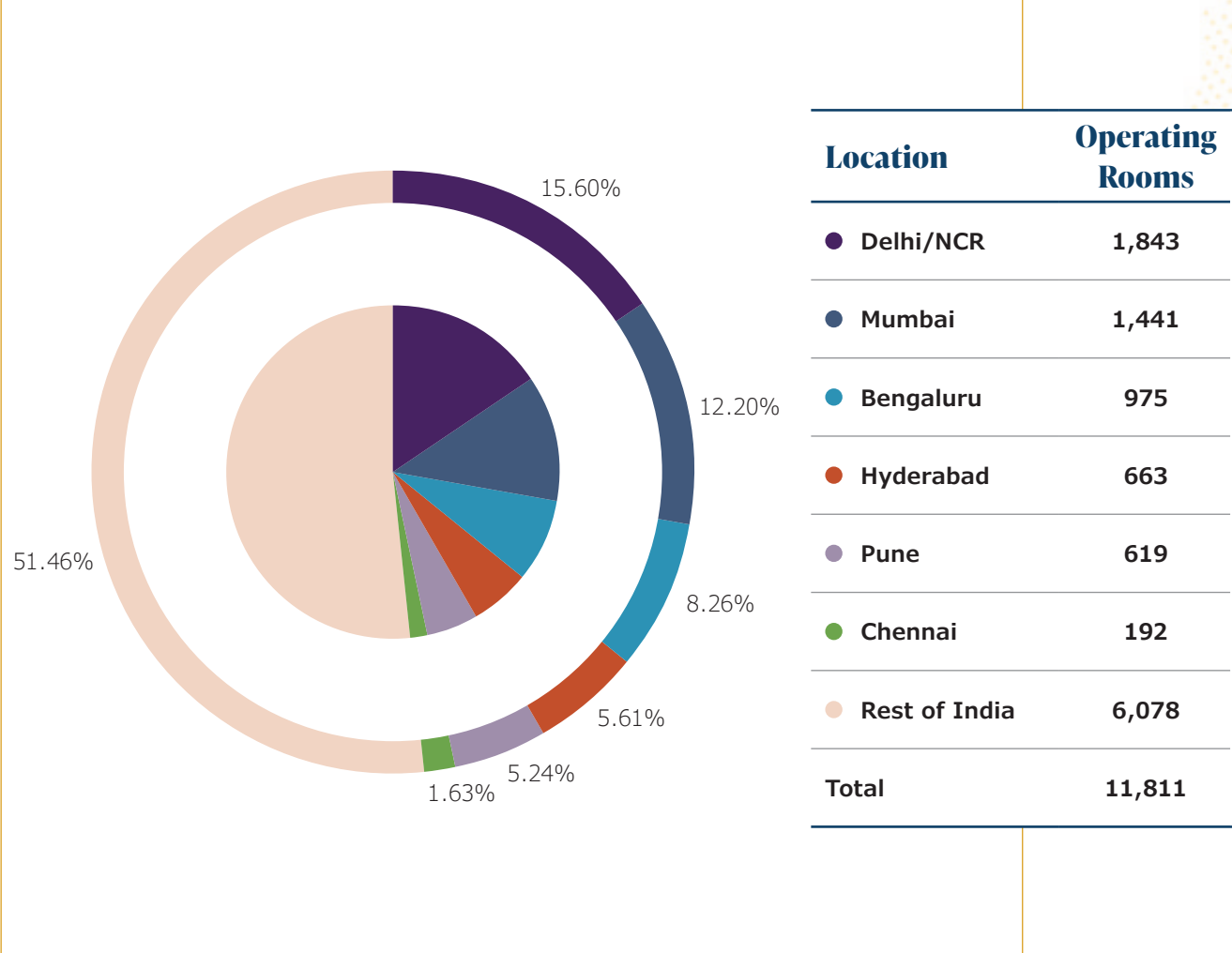
- Flexibility to partner with leading hospitality brands such as Lemon Tree as well as other operators, across domestic and international opportunities
- Fleur is the exclusive development partner for any owned hotel opportunities originating within the Lemon Tree Group and will be free to pursue third-party deals, M&A and partnerships
- Predictable management partnership with Lemon Tree, accelerates underwriting for new projects
- In-house development team with proven track record in sourcing, evaluating and executing new hotel projects

PRESENCE

A Network with Reach and Relevance

Our growth is shaped by where travellers are going and how markets are changing. With a diversified portfolio across established cities, emerging destinations and neighbouring international markets, we continue to expand through strategic partnerships and a strategic growth model built for long-term relevance.

Geographic Distribution of Operating Rooms



This map is a generalised illustration for ease of understanding and is not intended for reference. The depiction of political boundaries and geographical names may not reflect actual positions. The Company and its directors, officers or employees accept no responsibility for any use, misuse or interpretation of the information and make no representation regarding its accuracy or completeness.

FY26 New Hotel Openings

Sr. No.	Hotel Name	City	State	Country	Rooms
1	Lemon Tree Hotel	Pune	Maharashtra	India	117
2	Lemon Tree Hotel, Mira Road	Mumbai	Maharashtra	India	108
3	Lemon Tree Hotel	Anjuna	Goa	India	51
4	Lemon Tree Hotel	Jamnagar	Gujarat	India	60
5	Lemon Tree Hotel	Arpora	Goa	India	56
6	Lemon Tree Hotel	Erode	Tamil Nadu	India	65
7	Keys Lite by Lemon Tree Hotels	Banswara	Rajasthan	India	54
8	Keys Select by Lemon Tree Hotels	Kufri	Himachal Pradesh	India	49
9	Lemon Tree Hotel	Chandausi	Uttar Pradesh	India	61
10	Keys Lite by Lemon Tree Hotels	Vijayawada	Andhra Pradesh	India	44
11	Lemon Tree Premier	Navi Mumbai	Maharashtra	India	67
12	Lemon Tree Premier	Tirupati	Andhra Pradesh	India	111
13	Keys Lite by Lemon Tree Hotels	Jaipur	Rajasthan	India	50
14	Lemon Tree Hotel	Ranchi	Jharkhand	India	45
15	Lemon Tree Hotel	Morbi	Gujarat	India	69
16	Lemon Tree Hotel	Motihari	Bihar	India	50
17	Lemon Tree Hotel, Mall of Dehradun	Dehradun	Uttarakhand	India	98
18	Lemon Tree Premier	Thiruvananthapuram	Kerala	India	80
19	Lemon Tree Suites	Gurugram	Haryana	India	246
20	Keys Select by Lemon Tree Hotels	Vadodara	Gujarat	India	42
	Total				1,523

FY26 New Hotel Signings

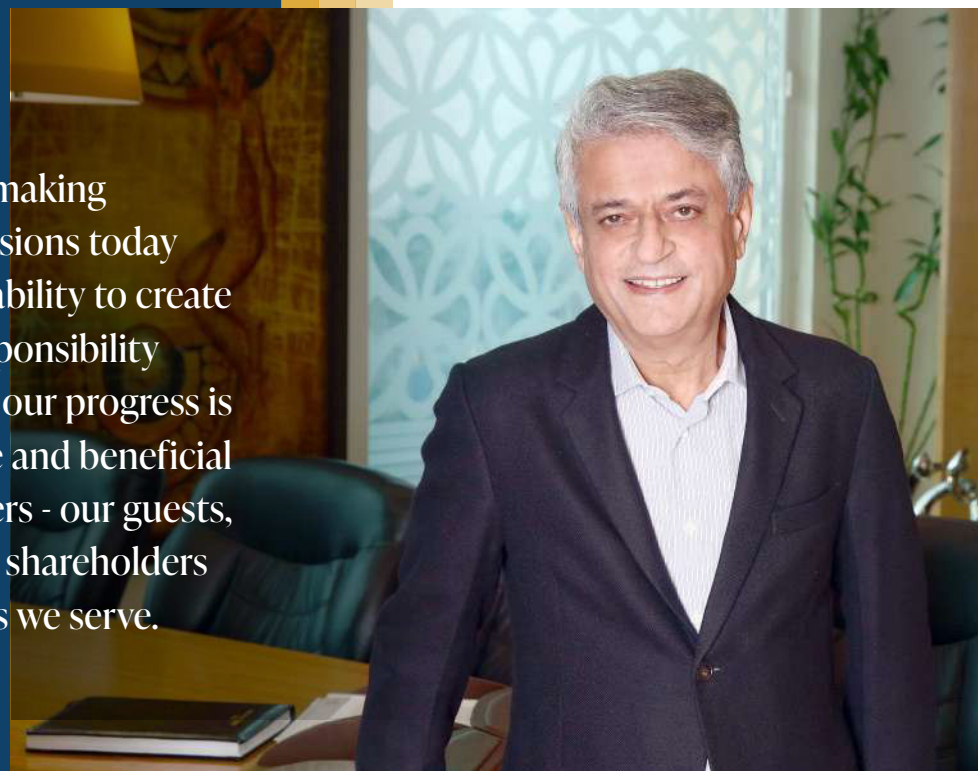
Sr. No.	Hotel Name	City	State	Country	Rooms
1	Lemon Tree Suites	Nashik	Maharashtra	India	135
2	Lemon Tree Suites	Greater Noida	Uttar Pradesh	India	336
3	Lemon Tree Resort	Mori Bera	Rajasthan	India	17
4	Lemon Tree Resort	Limbodagari	Madhya Pradesh	India	60
5	Lemon Tree Premier	Surat	Gujarat	India	108
6	Lemon Tree Premier	Somnath	Gujarat	India	70
7	Lemon Tree Premier	Mhow	Madhya Pradesh	India	72
8	Lemon Tree Hotel	Vrindavan	Uttar Pradesh	India	120
9	Lemon Tree Hotel	Jaipur	Rajasthan	India	66
10	Lemon Tree Hotel	Itanagar	Arunachal Pradesh	India	70
11	Keys Select by Lemon Tree Hotels	Siliguri	West Bengal	India	63
12	Keys Prima by Lemon Tree Hotels	Darjeeling	West Bengal	India	65
13	Keys Lite by Lemon Tree Hotels	Kharar	Punjab	India	47
14	Keys Lite by Lemon Tree Hotels	Ambala	Haryana	India	44
15	Lemon Tree Premier	Navi Mumbai	Maharashtra	India	67
16	Lemon Tree Hotel	Jalgaon	Maharashtra	India	100
17	Lemon Tree Hotel	Surat	Gujarat	India	85
18	Lemon Tree Hotel	Rudrapur	Uttarakhand	India	84

Sr. No.	Hotel Name	City	State	Country	Rooms
19	Lemon Tree Resort	Dalhousie	Himachal Pradesh	India	75
20	Keys Select by Lemon Tree Hotels, Mhasrul	Nashik	Maharashtra	India	50
21	Lemon Tree Resort	Pench	Maharashtra	India	60
22	Lemon Tree Hotel, Mall of Dehradun	Dehradun	Uttarakhand	India	98
23	Lemon Tree Hotel	Gaya	Bihar	India	56
24	Keys Select by Lemon Tree Hotels	Rewa	Madhya Pradesh	India	50
25	Lemon Tree Premier	Pushkar	Rajasthan	India	96
26	Lemon Tree Premier	Ajmer	Rajasthan	India	78
27	Keys Lite by Lemon Tree Hotels	Ajmer	Rajasthan	India	31
28	Keys Prima by Lemon Tree Hotels	Varanasi	Uttar Pradesh	India	153
29	Keys Prima by Lemon Tree Hotels, Saj by the Lake	Malshej Ghat	Maharashtra	India	55
30	Keys Select by Lemon Tree Hotels	Haridwar	Uttarakhand	India	52
31	Lemon Tree Hotel	Gandhi Dham	Gujarat	India	54
32	Lemon Tree Resort, Saj by the Mountain	Mahabaleshwar	Maharashtra	India	78
33	Lemon Tree Premier	Ayodhya	Uttar Pradesh	India	300
34	Lemon Tree Premier	Guwahati	Assam	India	350
35	Lemon Tree Hotel	Bhavnagar	Gujarat	India	70
36	Keys Select by Lemon Tree Hotels	Mahoba	Uttar Pradesh	India	52
37	Keys Select by Lemon Tree Hotels	Bhopal	Madhya Pradesh	India	50
38	Lemon Tree Hotel, Surat Airport	Surat	Gujarat	India	110
39	Lemon Tree Hotel, Pacific Mall	Jaipur	Rajasthan	India	124
40	Lemon Tree Resort	Bapatla	Andhra Pradesh	India	90
41	Lemon Tree Hotel	Bhilai	Chhattisgarh	India	72
42	Lemon Tree Hotel	Bandipur	Tanahun	Nepal	80
43	Lemon Tree Suites	Tirupati	Andhra Pradesh	India	228
44	Keys Lite by Lemon Tree Hotels, Kurali	Kharar	Punjab	India	38
45	Keys Prima by Lemon Tree Hotels	Haridwar	Uttarakhand	India	60
46	Keys Lite by Lemon Tree Hotels	Kartarpur	Punjab	India	47
47	Keys Select by Lemon Tree Hotels	Khurpatal	Uttarakhand	India	120
48	Keys Select by Lemon Tree Hotels	Chitrakoot	Uttar Pradesh	India	48
49	Lemon Tree Premier	Omkareshwar	Madhya Pradesh	India	85
50	Lemon Tree Hotel	Najibabad	Uttar Pradesh	India	100
51	Keys Prima by Lemon Tree Hotels	Akola	Maharashtra	India	55
52	Lemon Tree Hotel, Rajendra Nagar	Hyderabad	Telangana	India	63
53	Lemon Tree Hotel	Barog	Himachal Pradesh	India	49
54	Lemon Tree Hotel	Gorakhpur	Uttar Pradesh	India	76
55	Lemon Tree Resort	Lonavala	Maharashtra	India	50
56	Aurika Hotels & Resorts, Balaji Ghat (owned)	Varanasi	Uttar Pradesh	India	47
	Total				4,959

Leading the Company into the Next Phase of Growth

“

Leadership is about making forward-looking decisions today that strengthen our ability to create value tomorrow. Responsibility means ensuring that our progress is sustainable, inclusive and beneficial for all our stakeholders - our guests, employees, partners, shareholders and the communities we serve.



₹ 1,452.7 Cr

Revenue

13% YoY

₹ 288.3 Cr

Profit After Tax (PAT)

19% YoY

Dear Stakeholders,

It gives me great pleasure to present the Integrated Annual Report for FY 2025-26. It was a defining year for Lemon Tree Hotels. We delivered our strongest ever full-year performance across key operating and financial parameters. We announced a Composite Scheme of Arrangement that is designed to prepare our hotel ownership and hotel management + brand companies for the next phase of growth. During the year, we also accelerated our asset-light expansion and continued to invest in technology, sustainability, operational capabilities and leadership in order to support our future growth.



Over the past two decades, Lemon Tree Hotels has evolved into India's leading branded hospitality company in the mid-priced segment. For us, growth is not merely about increasing scale - it is about expanding with purpose and discipline. Leadership is about making forward-looking decisions today that strengthen our ability to create value tomorrow. Responsibility means ensuring that our progress is sustainable, inclusive and beneficial for all our stakeholders - our guests, employees, partners, shareholders and the communities we serve.

India's Hospitality Growth Story

India's hospitality industry has entered a new phase of structural growth, driven by resilient domestic demand, expanding infrastructure and evolving travel preferences. The mid-priced hotel segment is uniquely positioned at the sweet spot of this growth trajectory, benefiting from a rapidly expanding middle class, rising disposable incomes and an increasing preference for branded, standardized experiences across Tier I, II, III, IV cities. As value-conscious corporate and leisure travellers actively seek quality accommodations at accessible price points, the mid-market segment is projected to outperform the broader industry in supply expansion, room demand and occupancy gains over the coming decade.

Demonstrating strong operational resilience and sustained pricing power, the market maintained healthy occupancy levels of 63-65%, with Average Room Rates (ARRs) strengthening to ₹ 8,500-₹ 8,700 and RevPAR growing by 10-12% year-on-year⁵. These robust numbers reflect high consumer demand for hotels across segments, driven by rising affordability, faster corporate travel recovery

and a structural shift toward branded stays over unorganized alternatives. The numbers point to significant, scalable growth potential going forward. At the same time, hotel development momentum remains strong with over 64,000 branded hotel keys signed across 586 properties, highlighting investor confidence in India's long-term hospitality story⁵.

Travel demand is also becoming increasingly diverse. Destination weddings, religious/spiritual tourism, live performances and shows, MICE events and experiential leisure travel are emerging as significant demand drivers, while branded hospitality continues to expand beyond metropolitan cities into Tier II, III and Tier IV markets. At Lemon Tree Hotels, we remain focused on strengthening our presence across high-potential destinations, delivering memorable guest experiences and creating sustainable value as India's hospitality landscape continues to evolve.

A Transformational Step towards the Future

FY 2025-26 was also one of the most defining years in our strategic evolution. We announced a Composite Scheme of Arrangement - the proposed reorganisation will result in two distinct, well-capitalised companies - Lemon Tree Hotels as a pure-play asset-light company focused on offering hotel management, brand and loyalty, distribution and digital services. Fleur Hotels as a large-scale growth-oriented hotel ownership/leasing company with end-to-end in-house development capabilities and a potentially large pipeline with a significant pool of available capital. Each company will have its own management team, capital structure, governance and growth priorities, while continuing to benefit from long-term operating arrangements

and strategic alignment. We view this not as a culmination, but as the beginning of the next chapter in Lemon Tree's journey.

Over the past decade, we have built a unique hospitality ecosystem spanning ownership, development, management and franchising. As the business has scaled, it has become clear that these companies have different capital requirements and growth trajectories. Allowing each to follow its own strategic roadmap, while continuing to draw on the strength of the Lemon Tree brand, is the natural next step in our evolution. This is also completely in line with how mature hospitality markets have developed globally. The structure has been designed to ensure our shareholders continue to participate in the growth and value creation of both companies. The scheme has already achieved important regulatory milestones and we remain committed to executing it with the same discipline and transparency that has guided Lemon Tree's journey since inception.

This demerger will enhance operational focus, improve capital efficiency and enable each business to pursue its growth ambitions independently while unlocking greater long-term value. Importantly, our existing shareholders will continue to participate directly in the future growth and value creation of both companies. A significant milestone in this journey has been the induction of Warburg Pincus as a strategic investor and long-term capital partner for Fleur Hotels, reinforcing confidence in the strength of our vision and the quality of our asset company.

⁵India Hospitality Industry Overview 2025, HVS Anarock

Delivering Another Year of Growth

Our strategic momentum was matched by another record year of operational and financial growth. From a leadership perspective, we evaluate our performance not merely by top-line expansion, but by the quality, predictability and sustainability of our cash flows. Total revenue grew 13% year-on-year to ₹ 1,452.7 Crores, driven by structural operating leverage as our mature inventory operated at a record 73.5%⁶ occupancy with Gross ARR of ₹ 6,875⁶. Net EBITDA rose 10% to ₹ 699.3 Crores, Profit After Tax expanded 19% to ₹ 288.3 Crores and Cash Profit grew 16% to ₹ 443.1 Crores. Crucially, we converted this operational cash flow into balance sheet resilience, deleveraging total debt to ₹ 1,500 Crores while reducing our weighted average cost of debt by 115 basis points to 7.42%. Meanwhile, our transition toward a capital-light model gathered momentum as we operationalised 20 managed and franchised properties and signed 56 new hotel contracts, expanding our total hotel inventory to 268 hotels and 22,581 rooms across more than 160 cities, driving a 14% increase in management fee income to ₹ 169.7 Crores.

In FY26, our margins were impacted by 580 basis points due to a significant step-up in renovation expenditure as we invest in upgrading our owned hotel portfolio, investments in technology and the GST-related change that came into effect during the year, which only had a half-year impact in FY26 and will have a full-year impact going forward. This GST impact will decrease year-on-year as the numbers of customers paying a rate below ₹ 7,500 keeps reducing in the medium term, with our price hikes/ARR growth. Additionally, nearly all our hotel ownership future supply is being

planned under the upscale Aurika brand which remains largely unaffected by this change. We expect all these 3 expense heads to reduce to ~3.7% of revenue by FY 2027-28 and beyond, leading to corresponding expansion in EBITDA margins.

Lemon Tree 2.0: The Next Phase

Lemon Tree 2.0 represents the next phase of our strategic evolution, focused on building a high-margin, capital-efficient hospitality company designed for scalable growth. With Lemon Tree Hotels evolving into a debt-free asset-light hotel management company and Fleur Hotels serving as a well-capitalised asset ownership and development company, our business model is increasingly anchored in management contracts and franchising, which now account for over 75% of our portfolio by hotel count. This strategic transition enabled us to achieve our CY 2028 expansion milestone nearly two years ahead of schedule, ending March 2026 with a combined portfolio of 268 operational and signed hotels comprising 22,581 rooms.

We have also put in place a well-considered leadership transition designed to ensure continuity while positioning the Company for the next growth stage. Effective 1 October 2025, I continue as Chairman & Executive Director, focusing on strategic oversight, governance, the continued expansion of our asset-light business and ensuring a seamless transition of executive responsibilities. Neelendra Singh has been appointed as Managing Director and leads the Company’s day-to-day operations and business functions. Bringing over 26 years of leadership experience across retail, consumer and hospitality-adjacent sectors, he is well positioned to drive

execution of our long-term growth strategy. Kapil Sharma has been elevated to the Board as Executive Director & Chief Financial Officer. Having been an integral part of Lemon Tree Hotels since 2004, Kapil has played a pivotal role in our capital raising, mergers and acquisitions, project financing and public listing. In his expanded role, he continues to oversee finance, strategy, technology, legal, secretarial and procurement functions. Together, this leadership team provides the continuity, governance and execution capabilities required to accelerate Lemon Tree 2.0.

Within India, the opportunity remains significant, with an estimated 2.3 million rooms operating in the largely unbranded hotel market⁷. We are favourably situated to capture this opportunity through a disciplined conversion strategy. Our Keys brand serves as a flexible soft-brand, enabling independent hotel owners to access Lemon Tree’s brand, distribution network, technology ecosystem, operating standards and loyalty programme while requiring minimal incremental capital investment. This approach allows us to expand efficiently across Tier II, Tier III and Tier IV markets, strengthening our geographic presence while generating a growing stream of high-margin, recurring fee income.

As we expand our footprint, we are equally committed to strengthening the digital and operational capabilities that underpin long-term, sustainable growth. Rather than treating technology, retail and loyalty as standalone initiatives, we have brought them together within a unified ecosystem. Anchored by our loyalty programme, Infinity Rewards and our technology

⁶For 41 Owned/Leased hotels
⁷Redseer Management Consulting



platform, Totally Foxed Solutions, this ecosystem enhances guest engagement, increases direct bookings, lowers customer acquisition costs and strengthens customer lifetime value.

Our investments in AI-enabled revenue management, intelligent sales solutions and enterprise-wide automation are enhancing pricing agility, improving operating efficiency and enabling faster, data-driven decision making across the business. At the same time, the continued expansion of our retail offerings, seamlessly integrated with our growing loyalty platform, is creating a richer customer experience across multiple touchpoints. This connected ecosystem supports the creation of a more resilient, predictable and recurring revenue stream for the business.

Strengthening Our ESG Performance

Sustainability remains a core pillar of Lemon Tree 2.0 and is embedded across every stage of our operations. During FY 2025-26, we strengthened our ESG commitment by translating our priorities into measurable outcomes through robust Board oversight, an empowered ESG Taskforce and active engagement across the organisation.

Our environmental agenda is anchored in the belief that responsible resource management strengthens both business performance and long-term resilience. During FY 2025-26, we achieved 100% green certification from the Indian Green Building Council (IGBC) across all 41 owned/leased hotels, including 2 Platinum, 22 Gold, 6 Silver and 11 Certified properties. Renewable energy accounted for 39.38%⁶ of our total energy consumption, rising to an exit rate of 50.66%⁶ as of 31 March 2026. Against our FY 2018-19 baseline, we reduced greenhouse

gas emissions intensity by 35.74%⁶ and water consumption intensity by 9.77%⁶. These outcomes reflect more than environmental progress. They improve operating efficiency, moderate energy and utility costs, strengthen the resilience of our assets and position the business to navigate an evolving regulatory and climate landscape with confidence.

Our people remain the foundation of our success and we are committed to building a workplace where talent, diversity, inclusion and opportunity go hand in hand. During FY 2025-26, Opportunity Deprived Individuals (ODIs), including persons with speech, hearing and physical disabilities, employees with intellectual & developmental disabilities as well as individuals from economically disadvantaged backgrounds, represented 15%⁸ of our workforce. Women accounted for 13%⁸ of our employee base and 15% of senior leadership positions, supported by a guarantee of equal pay and merit-based career advancement. We also invested more than 1,12,000⁸ training hours to strengthen capabilities across the organisation. Beyond advancing our social purpose, these initiatives foster a stable and engaged workforce, reinforce service excellence, deepen guest trust and support sustained operational performance in an industry where skilled and engaged talent remains a key differentiator.

Underpinning these efforts is a strong governance framework that promotes transparency, accountability and ethical decision making. As we continue to advance our ESG agenda, we remain committed to creating lasting value for our employees, guests, partners, communities and shareholders while building a more resilient, inclusive and sustainable hospitality business for the future.

Shaping the Future Together

As we look ahead, our priorities are firmly centred on strengthening the quality of growth as much as its pace. We will continue to expand our portfolio with discipline while increasing the contribution of high-margin, recurring revenue streams, deepening direct customer engagement through our digital ecosystem and unlocking higher levels of productivity across our operations. Guided by a prudent approach to capital allocation across both our asset-light management company and asset ownership company, we are creating an enterprise that is agile, scalable and well positioned to generate sustainable value while navigating changing market conditions.

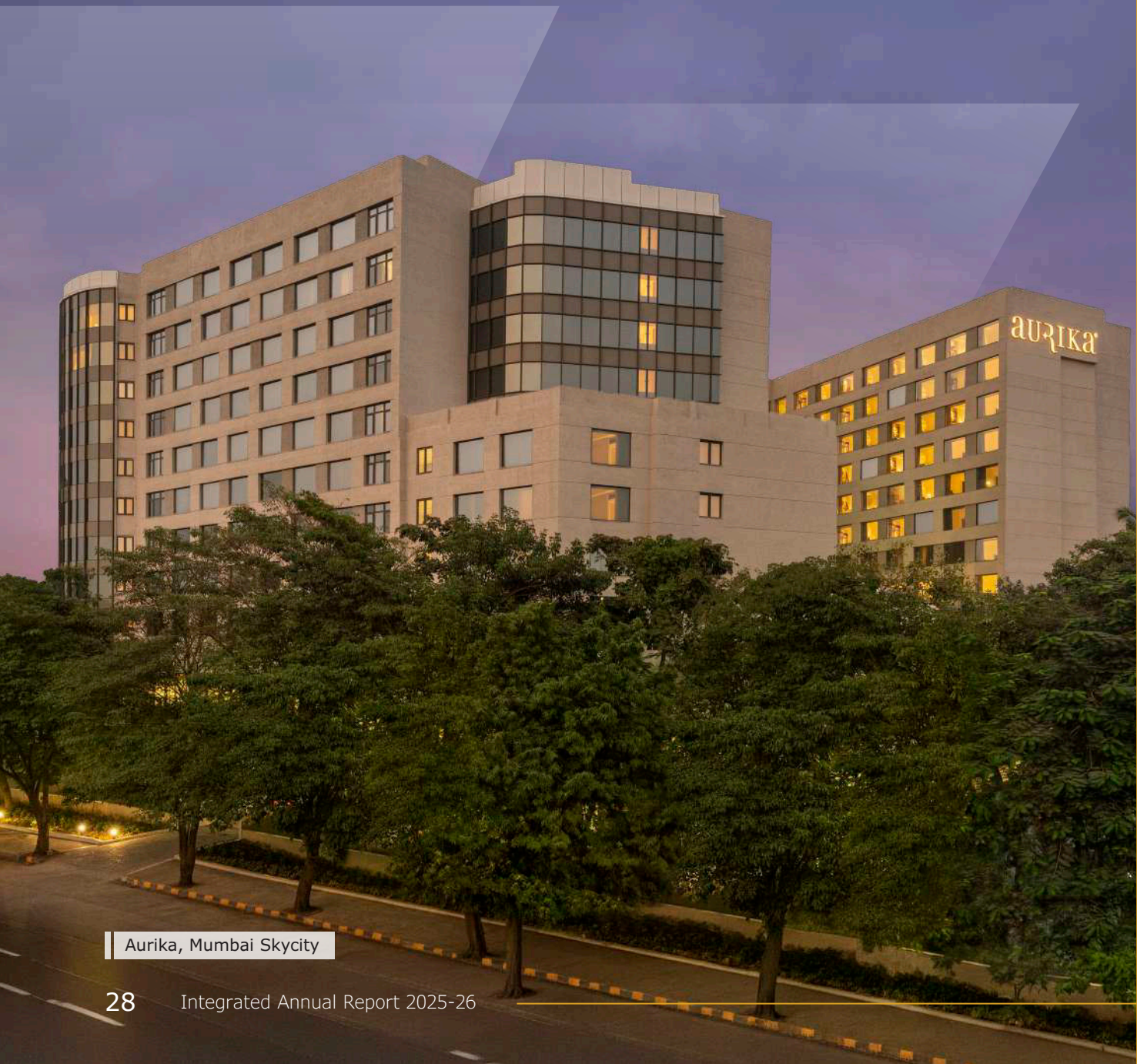
None of this would have been possible without the dedication of our employees, the loyalty of our guests and the confidence reposed in us by our partners and shareholders. Their trust continues to inspire us and reinforce our resolve to raise the benchmark for India’s hospitality industry. As we embark on the next phase of our journey, we remain guided by the same conviction that has shaped Lemon Tree Hotels since its inception: hospitality creates enduring value when it is relevant, accessible and built on a foundation of responsible and sustainable growth.

Warm regards,
Patanjali G. Keswani
Chairman

⁸For 41 Owned/Leased hotels and 31 Managed hotels covered in the scope of this Integrated Annual Report

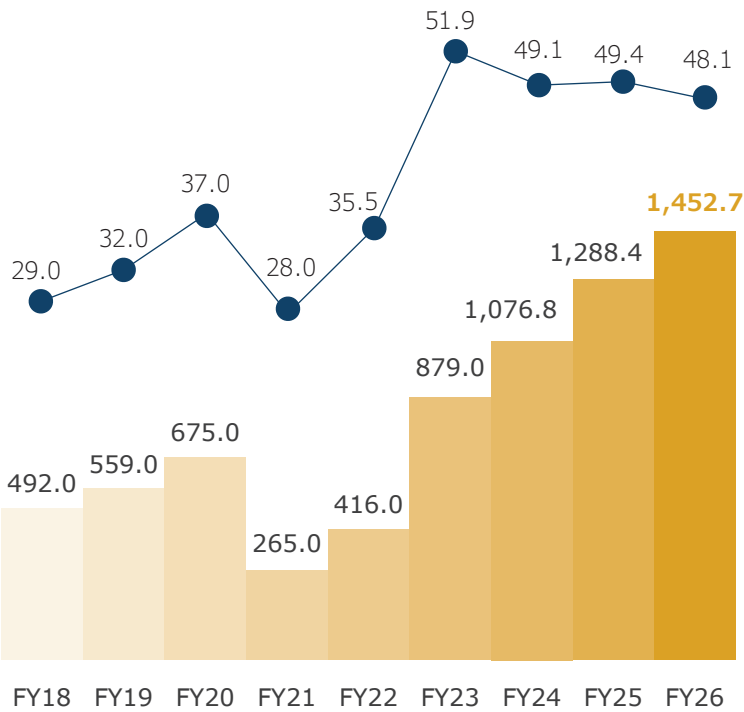
Delivering Financial Progress

FY 2025-26 was a year of strong, well-balanced growth for us. Healthy demand, disciplined execution and continued portfolio expansion translated into our best financial performance to date.



Aurika, Mumbai Skycity

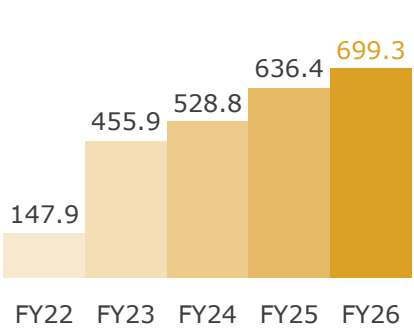
Driving Sustainable EBITDA Margin Expansion



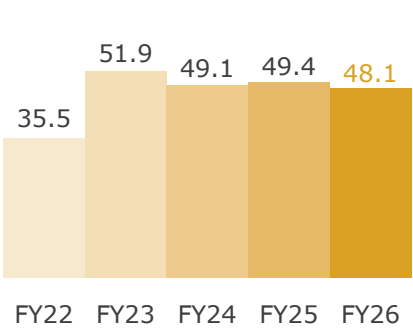
Revenue (₹ in Crores) EBITDA Margin (%)

Key Financial Metrics

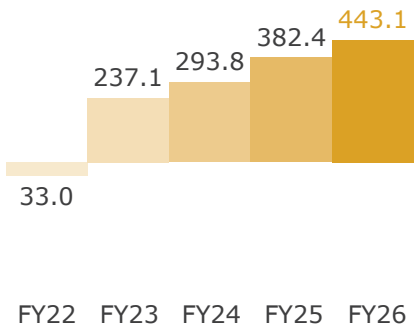
EBITDA (₹ in Crores)



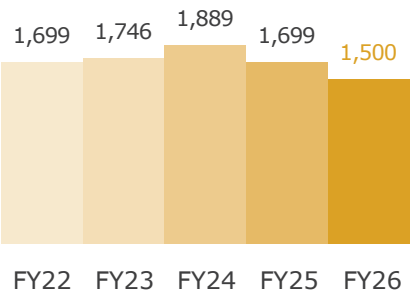
EBITDA Margin (%)



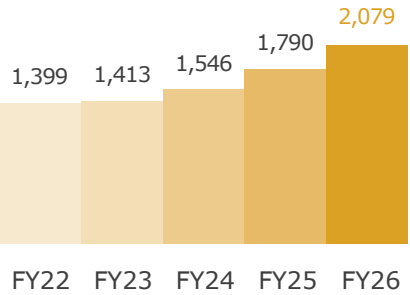
Cash Profit (₹ in Crores)



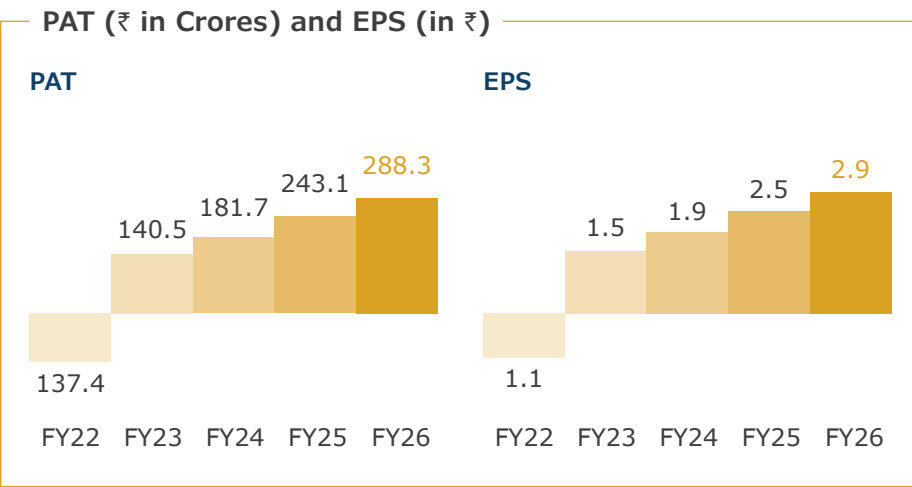
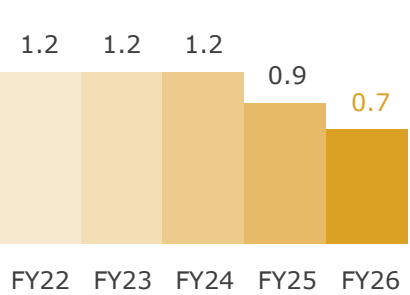
Gross Debt (₹ in Crores)



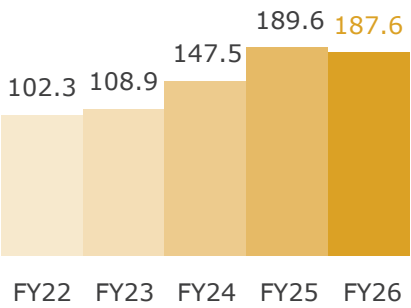
Net Worth (₹ in Crores)



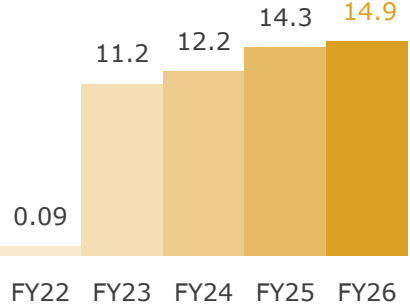
Debt-to-Equity Ratio



Tax Paid Details (₹ in Crores)



ROCE (%)



Note: ROCE is calculated as (Hotel level EBITDAR minus lease rentals) divided by (Capital deployed for operational Owned/Leased hotels)

Total Management Fees in FY26

₹ 73.9 Cr
Management/Franchise Fees from Third-party Owned Hotels

23% YoY

₹ 95.8 Cr
Management Fees from Fleur Hotels

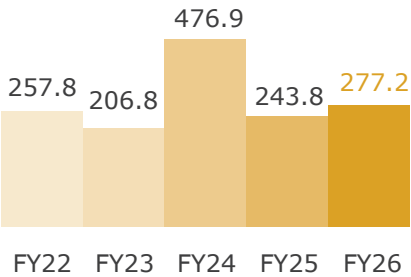
8% YoY

₹ 169.7 Cr
Total Management Fees

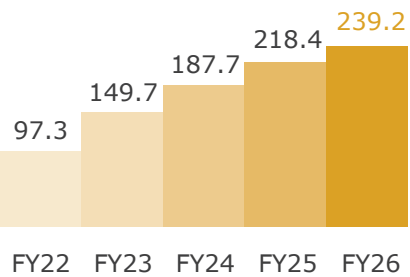
14% YoY

Economic Value Distributed (₹ in Crores)

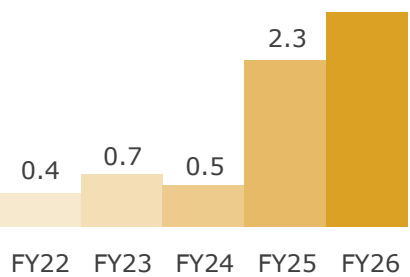
Suppliers



Employees



Community⁹



⁹For Lemon Tree Hotels and Carnation Hotels



Lemon Tree Premier, Dwarka

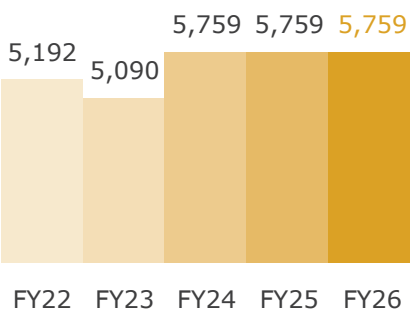
OPERATIONAL HIGHLIGHTS

Stronger Operations for Better Outcomes

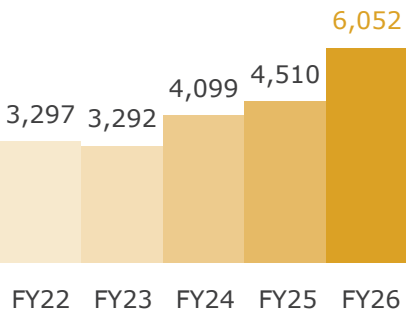
FY 2025-26 was a strong year for our operations, with occupancy and Average Room Rate reaching record levels despite aviation disruptions and geopolitical uncertainty. At the same time, we continued to expand our portfolio while maintaining a consistent performance across the business.

Key Operational Metrics

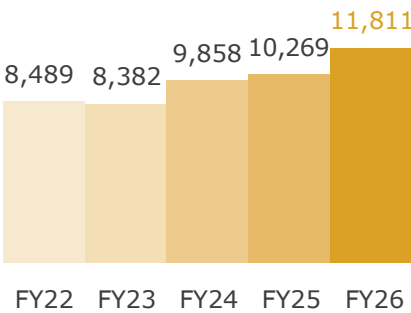
Owned/Leased Rooms



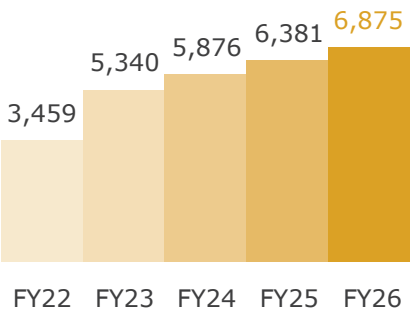
Managed/Franchised Rooms



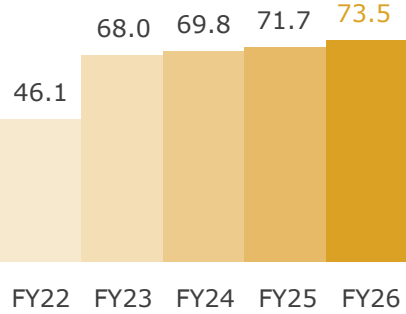
Total Rooms



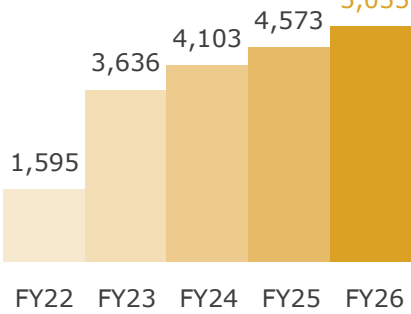
Average Room Rate
Owned/Leased Hotels (in ₹)



Occupancy Rate
Owned/Leased Hotels (%)



RevPAR
Owned/Leased Hotels (in ₹)



Managed Hotels FY26 Highlights¹⁰

66.1%
Occupancy Rate

₹ 5,959
Average Room Rate

₹ 3,939
RevPAR

¹⁰For 31 Managed hotels

Lemon Tree Hotel, Mukteshwar

AWARDS AND ACCOLADES

Milestones of Recognition



Rotary DEI Award 2025

DEI Excellence Award in Business



Indian Green Building Council (IGBC) Certification

All 41 owned/leased hotels have been certified – 2 Platinum, 22 Gold, 6 Silver, 11 Certified



Confederation of Indian Industry

Confederation of Indian Industry (CII)

CII Awards for Excellence in Disability Inclusion 2026 'Best Employer-Champion Company' for inclusion and diversity initiative



Green Champion Award 2018

Green Champion Award under the category 'Organisation Leading the Green Building Movement in India (Commercial)', organised by Indian Green Building Council (IGBC)



Boldness in Business Award 2018

Financial Times ArcelorMittal Boldness in Business Award for Corporate Responsibility/Environment



Asian Human Capital Award 2015

Innovative and Impactful People Practices, presented by the Ministry of Manpower, Singapore and the Human Capital Leadership Institute



Tripadvisor Travellers' Choice Awards 2025

28 out of 68 eligible hotels received the Travellers' Choice Award by Tripadvisor: including 2 Aurika Hotels & Resorts, 3 Lemon Tree Premier, 16 Lemon Tree Hotels, 3 Red Fox by Lemon Tree Hotels and 4 Keys Select by Lemon Tree Hotels



Great Place to Work® Awards 2023

- Top 50 India's Best Companies To Work For™ by Great Place To Work®
- India's Best Workplaces in Diversity, Equity, Inclusion and Belonging (large); Top 100 (large) Best India's Workplaces for Women; Accreditation for Inclusive Practices™ by Great Place To Work®



Tourism for Tomorrow Awards 2019

Investing in People Award at the Tourism for Tomorrow Awards, organised by the World Travel and Tourism Council in Seville, Spain



World Responsible Tourism Award 2016, WTM® London

- Overall Winner World Responsible Tourism Award
- Gold Winner 'Best Accommodation for Responsible Employment'



Ministry of Social Justice and Empowerment, Government of India

- Best Employer – National Award 2016, received from the President of India
- Outstanding Work in the Creation of a Barrier-free Environment for Persons with Disabilities 2012
- Best Employer – National Award 2011



National Centre for Promotion of Employment for Disabled People (NCPEDP) Awards

- NCPEDP Helen Keller Award 2017 for Role Model Companies
- NCPEDP Shell Helen Keller Award 2012: Category B for Role Model Non-Disabled Individuals in promoting employment opportunities for People with Disabilities
- NCPEDP Shell Helen Keller Award 2012: Category C for Role Model Organisations in promoting employment opportunities for People with Disabilities
- Mphasis Universal Design Award 2011 by NCPEDP
- NCPEDP Shell Helen Keller Award 2010 for exemplary beliefs and practices in employing differently-abled people

Other Accomplishments

Meaningful Business 100 (MB100) 2022

Winner

FICCI Travel and Tourism Excellence Awards 2019

Best Differently Abled Friendly Hotel

AajTak Care Awards 2013

Empowerment/CSR (Corporate Social Responsibility)

Dr. Anji Reddy Memorial Award 2017

Model Employer for Persons with Disabilities

NASSCOM Award 2015

Corporate (responsible business) for creating visual aids with sign language for differently abled employees

Nipman Foundation 2014

Equal Opportunity Award

BW Pure Award 2019

Purpose-Led Brand Award

BW Hotelier Editor's Choice Award 2016

Equal Opportunity Employer

BW Hotelier HR Excellence Award 2015

Equal Opportunity Employer

HR Innovation Award 2016

Excellence in Diversity and Inclusion

Schneider Electric 2019

Best Responsive Company Award

Amity School of Science and Technology 2019

Corporate Excellence Award for Best CSR Practices

An Evolving Travel Landscape

India's travel and tourism sector continued to expand during the year, supported by rising domestic travel, improving connectivity and wider digital adoption. Demand grew across leisure, business, events and extended-stay travel, while emerging destinations and new travel formats broadened the market further. Traveller expectations also continued to change. Convenience, consistency, value, flexibility and personalised experiences increasingly shaped decisions around where to travel, how to book and which hospitality brands to choose. These trends are creating a more diverse and segmented market, with opportunities across locations, formats and price points.



Capitalising on India's Structural Tourism Growth

India's hospitality sector continues to benefit from long-term growth in domestic travel, infrastructure development and consumer spending. Domestic Tourist Visits reached approximately 4.55 billion in 2025¹¹, while total air passenger traffic exceeded 420 million¹¹, indicating the growing scale of the country's travel economy. Continued investment in airports, highways and tourism infrastructure is improving access and supporting hospitality demand across both established and emerging business and leisure destinations.

Our Response

During FY 2025-26, we announced a strategic demerger to create two focused businesses with distinct purposes. Lemon Tree Hotels is transitioning into a debt-free, asset-light brand management and loyalty platform, targeting a steady-state EBITDA margin of 70%+. Fleur Hotels, backed by Warburg Pincus, will operate as a separate asset ownership and development platform. The structure is designed to support faster portfolio growth while limiting the need for additional capital on Lemon Tree Hotels' balance sheet. It will also allow us to convert a larger share of our growth into recurring, fee-based revenue.



Expansion Beyond Metro Cities

India's hospitality market is expanding beyond its traditional gateway cities. Better connectivity, more dispersed economic activity and rising local demand are supporting hotel development across Tier II, Tier III and emerging urban centres. More than 64,000 hotel keys were signed in 2025¹¹, with a significant share located in these markets, reflecting growing developer and investor interest.

Our Response

Our expansion strategy places a clear emphasis on non-metro markets. Managed and franchised hotels now account for more than 6,000 keys, representing over half of our portfolio of 11,800+ operating rooms. During FY 2025-26, we signed 56 hotels comprising 4,959 keys, with much of this pipeline located in underpenetrated regional markets. Our multi-brand portfolio, including Aurika Hotels & Resorts, Lemon Tree Premier, Lemon Tree Hotels, Red Fox by Lemon Tree Hotels, Keys Prima by Lemon Tree Hotels, Keys Select by Lemon Tree Hotels and Keys Lite by Lemon Tree Hotels, allows us to match each hotel to the demand profile of its location. This gives us the flexibility to enter new markets with the right product and build our presence as travel demand develops.

¹¹India Hospitality Industry Overview 2025, HVS Anarock



Lemon Tree Premier, Rishikesh

Religious and Cultural Tourism Driving New Demand

Faith-based tourism has become an important driver of domestic travel in India. The Maha Kumbh drew more than 663 million visitors¹², demonstrating the scale of travel associated with major spiritual events. At the same time, growing interest in heritage, wildlife and cultural experiences is broadening demand across destinations and thereby creating new opportunities for hospitality operators going beyond traditional business and leisure markets.

Our Response

We are expanding our presence across key religious and cultural destinations, including Rishikesh, Haridwar, Katra, Mukteshwar, Somnath, Tirupati and Dwarka which are renowned for their spiritual significance, as well as Agra, Aurangabad, Bhopal, Bhubaneswar, Jaipur, Udaipur, Kumbhalgarh, Jhansi and Lucknow that are celebrated for their rich heritage. Through our managed portfolio, we bring hotels with consistently high standards of hygiene, service and comfort to markets that have traditionally been more fragmented. These destinations attract steady demand from families and multi-generational travellers, often across different times of the year. By aligning our brands and hotel formats with local market needs, we are building a more balanced portfolio across business, leisure and pilgrimage travel.



Lemon Tree Hotel, Mukteshwar

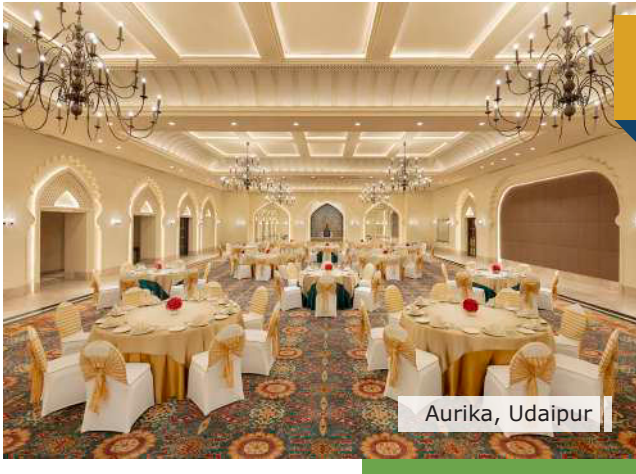
Experience-led Travel Reshaping Hospitality

Travellers are placing greater value on the quality of the stay, not only the destination itself. Personalised service, wellness, local cuisine and experiences rooted in the character of a place are becoming more important in travel decisions. This is influencing how hotels design their offerings, while supporting longer stays and greater willingness to spend on distinctive experiences.

Our Response

We have created Aurika Hotels & Resorts, our upscale brand, through properties such as Aurika, Udaipur and Aurika, Mumbai Skycity. Each hotel is designed to offer a distinct sense of local design, supported by destination-led dining, wellness and curated guest experiences. The growth of this portfolio has strengthened our presence in the premium leisure and urban hospitality segments. It also supported an increase in our group’s Average Room Rate to ₹ 6,875 in FY 2025-26, while contributing to higher total revenue per available room.

¹²India Hospitality Industry Overview 2025, HVS Anarock



Aurika, Udaipur

Weddings Becoming a Powerful Hospitality Driver

India’s destination wedding market continues to grow, supporting demand across hotels and resorts. Multi-day celebrations contribute to room occupancy, longer stays and higher spending across food and beverage, events and related services. Weddings are therefore becoming an increasingly important demand segment, particularly across leisure and resort destinations.

Our Response

Banquets, events and weddings form an important part of our non-room revenue mix, contributing up to 35% to 40% of total revenue at some of our larger hotels and leisure properties during peak periods. Multi-day celebrations support room demand as well as food and beverage revenue, strengthening overall property performance.

We continue to add column-free banquet spaces and open lawns across relevant properties, enabling us to serve larger events and expand our presence in the domestic weddings and celebrations market.



Lemon Tree Premier, Rishikesh

Wellness-first Luxury

Wellness is becoming a more integral part of the hospitality experience in India. Travellers are showing greater interest in personalised wellness programmes, yoga, mindfulness, preventive care and nature-led experiences as part of their stays. In response, hotels are incorporating wellness more thoughtfully into their spaces, services and guest programmes, particularly across leisure and resort destinations.

Our Response

We have built dedicated wellness offerings across our premium hotel portfolio. These include Araya Spa at Aurika Hotels & Resorts, Fresco Spa at Lemon Tree Premier and Lemon Tree Hotels and The Spa at Keys Prima by Lemon Tree Hotels. Select destinations also offer distinctive wellness experiences, such as Aura, the yoga studio at Lemon Tree Premier, Rishikesh. By integrating these experiences into the overall stay, rather than offering them as standalone amenities, we are able to broaden the guest proposition and support demand beyond traditional leisure travel.



Meetings, Incentives, Conferences, Exhibitions (MICE), Entertainment and Event Tourism

Conferences, exhibitions, concerts and sporting events are becoming more important contributors to hospitality demand in India. Better convention infrastructure and the development of new venues are supporting MICE activity beyond the major metros, while large entertainment and sporting events are generating additional demand for travel and accommodation across a wider range of cities.

Our Response

Our nationwide network allows corporate and institutional clients to work with us across multiple locations for meetings, events and accommodation. We continue to build meeting and event infrastructure across our portfolio, including in Tier II and Tier III business centres, enabling us to serve both local demand and larger regional events.

This network supports a more balanced demand mix across the week while strengthening recurring business from corporate and institutional clients.



Increasing Focus on Sustainability

Sustainability is playing a greater role in traveller choices, corporate procurement and investment decisions. Across the hospitality sector, operators are increasing the use of renewable energy, improving resource efficiency, strengthening responsible sourcing and reducing their environmental impact. These measures are becoming increasingly important to both operational efficiency and long-term business resilience.

Our Response

We are integrating sustainability more deeply into the way we operate our hotels through a focused set of environmental initiatives. These include increasing the use of renewable energy through rooftop solar installations, open access agreements and green power purchases. In FY 2025-26, renewable energy accounted for 39.38% of our annual electricity consumption, with an exit rate of 50.66%.

We continue to strengthen water stewardship by expanding water treatment and recycling systems across our properties. As a result, we reduced water intensity (KL/m³) by 9.77% in FY 2025-26 compared with the FY 2018-19 baseline. We are also enhancing energy efficiency through the adoption of high-performance HVAC systems and other energy-efficient building technologies.

As part of our commitment to sustainable infrastructure, all 41 of our owned and leased hotels have been certified as green buildings by the Indian Green Building Council (IGBC).

These initiatives have enabled us to significantly reduce our environmental footprint, with GHG emissions intensity (tCO₂e/m³) declining by 35.74% in FY 2025-26 compared with the FY 2018-19 baseline. Beyond their environmental impact, these efforts help optimise resource consumption, improve operating efficiency and manage costs, while strengthening our appeal to environmentally conscious guests and meeting the evolving sustainability expectations of corporate and institutional customers.



Building the Next Phase

Lemon Tree 2.0 defines how we plan to grow from here. The strategy combines asset-light expansion, digital transformation and a sharper focus on sustainability to improve guest experience, strengthen operating performance and create long-term value.



Lemon Tree 2.0

Strategic Levers (How Will We Make This Happen)

Asset-light Growth and Network Effect	Digital Transformation
Retail Acceleration	Loyalty Expansion
Efficient Cost Structure	Capital Recycling



Lemon Tree Hotels achieved a significant milestone by March 2026, surpassing its CY 2028 expansion target nearly two years ahead of schedule. The portfolio reached **22,581 operational and signed pipeline rooms across 268 hotels**, exceeding the original target of 20,000 rooms.

Strategic Assets (Moats)

Brand	Owned Network
Culture	Operating Across Value Chain

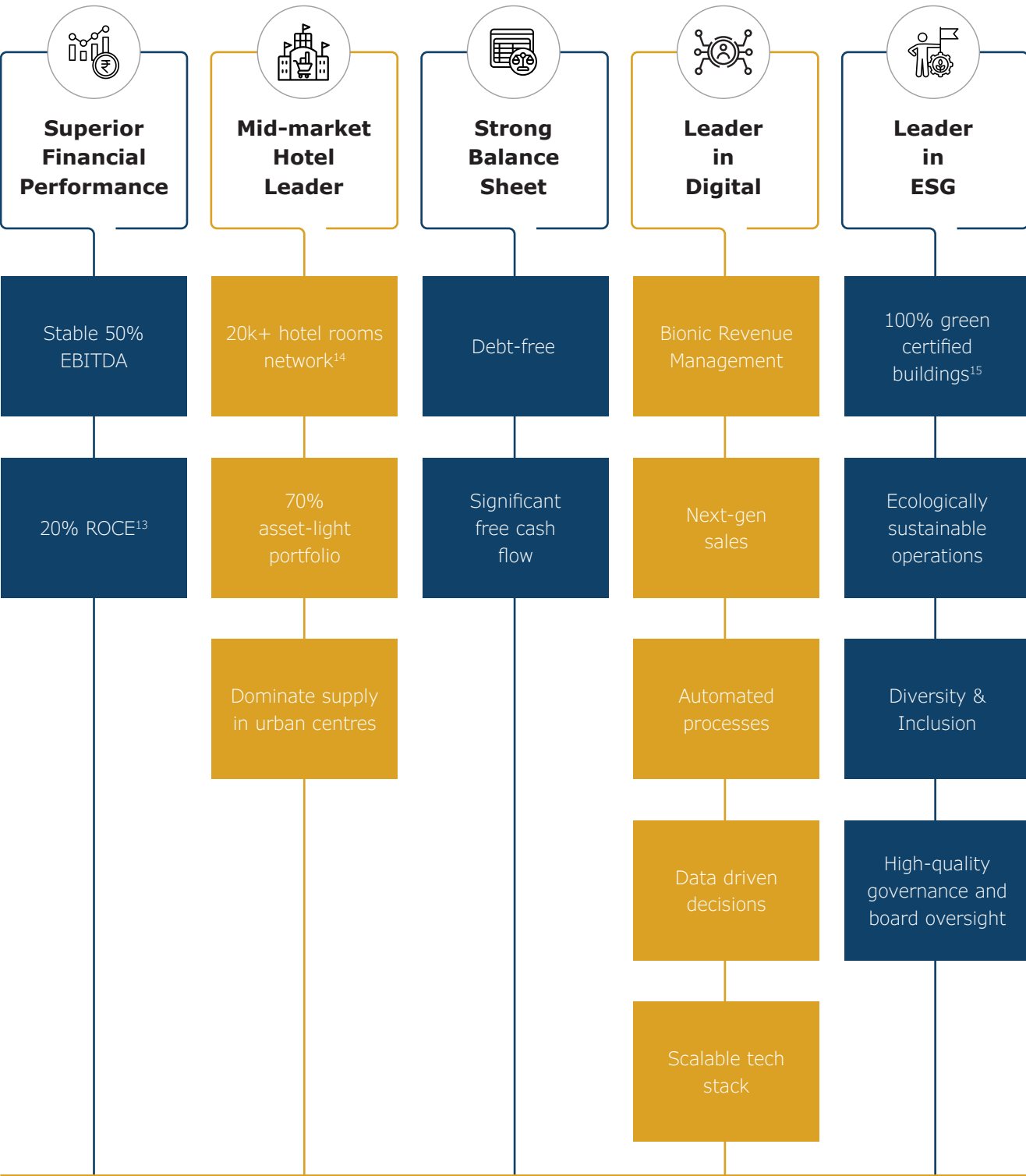
Company Enablers (Internal Competencies)

Digitalisation/Technology	Risk Management
Environmental, Social & Governance (ESG)	

Market Enablers (Tailwinds)

Consumption at Tipping Point	Demand Outpacing Supply
Growing Aspirations, Affluence, Willingness to Spend	Large Underserved Fragmented Mid-market Hotel Segments

Focus Areas



¹³ROCE – Return on Capital Employed
¹⁴Rooms Network = Operational rooms + Rooms in pipeline
¹⁵For 41 Owned/Leased hotels

Growth Engines

Asset-light Growth

- Rapid growth with minimal capital outlay through asset-light expansion
- Approximately 16,000 rooms under managed and franchised portfolio
- Over 75% of properties managed or franchised for capital efficiency

Network Effect

- Over 268 operational and upcoming hotels across 160+ cities in India and three international markets
- Pan-India presence ensuring widespread market coverage
- Strong brand awareness, where growth in new cities fuels demand in existing markets

Digital Transformation

- Bionic pricing and advanced revenue management
- Data-driven next-generation sales recommendations
- Data-informed decisions across all functions and processes
- Scalable and flexible technology stack enabling rapid integration

Build on Retail

- Targeting 65% retail market share
- Dynamic, market-responsive pricing strategies
- Increased customer referrals driving stronger traction

Nourish Loyalty

- Rewards programme focused on loyalty and churn management
- A target of over 40% repeat customers
- Personalisation drives improved customer experience
- Assured customers for an expanding hotel network

Operate Lean

- 48.14% EBITDA reflecting industry-leading efficiencies
- Smart operations enabled by real-time cost-control towers
- Best-in-class cost structure and manpower ratios

Capital Recycling of Owned Network

- Large owned portfolio comprising 41 operational hotels with 5,759 rooms
- Owned hotels, once stabilised, deliver high returns driven by an estimated 8% annual increase in replacement costs (excluding land)
- Ability to monetise/unlock cash by diluting ownership in the owned portfolio while maintaining majority shareholding, via public markets and strategic investors

Value Creation in Action

Inputs

Financial Capital
₹ 2,079.2 Cr Equity ₹ 1,500.3 Cr Total Debt

Manufactured Capital
131 Operational Hotels¹⁶ 41+3 Total Gross Asset Base¹⁷

Human Capital
6,104 Employees¹⁸ 10.15 Training Man Hours Per Employee¹⁸
11,046 Employees Trained¹⁸

Social and Relationship Capital
22,456 Suppliers¹⁸ ₹ 511 Lakhs CSR Expenditure¹⁹

Intellectual Capital
173 Trademarks Registered

Natural Capital
3,22,159.17 GJ Total Energy Consumption¹⁸
0.0942 tCO₂e/sq. m GHG Emission Intensity¹⁸
13,69,371 KL Total Water Consumption¹⁸

Process



- Value Creation:** Value creation is the process through which the Company transforms its resources and capabilities into meaningful outputs and outcomes. By operating responsibly and efficiently, the Company generates sustainable value over the short, medium and long term for its stakeholders, society and the environment.
- Value Preservation:** Value preservation reflects the Company's commitment to protecting and sustaining the long-term value created for stakeholders. It encompasses ethical and responsible practices that safeguard assets, resources and stakeholder interests while minimising risks of loss, harm or value erosion.

Outputs

Financial Capital

- Increased shareholder value
- Achieved profitable and steady growth

Manufactured Capital

- Delivered a high-quality product, sustainable services and memorable experiences
- Created significant value for customers
- An expanded base of loyal customers

Human Capital

- Highly resolute workforce
- Enhanced retention rates
- Recognised as a great place to work

Social and Relationship Capital

- Enhanced connections with customers, business partners and the community

Intellectual Capital

- Enhanced brand value
- Strategic shift towards digital transformation

Natural Capital

- Improved environmental metrics

Outcomes

Financial Capital
₹ 1,452.67 Cr Total Revenue ₹ 699.33 Cr EBITDA ₹ 2.87 EPS
₹ 288.32 Cr PAT 14.92% ROCE

Manufactured Capital
Superior Customer Service 23,71,923 Loyalty Programme Members
17,13,906 Total Number of Stays¹⁸

Human Capital
53.26% Turnover Rate 12.60% Women Employees¹⁸
ESTS 91% 41 Owned/Leased Hotels ESTS 92% 31 Managed Hotels
15.40% Diversity: Opportunity Deprived Individuals (ODIs)¹⁸

Social & Relationship Capital
82.00% Retail Net Promoter Score¹⁸

Intellectual Capital
2,386 Rooms Per Day through Digital Channels¹⁸ 41.51% Rooms Per Day (RPD) through the Brand Website and Online Travel Agents¹⁸

Natural Capital
39.38% Share of Renewable Energy^{20 21} 4.47% Change in Energy Intensity over the FY19 Baseline^{20 22} 9.77% Reduction in Water Intensity over the FY19 Baseline²⁰

936 KGs Retired IT Assets Reused and Recycled¹⁸ 35.74% Reduction in GHG Emissions Intensity over the FY19 Baseline²⁰

Stakeholder Impact

Financial Capital

- Investors/Shareholders
- Employees
- Government/Regulatory Bodies
- Business Partners/Suppliers

Manufactured Capital

- Customers
- Investors/Shareholders
- Employees
- Business Partners/Suppliers

Human Capital

- Customers
- Investors/Shareholders
- Employees
- Communities/NGOs
- Government/Regulatory Bodies

Social and Relationship Capital

- Customers
- Investors/Shareholders
- Communities/NGOs
- Business Partners/Suppliers

Intellectual Capital

- Customers
- Investors/Shareholders
- Government/Regulatory Bodies

Natural Capital

- Customers
- Investors/Shareholders
- Government/Regulatory Bodies
- Business Partners/Suppliers

¹⁶For the entire network of Owned/Leased, Managed/Franchised hotels
¹⁷For the entire network of Owned/Leased hotels. This includes our pipeline, which is subject to change over time
¹⁸For 41 Owned/Leased hotels and 31 Managed hotels covered in the scope of this Integrated Annual Report
¹⁹For Lemon Tree Hotels and its Subsidiary Companies

²⁰For 41 Owned/Leased hotels
²¹On 31 March 2026 our exit rate of RE was 50.66%, keeping in mind all installed and active RE supply at that time
²²Refer to the paragraph regarding Change in Energy Intensity FY26 on page 64

Engagement that Shapes Action

Our approach to stakeholder engagement is rooted in open dialogue, mutual accountability and continuous collaboration. By understanding diverse perspectives and maintaining transparent communication, we strengthen partnerships, support informed decision-making and create lasting value for all stakeholders.

Employees

Why We Engage

The strength of the LTH brand lies in our people, who consistently deliver guest experiences that exceed expectations.

How We Engage	Frequency of Engagement	KPI
- Regular town hall sessions - Team-building initiatives - Fresh perspective forums - Weekly engagement dialogues	- Weekly - Monthly - Quarterly - Annually	10.15 hours of average training per employee²³ 15.40% of our workforce comprises Opportunity Deprived Individuals (ODIs)²³

Customers

Why We Engage

Our customers are our most valued stakeholders. The trust we build with them directly influences our performance. We continuously enhance our brand offerings based on their feedback and evolving expectations.

How We Engage	Frequency of Engagement	KPI
- Guest feedback captured through direct emails received at Hi@lemontreehotels.com - Digital engagement managed via Online Relationship Management (ORM) on platforms such as TripAdvisor, MakeMyTrip and Booking.com - Regular communication through emailers and newsletters	- Daily - Need-based	- Achieved a retail Net Promoter Score (NPS) of 82.00%²³ 64,870 positive responses through customer satisfaction surveys²³

²³For 41 Owned/Leased hotels and 31 Managed hotels covered in the scope of this Integrated Annual Report

Regulatory Bodies/Government

Why We Engage

We proactively engage with regulatory authorities and government bodies across central, state and local levels to ensure consistent compliance with applicable laws and regulations.

How We Engage	Frequency of Engagement	KPI
- One-on-one meetings - Communication via government websites and official emails - Regulatory filings, corporate announcements, disclosures, form submissions, material updates and annual reports	- Quarterly/annually - Event-based - Need-based	- Zero incidents on account of: - Timely tax payment - Demonstrating strong compliance with laws - Supporting government initiatives

Investors and Shareholders

Why We Engage

This stakeholder group provides the capital that underpins our growth and reflects confidence in our performance and sustainability approach. We remain focused on delivering consistent value.

How We Engage	Frequency of Engagement	KPI
- Quarterly earnings presentations - Annual General Meeting (AGM) - Feedback on annual disclosures - Investor meetings and conference calls - Event-based communication - Emails, notices and newspaper announcements	- Quarterly/annually - Event-based - Request-based	- Achieved a 13% increase in revenue - Delivered a total shareholder return of 14.90% (return on equity)

Owners and Partners

Why We Engage

Our brand standards are upheld by hotel owners and partners under LTH’s managed and franchised model. This asset-light approach is key to our success and enables rapid geographic expansion.

How We Engage	Frequency of Engagement	KPI
- Ongoing interactions - Two-way meetings	- Monthly/quarterly/annually - Need-based	Expanded our portfolio with 20 new hotel openings and 56 signings

Suppliers and Vendors

Why We Engage

We engage regularly with our suppliers and vendors to ensure their products and services consistently meet LTH’s brand standards.

How We Engage	Frequency of Engagement	KPI
- Informal discussions and updates - Regular performance evaluations - Annual supplier audits	- Need-based - Annually	21,446 total local suppliers²³

Contractors

Why We Engage

We rely on an outsourced workforce to deliver high-quality services. Engaging with our contractors is essential to ensure the availability of skilled and well-trained personnel.

How We Engage	Frequency of Engagement	KPI
- Informal conversations - One-on-one sessions - Regular performance assessments	- Annually - Need-based	- Zero cases of sexual harassment - Zero cases of discrimination

Online Travel Agents/Portals

Why We Engage

Online travel agents offer key insights into consumer behaviour, leading to customer acquisition. Monitoring feedback on these platforms is integral to enhancing guest experience and refining our offerings.

How we Engage	Frequency of Engagement	KPI
- Monitoring traveller and guest feedback on OTA platforms - One-on-one meetings with OTA Management Teams	- Daily - Need-based	28 out of 68 eligible hotels received the Tripadvisor Travellers’ Choice Award 2025

NGOs

Why We Engage

Our commitment to being an equal-opportunity employer is supported by NGOs, who help identify and train candidates with disabilities and individuals from marginalised backgrounds. They will also play a key role in shaping and implementing our CSR initiatives.

How We Engage	Frequency of Engagement	KPI
- Customised engagement programmes - Presentations and knowledge sessions - Reports and updates	- Need-based - Quarterly/annually	We trained 77 employees with intellectual or developmental disabilities (including autism) across FY 2021-22 to FY 2025-26. In FY 2025-26 alone, 7 were trained, 4 hired and 6 more trainees continued their internships into FY 2026-27

Local Communities

Why We Engage

We actively engage with local communities to understand their needs and implement targeted social welfare initiatives for greater impact.

How We Engage	Frequency of Engagement	KPI
Partnerships With NGOs	Quarterly/annually	₹ 5.11 Crores spent on CSR²⁴

²⁴For Lemon Tree Hotels and its Subsidiary Companies

Industry Associations

Why We Engage

Through industry associations, we gain insights into market trends, collaborate with peers in the travel and tourism sector and contribute to policy dialogues with relevant government bodies.

How We Engage	Frequency of Engagement	KPI
Multilateral meetings	- Need-based - Annually	N.A.

Media

Why We Engage

We leverage media relationships to strengthen our brand, promote hotel launches and offers and amplify awareness of our social impact initiatives.

How We Engage	Frequency of Engagement	KPI
- Press releases - Media notes and briefings - Events and press conferences	- Monthly/quarterly/annually - Every material event	64 press releases 52 Key Media Coverage

Auditors

Why We Engage

As part of our governance framework, we engage internal and external auditors. Internal audits are conducted half yearly, while external audits cover financial and ESG disclosures annually, ensuring transparency, compliance and continuous improvement across our Company.

How We Engage	Frequency of Engagement	KPI
- Regular meetings and process reviews - Email communication - One-on-one interactions	- Weekly/monthly/quarterly/annually - When a specific incident occurs, which has a substantial impact	N.A.

Bankers

Why We Engage

Bankers are key partners in supporting our cash flow, daily operations and growth through funding. We maintain regular engagement to ensure competitive loan terms, compliance with evolving regulations and consistent service standards across our hotels. They are instrumental during the IPO process.

How We Engage	Frequency of Engagement	KPI
- Regular meetings - Email communication - One-on-one interactions	- Weekly/monthly/quarterly/annually - When a specific need arises	N.A.

Defining our Material Priorities

Aligned with GRI and SASB guidelines, we conducted a materiality assessment in FY 2020-21 to determine the issues most material to our business and stakeholders. Adopting a quadripartite approach, we identified and prioritised key economic and ESG themes that guide our strategic decision-making and sustainability disclosures.

Our Approach to Materiality Assessment

1. Identification

Compiled a comprehensive list of material topics by integrating GRI and SASB guidelines with peer benchmarking insights.

2. Categorisation

Classified each topic under the Environmental, Social and Governance (ESG) pillars to identify themes most relevant to LTH.

3. Prioritisation

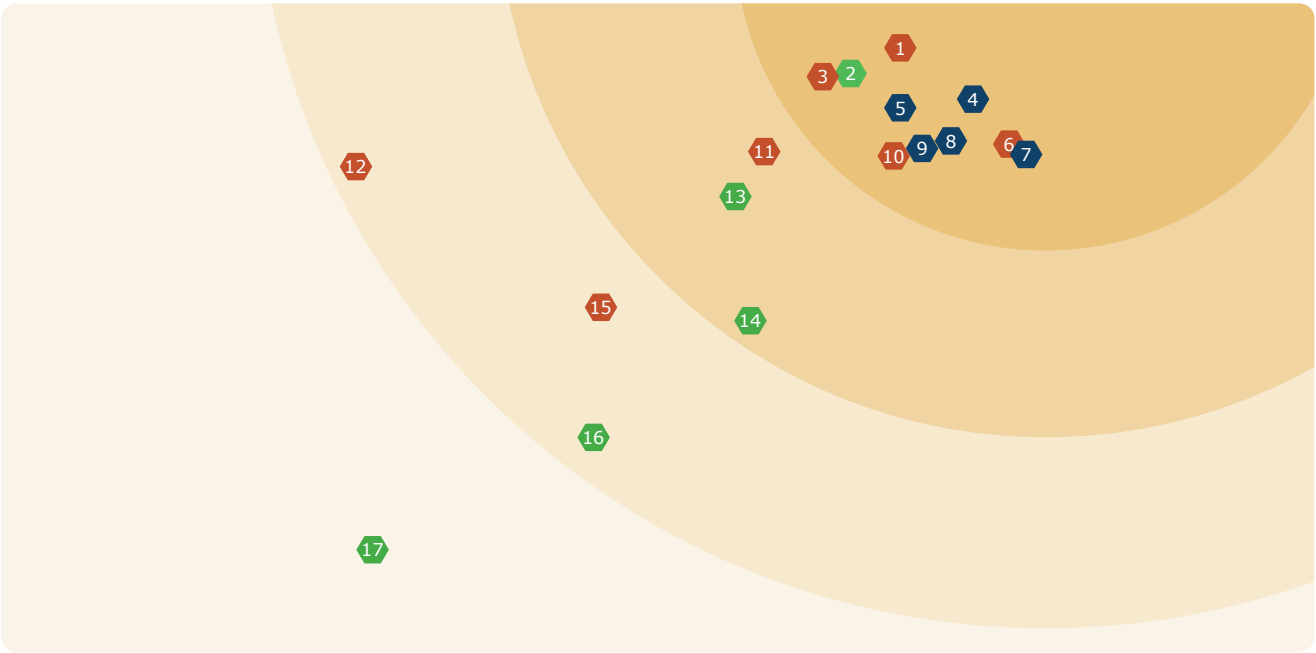
Developed a materiality matrix and stakeholder priority map based on stakeholder consultations to rank key material topics.

4. Validation

Validated the materiality assessment through collaboration with management and an external assurance agency to ensure a comprehensive and unbiased evaluation of material issues.

Lemon Tree Premier, Budhanilkantha, Kathmandu, Nepal

Materiality Matrix



● High Importance ● Medium Importance ● Low Importance

Key Material Topics and Stakeholder Impact

1 Health and Well-being 	6 Customer Delight 	12 Sustainable Supply Chain
2 Water Management 	7 Brand and Reputation Management 	13 Waste Management
3 Commitment to Human Rights 	8 Economic Performance 	14 Energy Management
4 Regulatory Compliance 	9 Data Privacy 	15 Local Community Development
5 Ethics and Transparency 	10 Diversity and Inclusion 	16 Biodiversity Protection
	11 Talent Management and Retention 	17 Climate Change

Relevant Stakeholders

Employees	Owners and Partners	Contractors	Industry Associations
Customers	Suppliers and Vendors	Online Travel Agents (OTAs)/Portals	Media
Regulatory Bodies/Government	NGOs	Auditors	Bankers
Investors and Shareholders	Local Communities		

OUR ESG VISION 2026

Progress Against Our ESG Priorities

Our ESG Vision 2026 continued to shape how we translated sustainability priorities into action. During FY 2025-26, we made further progress in areas including renewable energy, emissions, water stewardship, diversity and green building initiatives, strengthening the integration of ESG considerations across our operations.

ESG Vision 2026

In FY 2020-21 we had set defined ESG targets for FY 2025-26, aligned with our broader sustainability priorities and the United Nations Sustainable Development Goals (UNSDGs).



Environment

We focus on reducing waste, conserving water, adopting renewable energy and technological innovations, improving energy efficiency, mitigating the impacts of climate change and minimising our carbon footprint.



Social

Our goal is to empower local communities and create an inclusive, equal-opportunity workplace by focusing on human development.



Governance

We aim to build a transparent and ethical organisation.

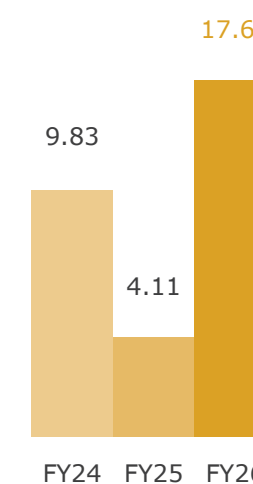
We have continued to advance our ESG priorities across the business. Our focus has included increasing the share of green-certified buildings, embedding more sustainable practices across our portfolio, building a diverse and inclusive workforce and maintaining strong governance and Board oversight to support responsible long-term growth.

ESG Governance Structure

- The Board**
 Develops the ESG vision and oversees the effective implementation of LTH's ESG strategy.
- ESG Taskforce**
 Outlines LTH's ESG strategy, policies and procedures and provides senior leadership with recommendations to ensure effective implementation.
- Senior Management Team**
 Oversees and reports on the outcomes and impacts of ESG-related projects and programmes.

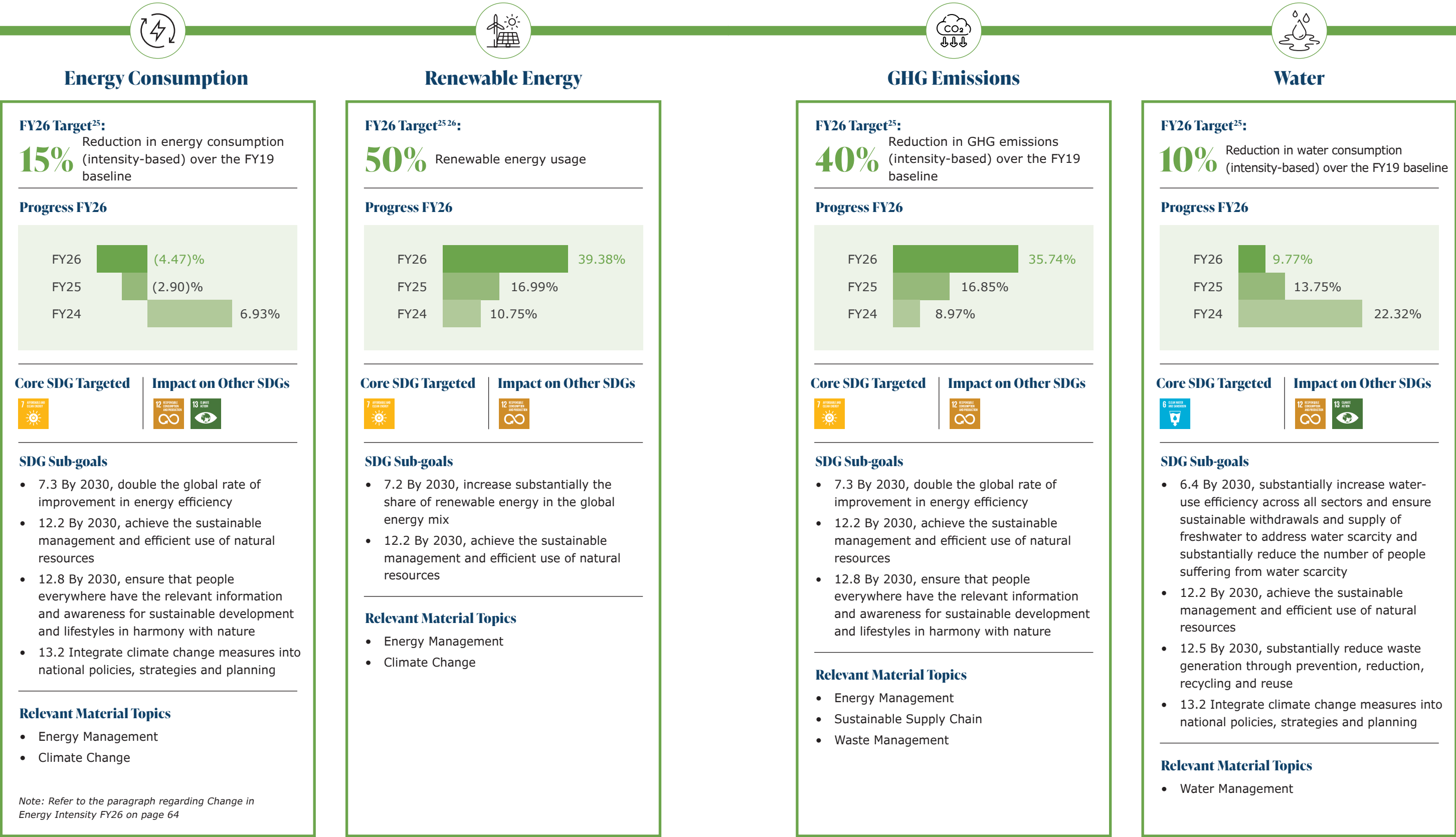
Investments in Sustainable Development

Investment (₹ in Crores)



View from Keys Prima by Lemon Tree Hotels, Thekkady

ESG Performance Dashboard



²⁵For 41 Owned/Leased hotels

²⁶On 31 March 2026 our exit rate of RE was 50.66%, keeping in mind all installed and active RE supply at that time

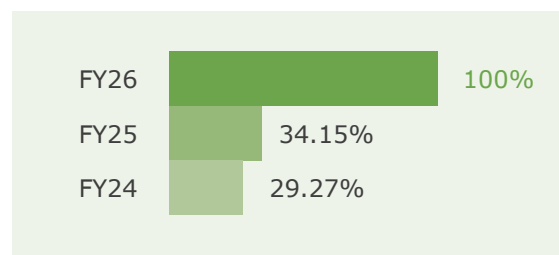


Green Buildings

FY26 Target²⁷:

100% Certified green buildings
(owned/leased hotels)

Progress FY26



Core SDG Targeted



Impact on Other SDGs



SDG Sub-goals

- 11.b By 2020, substantially increase the number of cities and human settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change, resilience to disasters and develop and implement, in line with the Sendai Framework for Disaster Risk Reduction 2015-2030, holistic disaster risk management at all levels

Relevant Material Topics

- Energy Management
- Waste Management
- Water Management
- Climate Change
- Health and Wellbeing

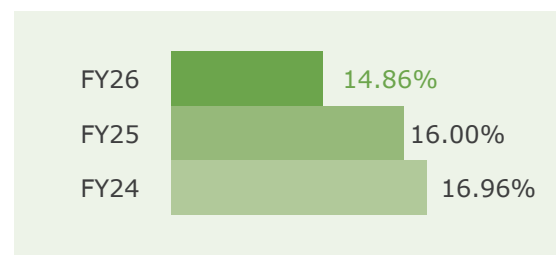


Diversity and Inclusion

FY26 Target²⁷:

20% ODIs in the workforce

Progress FY26



Core SDG Targeted



Impact on Other SDGs



SDG Sub-goals

- 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including young people and persons with disabilities and equal pay for work of equal value
- 8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training
- 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, particularly women migrants and those in precarious employment
- 10.4 Adopt policies, especially fiscal, wage and social-protection policies and progressively achieve greater equality

Relevant Material Topics

- Talent Management and Retention
- Diversity and Inclusion
- Commitment to Human Rights



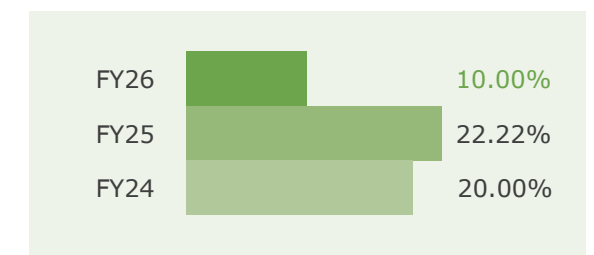
Gender Diversity

FY26 Target²⁷:

15% Women across the workforce

30% Women Directors

Progress FY26



Core SDG Targeted



Impact on Other SDGs



SDG Sub-goals

- 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including young people and persons with disabilities and equal pay for work of equal value
- 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, particularly women migrants and those in precarious employment
- 10.4 Adopt policies, especially fiscal, wage and social-protection policies and progressively achieve greater equality

Relevant Material Topics

- Talent Management and Retention
- Diversity and Inclusion
- Commitment to Human Rights

²⁷For 41 Owned/Leased hotels

ENVIRONMENTAL STEWARDSHIP

Growing Responsibly. Leading Sustainably.

Sustainability guides how we build and operate our hotels. Across our owned, leased and managed portfolio, we are expanding renewable energy use and certified green buildings. At the same time, we remain committed to measurable targets that reduce our energy, water and emissions intensity against our FY19 baseline.

View from Lemon Tree Hotel, Kasauli



FY26 Highlights²⁸

50.66%
Exit Rate of Renewable Energy % as of 31 March 2026, Considering all Installed and Active RE Supply at that Time

39.38%
Renewable Energy Usage in FY26

100%
Certified Green Buildings (Owned Hotels) in FY26

35.74%
Reduction in GHG Emissions (Intensity-Based) over the FY19 Baseline

9.77%
Reduction in Water Consumption (Intensity-Based) over the FY19 Baseline

²⁸For 41 Owned/Leased hotels

Key Material Topics

- Energy Management
- Climate Change and Emissions
- Water Management
- Waste Management
- Biodiversity

Stakeholders in Focus

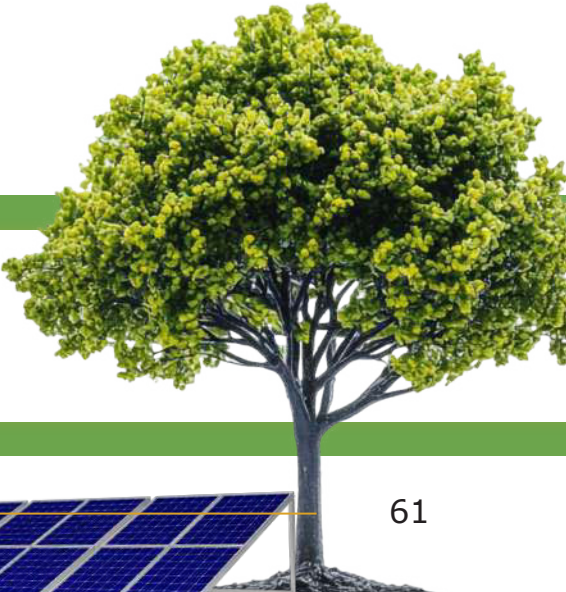
- Employees
- Customers
- Local Communities
- Regulatory Bodies/ Government

UN SDGs



Our Approach

Building an operating model that uses resources efficiently and minimises our carbon footprint, while delivering the highest level of comfort to our guests throughout every stay.



Where We Are Headed

Committed Governance Structure

A dedicated ESG taskforce leads the planning and execution of our environmental initiatives as we have worked towards our FY 2025-26 targets and beyond. The taskforce also oversees our ESG strategy and monitors its progress.

Transparency in Communication

We participate in the Global Real Estate Sustainability Benchmark (GRESB) and our annual ESG disclosure remains a priority. Since 2021, we have published an ESG/Integrated Annual Report each year.

73
GRESB Score 2025

Green Hotels

For more than two decades, we have developed hotels with a focus on energy efficiency, water conservation and renewable energy adoption to reduce our carbon footprint. In recent years, we have worked towards certifying our entire owned/leased portfolio. In FY 2025-26, all 41 owned/leased hotels achieved certification from the Indian Green Building Council, comprising 2 Platinum, 22 Gold, 6 Silver and 11 Certified properties. When we look at it from a built-up area perspective, we have certified 15.0% of our owned portfolio as Platinum, 58.5% as Gold, 12% as Silver and 14.5% as Certified.

Lemon Tree Hotel, Kasauli



Energy Management

We are reducing our reliance on conventional sources by increasing our use of renewable energy. At the same time, upgrades in air conditioning, lighting, ventilation and building design are improving energy efficiency across every hotel we own, lease, manage or franchise.



Approach

Energy Efficiency

Raising energy efficiency across our portfolio in support of our broader environmental goals



FY26 Target

15%
Reduction in Energy Consumption (Intensity-Based) over the FY19 Baseline

FY26 Performance²⁹

4.47%
Change in Energy Consumption (Intensity-Based) over the FY19 Baseline³⁰

Renewable Energy

Lowering our environmental impact through a shift to renewable sources



FY26 Target

50%
Share of Renewable Energy in Total Energy Consumption (41 Owned/Leased Hotels)

FY26 Performance²⁹

39.38%
Share of Renewable Energy in Total Energy Consumption³¹

²⁹For 41 Owned/Leased hotels
³⁰Refer to the paragraph regarding Change in Energy Intensity FY26 on page 64
³¹On 31 March 2026 our exit rate of RE was 50.66%, keeping in mind all installed and active RE supply at that time

Energy Efficiency

Across our portfolio, LED lighting continues to reduce energy consumption compared to conventional fixtures. In installed areas, it cuts lighting load energy use by up to 80%. Variable frequency drives on relevant equipment reduce energy consumption by 10-20%. They also improve process control while lowering electricity costs. Heat pumps across select properties continue to reduce utility costs and carbon emissions. Their low payback period supports broader deployment.

Energy-Efficiency Measures Undertaken in FY 2025-26

Heat Pumps

Heat pumps installed across 17 owned hotels and 1 managed hotel in Ahmedabad, Bengaluru, Chennai, Kochi, Delhi, Gurugram, Kaushambi, Hyderabad, Indore, Noida and Pune. The pumps provide hot water for guest rooms, kitchens and laundries. By delivering three to four units of heat for every unit of electricity consumed, they can reduce the energy required for water heating by 50-70%. They also lower dependence on diesel- and gas-fired boilers, helping reduce operating costs and carbon emissions.

Variable Frequency Drives for Chillers

Variable Frequency Drives installed at 2 hotels, in Indore and Kaushambi, adjust compressor and motor speeds according to the actual cooling load, instead of allowing the equipment to operate continuously at full speed. This can reduce HVAC energy consumption by 10-20%, while lowering equipment wear and tear, reducing maintenance requirements and improving guest comfort.

Air Handling Units for HVAC Systems

Efficient Air Handling Units across 5 hotels in Dehradun, Jaipur, Kaushambi, Ludhiana and Indore. They filter, cool and circulate air in public areas while regulating humidity. Their efficient operation helps maintain indoor comfort and air quality while reducing energy consumption.

Solar Reflectance Index Paint on Terraces

Applied across 10 hotels in Bengaluru, Chandigarh, Kochi, Dehradun, Gurugram, Hyderabad, Udaipur and Vishakhapatnam, this high-reflectance cool-roof coating reduces the amount of heat absorbed through hotel terraces. This helps lower the air-conditioning load on upper floors while supporting a longer roof life.

Change in Energy Intensity: FY 2025-26

As part of our ongoing renovation and upgrade program across 41 owned/ leased hotels, we have redefined our electrical design model and expanded the use of electrically powered equipment. The number of heat pumps increased ninefold, from 3 in FY 2018-19 to 27 in FY 2025-26, while EV charging stations increased from none to 22. We also commissioned 19 water-bottling plants for safe drinking water, replacing single-use plastic bottles, compared with none in FY 2018-19.

Energy requirements also increased due to higher cooling needs amid rising ambient temperatures, enhanced in-house laundry capacity and the transition of kitchen and buffet operations from gas- and coal-fired equipment to electric alternatives, including induction appliances. Product upgrades added equipment such as dishwashers, under-counter units and motors across the portfolio. In addition, while the total floor area remained unchanged year-on-year, the

portfolio recorded an average of 111 additional rooms sold per day in FY 2025-26 compared with FY 2024-25. The Aurika portfolio, comprising 808 rooms and representing 14% of the total owned inventory, also has a higher Energy Performance Index than the other Lemon Tree brands. Collectively, these operational and portfolio changes contributed to higher energy consumption across the 41 owned/leased hotels.

At the same time, we continued to implement energy-efficiency initiatives across the portfolio. These measures are expected to progressively reduce energy intensity against the FY 2018-19 baseline, building on the reductions achieved in FY 2020-21, FY 2021-22, FY 2022-23 and FY 2023-24.

Energy Intensity in FY26 (kWh/m²)

137.60
41 Owned/Leased
Hotels

155.08
31 Managed
Hotels

Energy Intensity Based on Occupied Rooms in FY26 (KWh/Occupied Room)

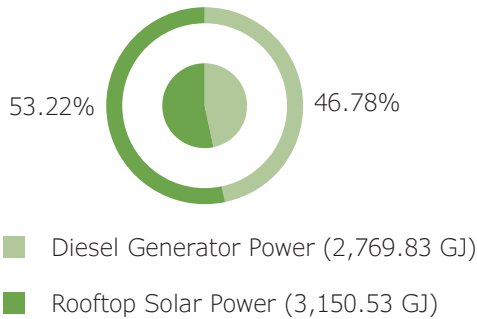
38.97
41 Owned/Leased
Hotels

53.13
31 Managed
Hotels

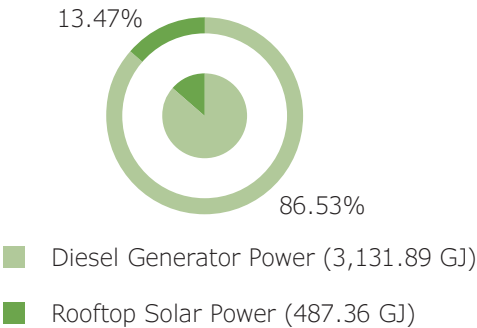
	Total Energy Consumption (GJ)								
	Generated Within the Organisation			Generated Outside the Organisation			Total		
	FY24	FY25	FY26	FY24	FY25	FY26	FY24	FY25	FY26
41 Owned/Leased Hotels	4,375.72	4,848.19	5,920.36	1,88,666.35	2,08,585.05	2,10,779.53	1,93,042.06	2,13,433.24	2,16,699.89
31 Managed Hotels ³²	2,828.30	3,064.00	3,619.26	97,155.70	1,03,789.86	1,01,840.03	99,984.01	1,06,853.86	1,05,459.28

Energy Generated Within the Organisation in FY26

41 Owned/Leased Hotels



31 Managed Hotels



³²In the published reports for FY25 and FY24, this data was provided as per that scope i.e. 26 and 22 Managed hotels, respectively

Fuel-wise Energy Consumption (GJ)						
	41 Owned/Leased Hotels			31 Managed Hotels ³³		
	FY24	FY25	FY26	FY24	FY25	FY26
Petrol for vehicles	291.39	406.75	823.05	595.90	653.51	419.26
Diesel for vehicles	3,248.35	3,694.41	2,522.65	655.06	675.48	2,009.27
Firewood	238.55	223.93	431.81	0.23	20.67	142.44
Charcoal	6,660.02	7,423.45	7,102.57	7,795.39	7,957.85	7,602.44
Liquefied Petroleum Gas (LPG)	36,652.05	37,300.81	40,149.96	30,245.61	31,888.60	22,491.44
Compressed Natural Gas (CNG)	28,939.64	31,282.55	36,918.57	8,853.84	10,180.84	10,149.59
Total	76,030.00	80,331.90	87,948.62	48,146.03	51,376.94	42,814.45

Renewable Energy (RE)

By the end of FY 2025-26, we achieved a renewable energy exit rate of 50.66%, in line with our target. Our RE mix includes solar photovoltaic systems installed across our properties, open-access RE agreements for hotels in Delhi, Bengaluru, Mumbai, Pune and Chennai and Green Power Purchase agreements with the respective State Electricity Boards in Ahmedabad, Bengaluru, Mumbai and Pune.

During FY 2025-26, rooftop solar photovoltaic systems were installed

across 7 owned hotels in Bengaluru, Delhi, Gurugram and Hyderabad to generate renewable electricity on-site. These installations help reduce dependence on grid electricity, lower energy costs, mitigate exposure to rising tariffs and reduce carbon emissions.

We continue to assess captive and group-captive RE opportunities in select states. Implementation will be considered following the completion of due diligence and financial feasibility assessments.

Our RE strategy combines on-site and offsite sources. On-site RE improves energy independence and reduces reliance on fossil fuels, lowering costs and our carbon footprint at the properties where it is installed. Meanwhile, offsite RE expands access to clean power beyond on-site generation, reducing grid dependency while supporting RE development and grid resilience. Together, these approaches support our progress toward a fully renewable energy portfolio.

³³In the published reports for FY25 and FY24, this data was provided as per that scope i.e. 26 and 22 Managed hotels, respectively



28.24%

Energy consumed across these hotels was sourced from renewable sources: **39.38%** for the 41 owned/leased hotels and **5.35%** for the 31 managed hotels.

26%

Hotels generate energy from on-site renewable sources: **39%** of the 41 owned/leased hotels and **10%** of the 31 managed hotels.

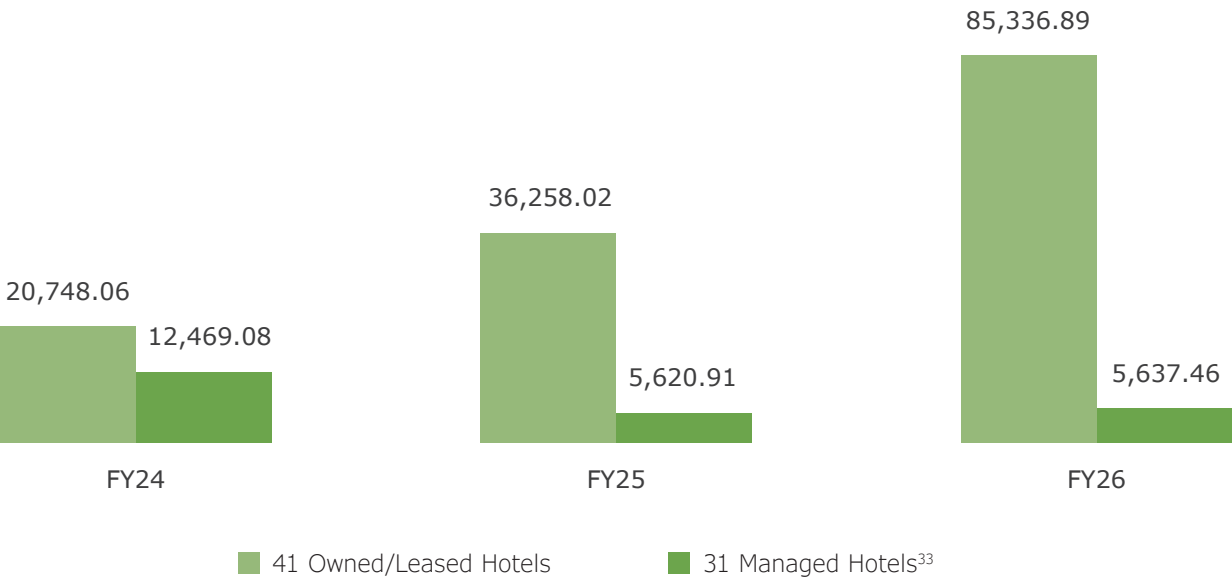
1,212 kW

Installed solar rooftop capacity across these hotels: **1,095 kW** at the 41 owned/leased hotels and **117 kW** at the 31 managed hotels.

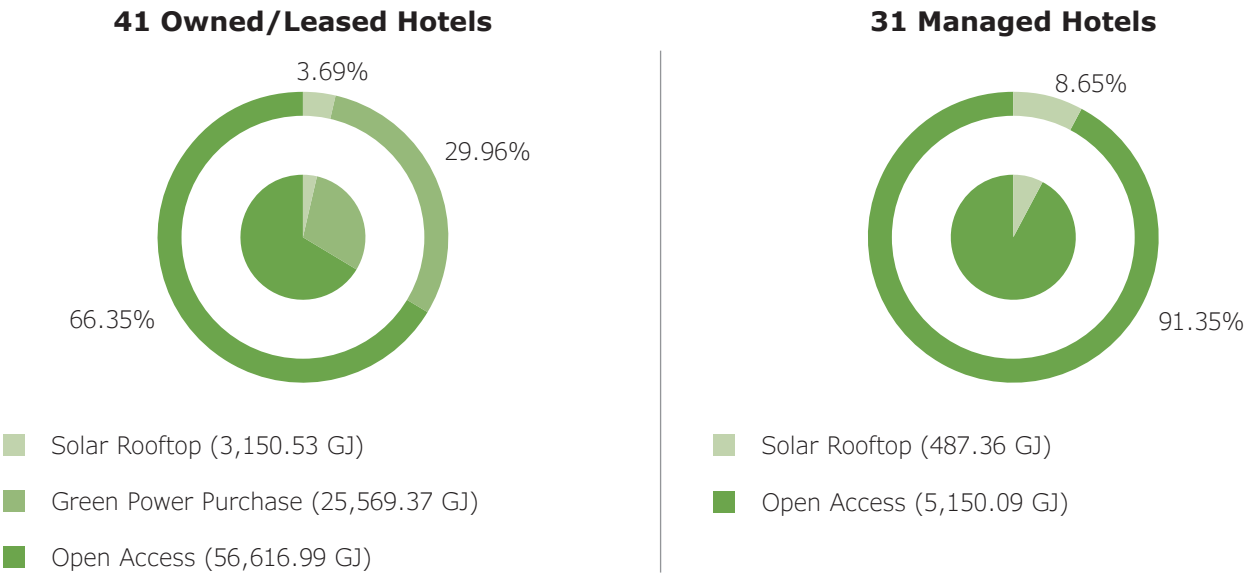
38%

Projects focus on renewable energy consumption across these hotels: **54%** at the 41 owned/leased hotels and **17%** at the 31 managed hotels.

Total Renewable Energy Consumption (GJ)



Renewable Energy Mix FY26





Climate Change and Emissions Management

As a hospitality business, we recognise the role we can play in addressing climate change. Reducing our emissions remains a sustained priority across our portfolio.



Approach

Reducing GHG Emissions

Cutting emissions through EV charging infrastructure, energy efficiency gains and a greater use of renewable sources



FY26 Target

40% Reduction in GHG Emissions (Intensity-Based) over the FY19 Baseline

FY26 Performance

35.74% Reduction in GHG Emissions (Intensity-Based) over the FY19 Baseline³⁴

Achieving Green Building Certification

Lowering our environmental impact as more of our portfolio moves to renewable energy



FY26 Target

100% Certified Green Buildings (Owned/Leased Hotels)

FY26 Performance

100% Certified Green Buildings (Owned/Leased Hotels)

³⁴For 41 Owned/Leased hotels

We measure and monitor our Scope 1 and Scope 2 emissions from energy consumption across our hotels. We have identified several measures to reduce our carbon footprint. These include increasing our use of renewable energy, deploying energy-efficient equipment and shifting to cleaner fuels such as LPG and CNG instead of higher-emission alternatives. We are also implementing an action

plan to introduce EVs across our hotels and exploring carbon offsets to address emissions we cannot yet eliminate.

To further reduce emissions, we are replacing equipment that uses chlorofluorocarbons. We are also upgrading older air conditioning systems with units that use low Global Warming Potential and Ozone Depletion Potential refrigerants, such as R32

and R410. In addition, our diesel generators are equipped with Retro Emission Control Devices that capture more than 90% of carbon particulate matter from exhaust, improving air quality. Dual Fuel Kits also enable generators to operate on a blend of diesel and gaseous fuel, reducing both emissions and operating costs.

Our Climate Change Approach

Four components underpin our commitment to combating climate change:

Activities	Targets	Partnerships	Disclosures
Climate Change Mitigation Reducing fossil fuel emissions, improving energy efficiency and adopting renewable energy.	Climate Change Adaptation Harvesting rainwater, using water-efficient faucets and shower heads, utilizing recycled water in gardens, installing flushing and cooling systems as well as reducing food waste.	Our commitment to climate change mitigation and adaptation is underpinned by clear and objective goals to reduce GHG emissions. We actively collaborate with stakeholders to address the climate crisis, working closely with hospitality partners to enhance sector performance and influence policy-making.	We track and report progress against our long-term goals through annual disclosures using established metrics.

Cutting Emissions at the Source



CAQM Measures

During FY 2025-26, Dual Fuel Kits and Retrofit Emission Control Devices were deployed across 13 owned hotels and 1 managed hotel in Alleppey (Kerala), Aurangabad, Bengaluru, Bhiwadi, Kochi, Mumbai, Pune and Trivandrum.



EV Charging Docks

During FY 2025-26, on-site EV charging infrastructure was installed at 1 owned hotel in Gurugram and 1 managed hotel in Corbett, supporting lower-emission mobility and providing an additional amenity for guests travelling in electric vehicles. This is in addition to the 77 EV docks installed across a dozen cities in FY 2024-25.



Air-Quality Improvement Devices

Installed Air-Quality Monitoring Devices across 6 hotels in Bengaluru, Kochi, Ludhiana, Pune and Visakhapatnam. These devices continuously monitor air pollutants and enable ventilation systems to operate according to actual requirements. Deployed Anti-Smog Machine Guns across 3 hotels in Delhi/NCR, to counter the high pollution levels in the city.

Our diesel generators are equipped with Retrofit Emission Control Devices that capture more than 90% of carbon matter from exhaust, improving air quality. They also use Dual Fuel Kits, enabling operation on a blend of diesel and gaseous fuel, reducing both emissions and operating costs.

Emission Type in FY26	41 Owned/Leased Hotels Energy	31 Managed Hotels
Direct GHG Emissions - Scope 1	8,582.68 tCO ₂ e	5,646.09 tCO ₂ e
Indirect GHG Emissions - Scope 2	25,596.21 tCO ₂ e	19,245.94 tCO ₂ e
GHG Emissions Intensity	0.08 tCO ₂ e/m ²	0.13 tCO ₂ e/m ²
Hydrofluorocarbons (HFCs)/ Refrigerant Emissions	1,461 kg	1,318 kg



Water Management

We manage water as a resource to be used carefully across our properties through wastewater treatment, recycling, rainwater harvesting and conservation measures. Guests and customers are part of this effort too, through water-saving initiatives we run directly with them.



Approach





Enhancing Water Efficiency

Upgrading existing systems and installing water-efficient equipment on an ongoing basis.

FY26 Target
10%
Reduction in Water Consumption (Intensity-Based) over the FY19 Baseline



Installation of STPs

Sewage Treatment Plants enable continuous wastewater treatment and recycling.



Guest Participation in Water Saving

Our half-glass water service and third-day linen change program deliver meaningful savings while building guest awareness.

FY26 Performance
9.77%
Reduction in Water Consumption (Intensity-Based) over the FY19 Baseline³⁵

³⁵For 41 Owned/Leased hotels

Water Stewardship

We build water efficiency into our guest-facing infrastructure. Dual-flush systems reduce water use by up to 60% per flush compared to conventional fixtures. Water-efficient fixtures across our properties can also be customized to reduce water use and lower water bills without affecting the guest experience. Together, these measures help reduce pressure on local water resources wherever they are installed.

Total Water Withdrawal in FY26 (KL)	41 Owned/Leased Hotels	31 Managed Hotels
Municipal Water Source	4,49,755	57,171
Ground Water (Borewell)	2,66,544	3,62,203
Procured Water (Tanker)	2,01,793	31,904
Recycled Water	4,88,584	1,14,649
Bottled Water	3,432	1,722
Total Water Consumption	9,18,092	4,51,278
Total Water Consumption Including Bottled Water	9,21,525	4,53,000

Water management initiatives implemented in FY 2025-26

During FY 2025-26, we introduced water-treatment, recycling and conservation measures across select hotels to reduce freshwater consumption, improve water recovery and minimise single-use plastic.

Ozonation system for swimming pools

An ozonation system was installed at one owned hotel in Hyderabad. The system disinfects pool water using ozone, reducing chlorine consumption, chemical costs and water wastage, while providing clearer water with less odour and irritation.

STP/ETP systems

Sewage and Effluent Treatment Plants were implemented at four owned hotels across Chandigarh, Delhi, Jaipur and Thiruvananthapuram. These systems treat wastewater for safe reuse in gardening, flushing and cooling towers or for compliant discharge, thereby reducing freshwater consumption and operating costs.

Ultrafiltration system

An ultrafiltration system was installed at one owned hotel

in Delhi to further treat water processed through the Sewage Treatment Plant. Fine membranes remove suspended solids, bacteria and turbidity, producing clear water for reuse in flushing, gardening and cooling towers. The system improves water recovery, reduces wastewater discharge and protects downstream reverse osmosis and boiler equipment from fouling.

Water-bottling RO plants and reusable glass bottles

As a part of our strategy to ‘Say No To Plastic’, during FY 2025-26, 10 hotels across Alleppey (Kerala), Bengaluru, Hyderabad, Jaipur, Kochi, Kolkata, Pune and Thiruvananthapuram installed water-bottling RO plants. These were in addition to 9 existing plants across Bengaluru, Delhi, Gurugram, Mumbai and Udaipur, taking the total number of hotels to 19. The plants purify and bottle drinking water on-site in reusable

glass bottles, replacing single-use packaged plastic water and reducing recurring procurement and transportation requirements. The process follows prescribed cleaning, sanitising, filling, packaging and date-stamped labelling protocols to maintain water quality and safety. Across all bottling plants, plastic savings increased from 19,548 kg in FY 2024-25 to 39,277 kg in FY 2025-26.

Capacitive De-ionization technology

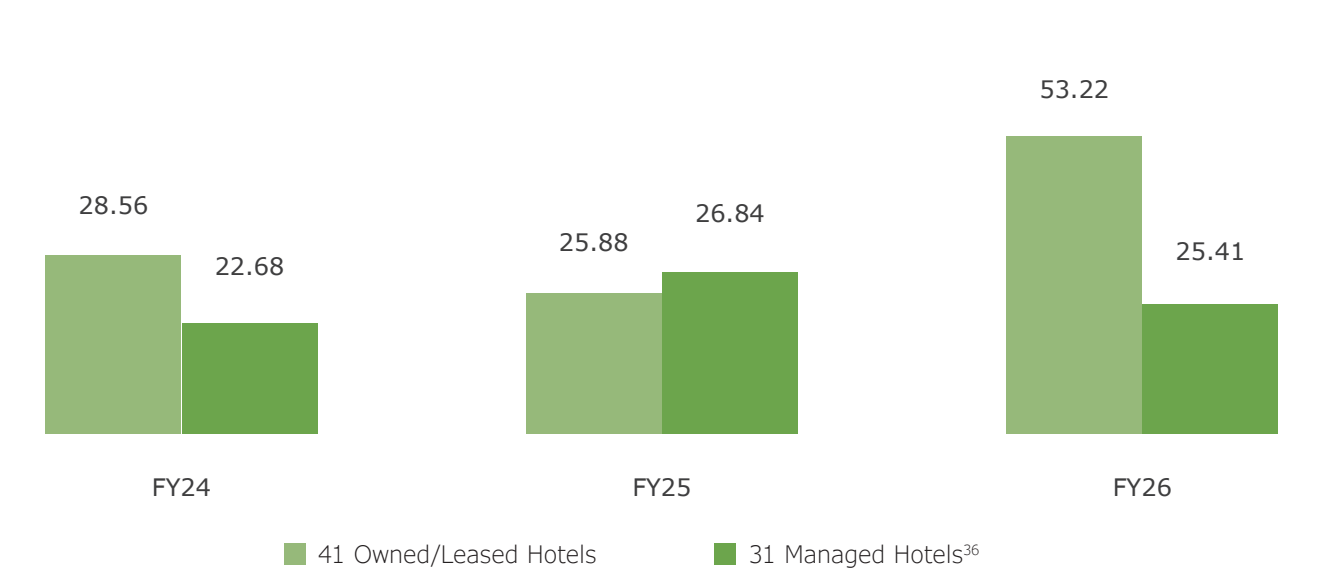
We also use Capacitive De-ionization technology for water purification and softening, for example, at Aurika, Mumbai Skycity. The system can recover up to 90% of the water processed, reduce total dissolved solids by up to 90% and consume approximately 30% of the electricity required by conventional Reverse Osmosis systems.

Wastewater Recycling and Reuse

Sewage Treatment Plants across our properties treat wastewater for reuse in gardening and flushing. This reduces reliance on fresh water for non-potable uses and eases pressure on local water bodies. An impactful example is at Aurika, Mumbai Skycity where the STP uses Membrane Bioreactor (MBR) technology which combines biological treatment with membrane filtration to produce high-quality treated water.



Water Recycled (%)



³⁶In the published reports for FY25 and FY24, this data was provided as per that scope i.e. 26 and 22 Managed hotels, respectively



Waste Management

We reduce, segregate and manage waste efficiently across our hotels, including guest rooms, restaurants, public areas and back-of-house operations. Our approach is guided by waste generation data from our properties and aligns with regulations issued by the Ministry of Environment, Forest and Climate Change (MoEF&CC).

Approach

Reduce, Segregate and Recycle

Comprehensive practices covering waste reduction, segregation and recycling

Capacity Building

Regular training that builds effective waste management habits and keeps employees engaged

FY26 Performance

936 kg

Retired IT Assets Reused and Recycled³⁷

Our Waste Management Approach

E-waste Management

Responsible disposal of retired IT and electronic equipment; careful handling of hazardous chemicals; IT procurement channelised through certified suppliers

Waste Segregation, Classification and Disposal

On-site segregation, accurate categorisation and handover to authorised disposal partners

General Waste Management and Disposal

Appropriate handling for each waste type

³⁷For the 41 Owned/Leased hotels and 31 Managed hotels covered in the scope of this Integrated Annual Report

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Menu icon (three horizontal lines)

Corporate Overview Statutory Reports Financial Statements

Waste Generation by Source (kg)

	Wet Waste			Dry Waste			Total		
	FY24	FY25	FY26	FY24	FY25	FY26	FY24	FY25	FY26
41 Owned/Leased Hotels	5,26,104	10,42,977	9,40,870	2,35,830	4,19,036	9,06,260	7,61,934	14,62,013	18,47,130
31 Managed Hotels ³⁸	6,01,020	6,92,445	5,85,632	2,87,360	3,74,428	3,86,344	8,88,380	10,66,873	9,71,976

Waste Generation by Category (MT)

Hazardous Waste

Year	41 Owned/Leased Hotels	31 Managed Hotels ³⁸
FY24	74.00	9.00
FY25	121.25	12.24
FY26	57.53	5.36

Non-Hazardous Waste

Year	41 Owned/Leased Hotels	31 Managed Hotels ³⁸
FY24	762.00	727.37
FY25	1,462.01	884.71
FY26	1,847.13	971.98

³⁸In the published reports for FY25 and FY24, this data was provided as per that scope i.e. 26 and 22 Managed hotels, respectively

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Waste Disposal in FY26 (MT)

	41 Owned/ Leased Hotels	Percentage	31 Managed Hotels	Percentage
Plastics (Including Packaging) Safely Disposed	104.85	5.50	7.92	0.81
Plastics (Including Packaging) Recycled	17.68	0.93	0.31	0.03
E-Waste Safely Disposed	42.66	2.24	2.47	0.25
E-Waste Recycled	7.96	0.42	0.41	0.04
Hazardous Waste Safely Disposed	3.51	0.18	1.97	0.20
Hazardous Waste Recycled	3.40	0.18	0.52	0.05
Other Waste Safely Disposed	1,631.73	85.67	963.75	98.61
Other Waste Recycled	92.87	4.88	0.00	0.00

Waste Management Equipment Acquired in FY 2025-26

During FY 2025-26, Organic Waste Converters were installed at 1 owned hotel and 1 managed hotel, both in Pune. The equipment processes food waste into compost on-site within hours, helping divert waste from landfills and reduce methane emissions. The resulting compost is reused for landscaping and supports compliance with solid waste management requirements for bulk waste generators.



CASE STUDY

Replacing Plastic Key Cards with Wooden Alternatives

During FY 2025-26, we replaced plastic key cards with wooden alternatives to reduce plastic use in guest-facing operations. The initiative covered 28 hotels and 25,200 key cards, resulting in a saving of 151.20 kg of plastic across the portfolio. It also reduced key card costs by 22.22% compared with plastic cards.

▲
Insert card from this side


YOUR KEY TO
infinity
Rewards by Lemon Tree

 This key card is protected with its own unique ID number

 Each lock keeps a security record of every entry

 Valid only during your stay. To extend your stay, the key card must be re-coded by the Front Desk

Please return the card to the Front Desk on check-out.

CASE STUDY

Repurposing Used Guest Soap through Soap For Hope™

Soap For Hope™ repurposes partially used guest soap collected from hotels into new soap bars for distribution to communities where they are needed.

In FY 2025-26, the initiative covered 40 owned/leased, managed/franchised hotels across 12 cities: Delhi, Gurugram, Noida, Mumbai, Kolkata, Bengaluru, Chennai, Goa, Jaipur, Indore, Jhansi and Alleppey (Kerala). During the year, we repurposed 2,186 kg of used guest soap for community distribution.



Biodiversity

As environmental stewards, we recognise that our operations and growth plans can affect local ecosystems and natural resources. None of our properties encroach on protected areas, including wildlife reserves and national parks. We also incorporate habitat preservation into our operations, expansion plans and acquisitions.



Approach

Protecting Sensitive Areas

Steering clear of encroachment on protected zones

FY26 Performance

None of our operations are located within designated protected areas, including national parks and wildlife reserves. All four ecologically sensitive locations - Bandhavgarh, Kochi, Muhamma/Alleppey and Candolim remain compliant with applicable environmental clearances, including Forest NOC and Coastal Regulation Zone requirements.



Embedding Conservation

Weaving biodiversity considerations into everyday operations

FY26 Performance

At Bandhavgarh, we have discontinued packaged drinking water, plastic cutlery, miniature toiletries and other single-use plastics. We also partner locally to compost kitchen waste for use around the reserve. In addition, we reuse treated wastewater for garden maintenance, support the local forest division in managing forest fires and plant trees across the premises.



CREATING SOCIAL VALUE

Growing Talent. Leading with Care.

We create opportunities for people from diverse backgrounds, deliver memorable guest experiences and work with partners who share our commitment to excellence. Across our workforce and the communities where we operate, we bring together growth, leadership and responsibility.



FY26 Highlights

15%
Women in Senior Roles Across the Organisation³⁹

1:1
Male-to-Female Wage Ratio Maintained³⁹

1,12,123
Training Man Hours³⁹

³⁹For the 41 Owned/Leased hotels and 31 Managed hotels covered in the scope of this Integrated Annual Report

₹ 5.11 Cr
CSR Spend by Lemon Tree Hotels and its Subsidiary Companies

15.4%
Opportunity-Deprived Individuals³⁹, including 305 Employees with Disabilities and 635 Employees from Economically and Socially Marginalised Backgrounds

Key Material Topics

-  Health and Well-Being
-  Commitment to Human Rights
-  Customer Delight
-  Diversity and Inclusion
-  Talent Management and Retention
-  Sustainable Supply Chain
-  Local Community Development

Stakeholders in Focus

-  Employees
-  Customers
-  Investors and Shareholders
-  Owners and Partners
-  NGOs
-  Local Communities

UN SDGs



Our Approach

Building a service model that promotes respect, equality and excellence. Where team members work with passion and integrity, energising each other every day and where guests are treated with warmth and friendliness, making each stay memorable.



Our Employees

Building a workplace where people feel supported, valued and treated fairly guides how we operate. Cross-training and upskilling provide every employee equal access to opportunities. Our Human Rights Policy reinforces our commitment to protecting employee rights across the business.

Approach	FY26 Target	FY26 Performance
Talent Management Hiring young talent across levels; ensuring equitable employment for Opportunity Deprived Individuals (ODIs), including Employees with Disability and those from Economically and Socially marginalised backgrounds; promoting empowerment, productivity, talent retention and growth	20% ODIs in the Workforce	15% ODIs in the Workforce ⁴⁰
Occupational Health and Safety Working toward zero incidents and upholding health and safety standards	15% Women in the Workforce	13% Women in the Workforce ⁴⁰
Human Rights Respecting human rights across all aspects of the business	30% Women Directors	10% Women Directors

⁴⁰For 41 Owned/Leased hotels



Employee Engagement

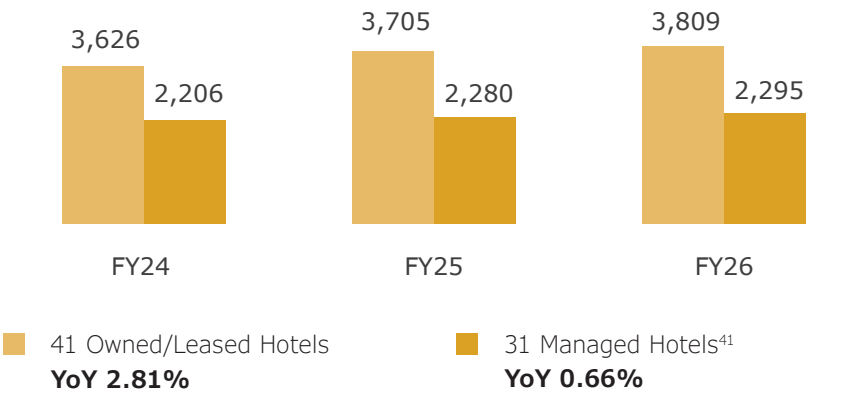
Talent matters to us regardless of gender, background or individual need and that principle shapes how we hire and develop our people. We also keep our hierarchy intentionally lean, creating more opportunities for collaboration and participation across teams instead of slowing ideas through multiple layers. Bringing young talent into the organisation at every level reflects the same approach, as fresh perspectives support our long-term growth.

We apply the same openness to how we engage with employees every day. Hotel level town halls and team-building activities keep communication open and strengthen collaboration across teams. "Fresh-eyes" discussions give new joiners a dedicated forum to share their early impressions, while weekly one-on-one conversations between hotel managers and employees help us address individual needs as they arise. Depending on the forum, these conversations take place weekly, monthly, quarterly or annually, covering health, safety, well-being, talent management, diversity and inclusion, ethics and transparency.

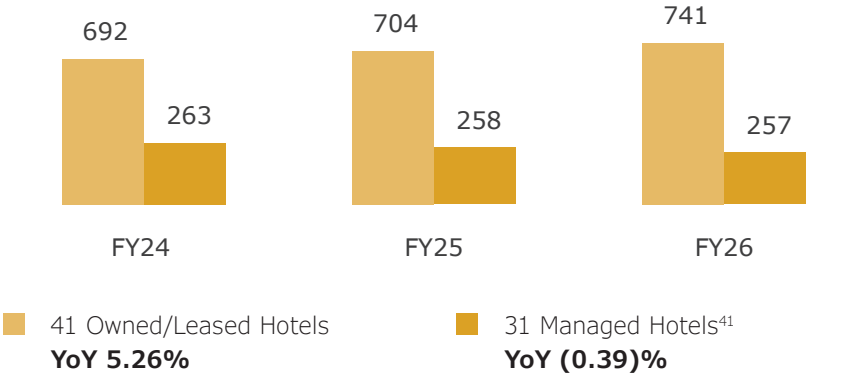
Workforce Composition

In FY 2025-26, our full-time workforce across the 41 owned/leased and 31 managed hotels covered in this report stood at 6,104, representing a 2% year-over-year increase. Contractual employees numbered 998, while non-employed workers totaled 1,517. Together, our full-time, contractual and non-employed workforce enables us to adapt our operations while remaining responsive to business needs.

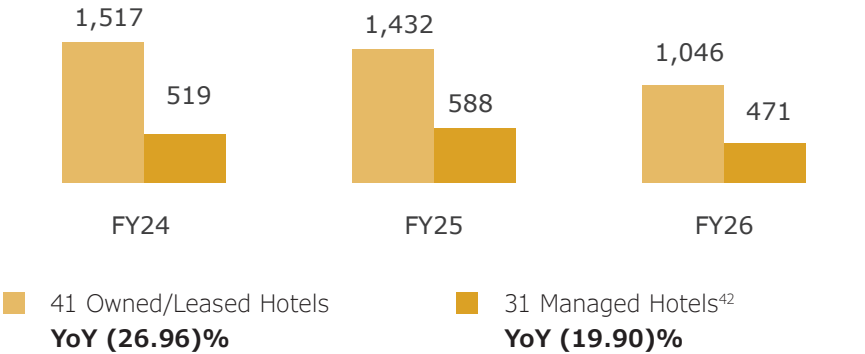
Full-Time Employees



Contractual Employees



Non-employed Workers



⁴¹In the published reports for FY25 and FY24, this data was provided as per that scope i.e. 26 and 22 Managed hotels, respectively

⁴²The data for FY25, FY24 is as per the scope of each report i.e. 26, 22 Managed hotels, respectively

Diversity and Inclusion

Our Diversity and Inclusion Policy is built on trust, responsibility and long-term socio-economic development for our people and the communities around our hotels. For nearly two decades, we have upheld equal opportunity in hiring. It continues to guide how we hire, promote and support our people.

As part of this commitment, we focus on Opportunity Deprived Individuals (ODIs), including Employees with Disability (EwD) and people from Economically and Socially marginalised backgrounds (EcoSoc). By welcoming ODIs into our teams, we provide access to stable, dignified employment while making our guest experience more inclusive.

Full-time Employee Distribution by Level and Gender

41 Owned/Leased Hotels						
Level	FY24		FY25		FY26	
	Male	Female	Male	Female	Male	Female
Senior Management	53	12	64	11	67	12
Mid-management	717	86	789	84	819	85
Executives	520	51	485	65	462	57
Associates	1,834	291	1,876	303	1,941	334
Trainees/Apprentices	42	20	25	3	25	7
Total	3,166	460	3,239	466	3,314	495

31 Managed Hotels ⁴³						
Level	FY24		FY25		FY26	
	Male	Female	Male	Female	Male	Female
Senior Management	0	0	0	0	2	0
Mid-management	278	11	335	14	382	25
Executives	197	19	218	17	284	21
Associates	971	125	1,144	156	1,325	215
Trainees/Apprentices	30	15	28	4	28	13
Total	1,476	170	1,725	191	2,021	274

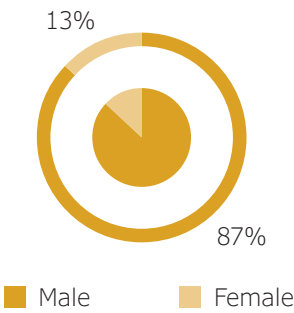
Full-time Employee Distribution by Age Group

41 Owned/Leased Hotels						
Level	FY24		FY25		FY26	
	Male	Female	Male	Female	Male	Female
<30 years	1,560	292	1,703	329	1,696	352
30-50 years	1,479	160	1,412	131	1,496	136
>50 years	127	8	124	6	122	7
Total	3,166	460	3,239	466	3,314	495

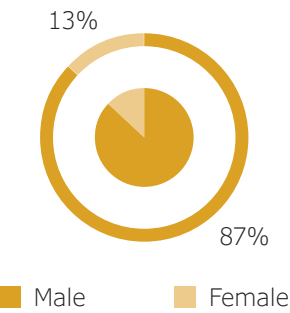
31 Managed Hotels ⁴³						
Level	FY24		FY25		FY26	
	Male	Female	Male	Female	Male	Female
<30 years	747	108	958	123	1,101	198
30-50 years	686	60	714	65	863	72
>50 years	43	2	53	3	57	4
Total	1,476	170	1,725	191	2,021	274

⁴³The data for FY25, FY24 is as per the scope of each report i.e. 26, 22 Managed hotels, respectively

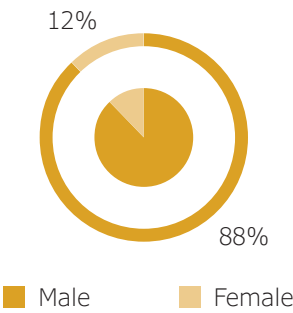
Total Employee Gender Diversity in FY26



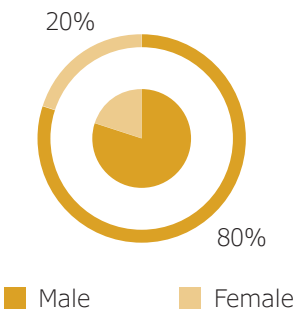
Gender Diversity at 41 Owned/Leased Hotels in FY26



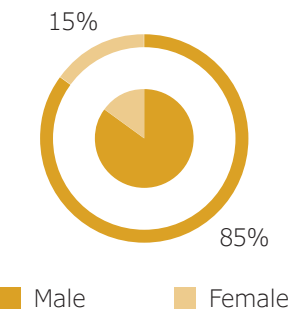
Gender Diversity at 31 Managed Hotels in FY26



Gender Diversity at Corporate Office in FY26



Gender Diversity at the Senior Level in FY26

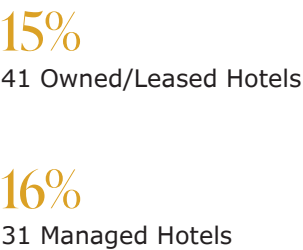


Opportunity Deprived Individuals

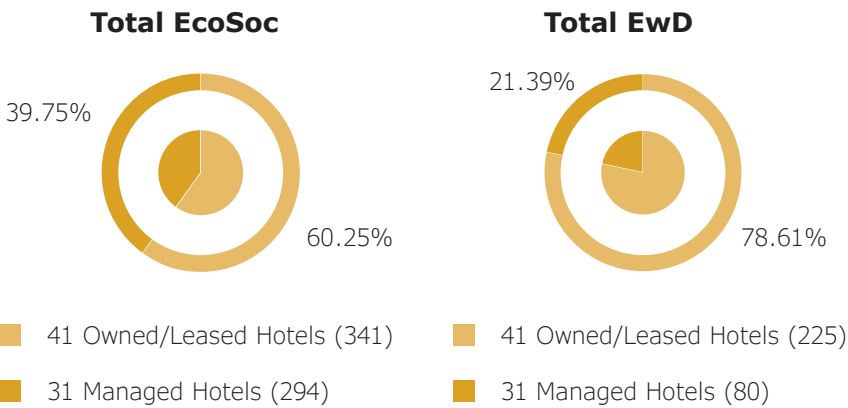
Our workforce included 940 ODIs in FY 2025-26, comprising 566 at 41 owned/leased hotels and 374 at 31 managed hotels. This included 225 EwDs and 341 EcoSocs at 41 owned/leased hotels and 80 EwDs and 294 EcoSocs at 31 managed hotels.

Employees with Disability (EwD) Distribution in FY26		
	41 Owned/Leased hotels	31 Managed Hotels
Autism	4	1
Down Syndrome (DS)	7	0
Hearing Impairment (HI)	0	1
Low Hearing (LH)	1	0
Orthopedically Handicapped (OH)	27	11
Speech and Hearing Impaired (SHI)	168	64
Slow Learner (SL)	13	2
Visually Impaired (VI)	0	0
Low Vision (LV)	2	1
Intellectual and Developmental Disability (IDD)	3	0
Total	225	80

Total ODI Workforce in FY26



Number of ODI Employees in FY26



Key Diversity and Inclusion Initiatives

Our commitment to hiring Opportunity Deprived Individuals began in 2007 with EWDs and expanded in 2016 to include EcoSocs. Nearly two decades later, we support people across a broad range of disability types, including speech and hearing impairment, orthopedic disability, low vision, acid survivors and intellectual and developmental disabilities such as Down Syndrome, autism and slow learners. Employees with speech and hearing impairment remain our largest group. We also hire individuals below the poverty line, widowed or destitute women, orphans and abandoned girls, transgender persons, school dropouts and people from regions with limited access to education and employment.

Our commitment to inclusion extends beyond just hiring to how we train and support our people. Every employee learns Indian Sign Language (ISL) and is assessed on it. Training is tailored to different needs. Deaf colleagues attend integrated sessions led by a trainer and an ISL interpreter. Low vision colleagues receive accessible learning materials. Colleagues with intellectual and developmental disability or autism

complete internships of more than six months instead of classroom training. Supervisors and managers also receive training to help new team members during this transition. Today, this approach is followed across our hotels and we continue sharing our experience with organisations in hospitality and other sectors in India and abroad.

CASE STUDY

Nurturing Neuro Divergent Talent

Continuing its focus on inclusive hiring, LTH created internship opportunities for neurodivergent individuals, including those with intellectual and developmental disabilities (IDD) and autism.

During FY 2025-26, 15 interns were engaged across Bengaluru, Bhopal, Chennai, Delhi and Gurugram in partnership with Mann NGO, Muskaan PAEPID, Evoluer Solutions, Diya Foundation and Annabalaya. Of these, 4 joined the LTH team through employment or apprenticeship opportunities, while 6 will continue their internships into FY 2026-27. A few interns chose to return to their respective NGOs for further training.

LTH is also exploring partnerships with Yash Charitable Trust and Orkids to create internship opportunities for autistic youth in Mumbai and young adults with specific learning disabilities, including ADHD, dyslexia and dyspraxia.

4
Interns transitioned to employment/apprenticeship opportunities with LTH

Learning and Development

We view learning and development as central to building capable teams, strengthening operational consistency and delivering memorable guest experiences. Our programs support employees through structured onboarding, functional capability building and continuous improvement.

Functional Champion Program

The Functional Champion Program is a structured onboarding initiative designed to support the seamless integration of newly appointed hotel-level Heads of Department. Upon joining, each new Head of Department is assigned a Functional Champion, who serves as a buddy, mentor and guide throughout the first two months. The program provides continuous support and helps new leaders understand their roles, responsibilities and operational expectations. Its completion is an important milestone in the employee confirmation process, ensuring alignment with Lemon Tree Hotels’ operational standards.



Protel PMS (Part of Front Office 101)

The arrival and departure experience is a critical driver of guest satisfaction. To support a seamless guest journey, Learning and Development trainers must have a thorough understanding of the Property Management System used across hotel operations. The Protel PMS is a part of Front Office 101 and it equips team members to efficiently manage reservations, check-ins, check-outs, guest requests, billing and other key operational processes.



Quality Audits

To enhance the guest experience and strengthen operational excellence across Lemon Tree Hotels, we have developed a comprehensive Quality Audit Program. The initiative assesses hotel performance against defined brand standards and identifies opportunities for continuous improvement. The audit framework evaluates the four core operational departments, critical Moments of Truth across the guest journey, key guest touchpoints, brand essentials, hotel upkeep and innovation. It also reviews the culture of inclusion and the warm, friendly service that defines the Lemon Tree experience.



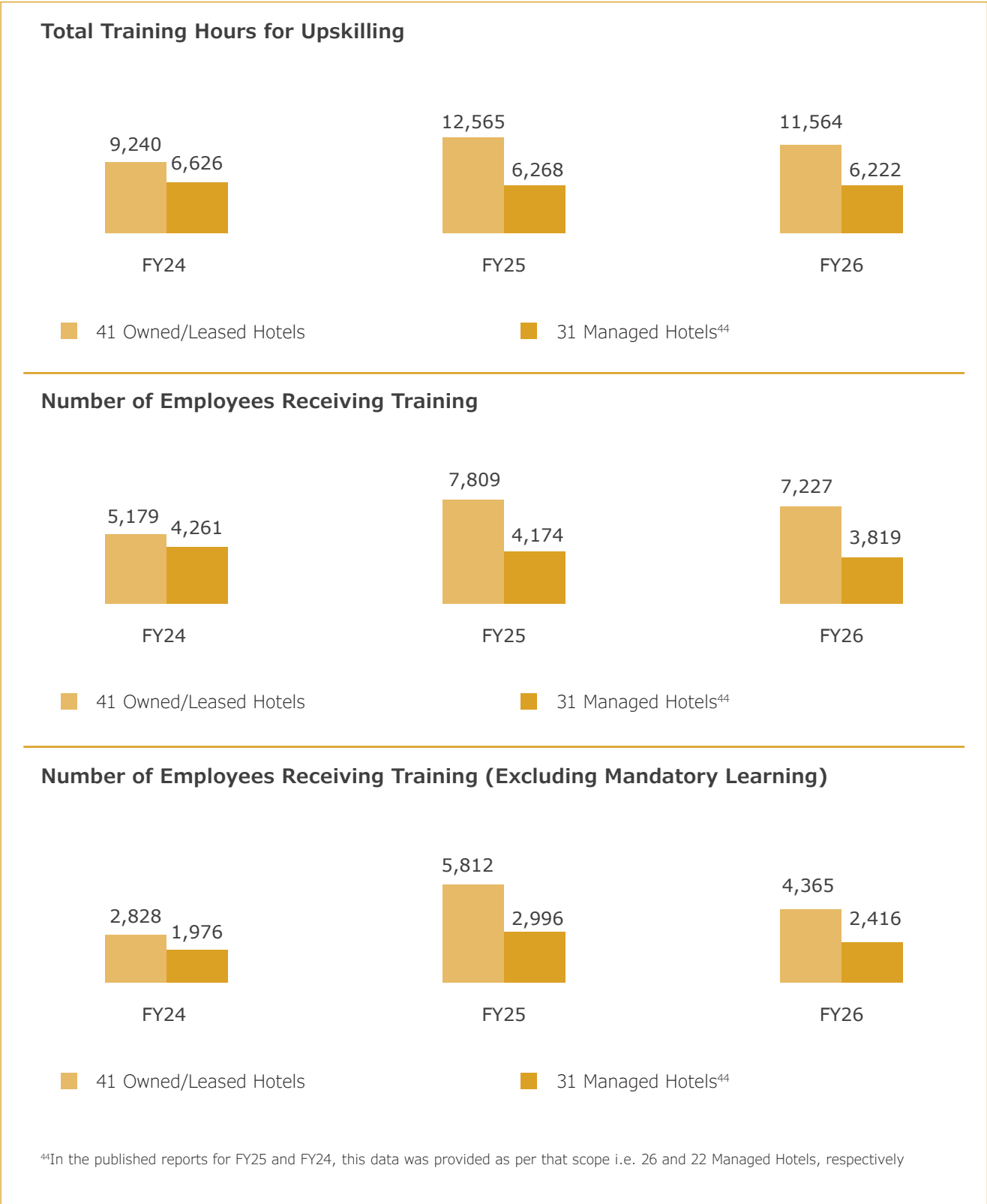
Training Man Hours in FY26

73,482

Across 41 Owned/
Leased Hotels

38,641

Across 31
Managed Hotels



Talent Management

Launched in August 2024, our Hotel General Managers (HGMs) Development Program is an annual phenomenon. It is a structured three-month initiative which strengthens functional knowledge and builds leadership skills. HGMs go through online and in-person sessions led by Corporate Function Heads. Self-study, videos, simulations and live case work reinforce learning. The primary objective of this initiative is to develop well-rounded HGMs who embody Lemon Tree’s culture and DNA.

We opened 20 new hotels across India and overseas this past year. This expansion created growth opportunities for existing employees. Several advanced to Deputy Head of Department or Head of Department roles at new properties. Promoting from within also helps carry our culture into every new hotel.

Employee Support

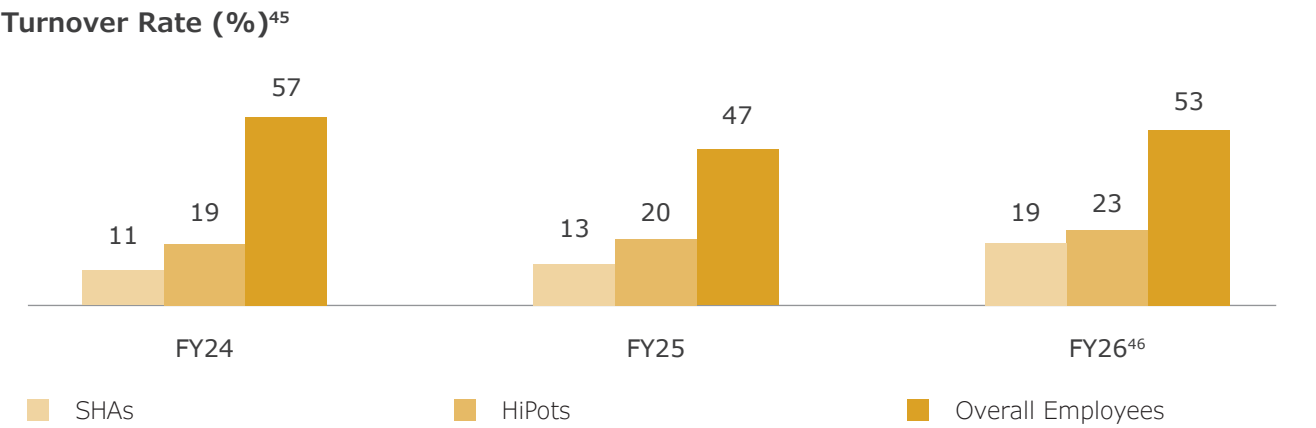
We support employees with benefits that address everyday needs. These include accidental and health insurance for all permanent employees, maternity benefits for female employees and day-care facilities that help employees balance work and personal responsibilities.

Employee Benefits Coverage in FY26 (%)		
	41 Owned/Leased Hotels	31 Managed Hotels
Provident Fund (PF)	97.77	97.60
Gratuity	91.57	90.33
Employees' State Insurance (ESI)	46.44	64.18

Performance and Development Reviews in FY26 (%)		
	41 Owned/Leased Hotels	31 Managed Hotels
Male	13.50	43.40
Female	15.40	29.60
Total	13.80	41.70

Talent Retention

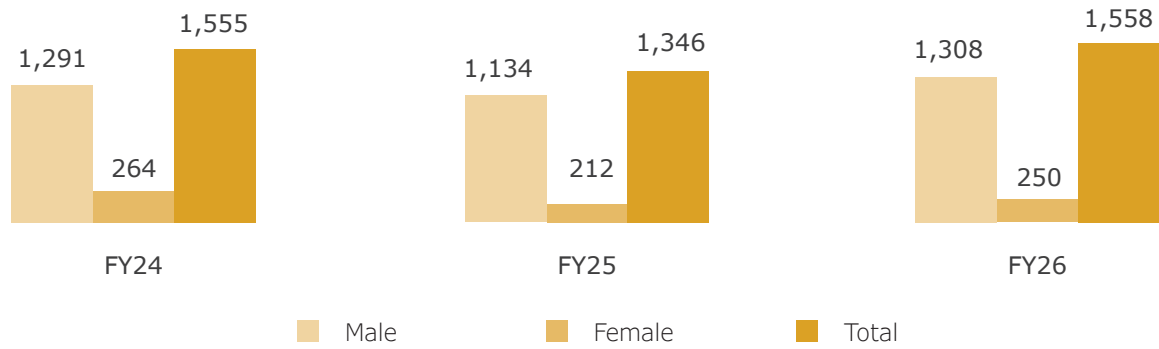
Turnover across our 41 owned/leased hotels and 31 managed hotels stood at 53% in FY 2025-26. We retained 52% of our male full-time employees and 44% of our female full-time employees. During the year, 74% of our new hires were under 30 years of age.



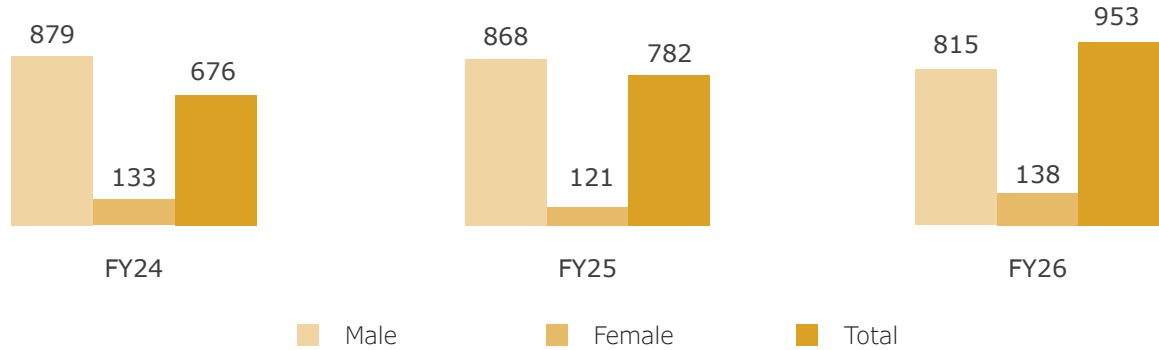
⁴⁵The data for FY25, FY24 is as per the scope of each report i.e. 26, 22 Managed hotels, respectively
⁴⁶For the 41 Owned/Leased hotels and 31 Managed hotels covered in the scope of this Integrated Annual Report

Number of New Hires

41 Owned/Leased Hotels

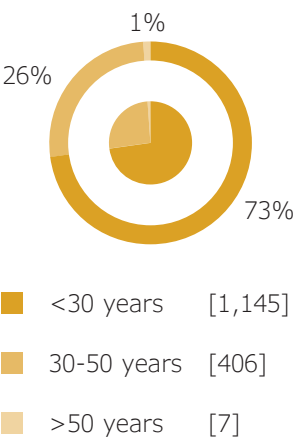


31 Managed Hotels⁴⁷

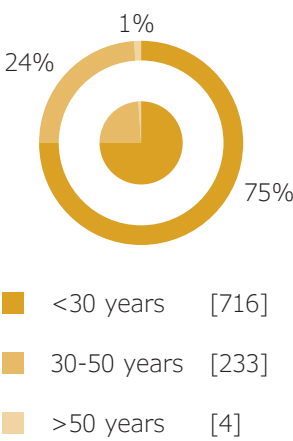


New Hires by Age Group in FY26

41 Owned/Leased Hotels



31 Managed Hotels



⁴⁷In the published reports for FY25 and FY24, this data was provided as per that scope i.e. 26 and 22 Managed hotels, respectively

Health, Safety and Well-Being

Every hotel operates under our Occupational Health and Safety (OHS) Management System covering all employees. Routine and non-routine hazard identification is integrated into our operations. We work to achieve zero occupational health incidents across employees, contractors, guests, communities and the public.



Hazard Identification and Mitigation

Our Incident Tracking System helps identify potential hazards before they escalate. When an incident is reported, we act promptly and implement measures to prevent recurrence. We support this process with structured training, documented emergency response plans and regular safety audits. These audits encourage employees to identify and address risks as part of our ongoing safety efforts.

Health and Safety Governance

Our OHS Committee sets corporate health and safety standards, rules and procedures. At each hotel, the local OHS Committee oversees regional compliance, analyzes incidents and prioritises corrective actions. Every hotel also maintains trained first-aid staff on-site to respond immediately to medical emergencies.

In FY 2025-26, health and safety training reached 47.23% of our full-time employees across 41 owned/ leased hotels and 31 managed hotels. Training completion was 27.59% among male employees and 45.25% among female employees.

Employee Training on Health and Safety in FY26 (%)		
	41 Owned/ Leased Hotels	31 Managed Hotels
Male	27.16	28.30
Female	43.43	48.54
Total	49.88	42.83

Human Rights

Our Human Rights Policy sets clear expectations for employees, business partners and third-party contractors, aligned with the Universal Declaration of Human Rights (UDHR) and the International Labour Organization (ILO) Declaration. It supports our zero-tolerance approach to sexual harassment, discrimination, child Labour, forced Labour and exploitation in any form. We also monitor construction sites for violations, misconduct and unfair treatment. We refer all reported violations to our Vigilance Officer for a full investigation.

Workforce by Gender and Union in FY26 ⁴⁸			
	Full-Time Employees	Employees Who are Part of Unions	Percentage
Male	5,335	98	1.84
Female	769	11	1.43
Total	6,104	109	1.79

⁴⁸For the 41 Owned/Leased hotels and 31 Managed hotels covered in the scope of this Integrated Annual Report

Zero

Health and Safety-Related Incidents at our Under-Construction Sites

Zero

Cases of Recordable Work-Related Injuries

100%

Hotels Assessed on Health and Safety Practices



100%

Hotels Assessed on Working Conditions



Community Development

Our CSR strategy focuses on the core development needs of marginalised and underserved communities.

Approach	FY26 Performance
We aim to support marginalised and underserved communities by addressing their basic development needs.	₹ 5.11 Cr CSR spend by Lemon Tree Hotels and its Subsidiary Companies

Community Partnerships

Expanding access to employment for people with disabilities and underprivileged youth is central to our engagement with the non-profit sector. We partner with organisations such as Aasraa Trust, Action for Ability Development and Inclusion, Action for Autism, Handimachal Society, Muskaan PAEPID, Noida Deaf Society, Sai Swayam Society, Sarthak Educational Trust and Woman at Work. These organisations support

the disability community through rehabilitation, education, skilling and employment opportunities.

We have also partnered with Goonj in the area of disaster management and relief and The Akshaya Patra Foundation to support nutrition and midday meals for underprivileged children. Together, these partnerships draw on more than four decades of experience, helping us support local communities and advance social inclusion.

Community and Environmental Initiatives

At the property level, we connect environmental responsibility with community well-being through tree plantation drives, cleanliness campaigns around our hotels and eco-friendly practices in daily operations. These efforts benefit the environment while improving the experience for our extended-stay guests and supporting broader sustainability across our properties.



Customers

We welcome business and leisure travellers, families, tourists, event and wedding groups, food and beverage patrons and long-stay guests. We tailor our offerings to their diverse needs, from business facilities and family-friendly amenities to curated events and leisure experiences.

Approach



Guest Experience

Customized solutions tailored to individual needs, high guest satisfaction and prompt resolution of service concerns



Sustainability

Guest engagement and awareness-building around sustainability



Loyalty Program

Rewards that encourage repeat visits

FY26 Performance

14,72,220⁴⁹

Total Customers

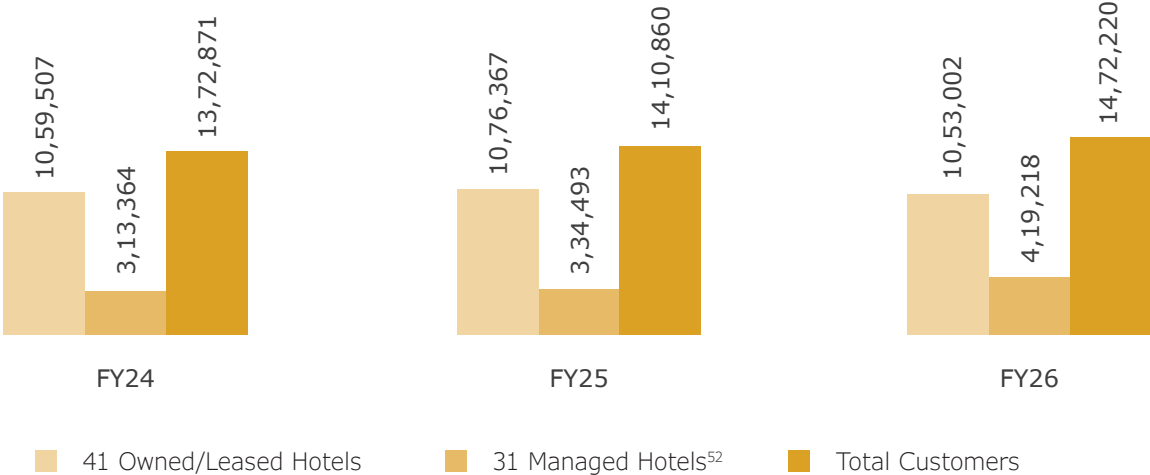
82%⁵⁰

Retail NPS

23,71,923⁵¹

Infinity Rewards Members

Total Customers



Category	FY24	FY25	FY26
41 Owned/Leased Hotels	10,59,507	10,76,367	10,53,002
31 Managed Hotels ⁵²	3,13,364	3,34,493	4,19,218
Total Customers	13,72,871	14,10,860	14,72,220

Delivering Customer Satisfaction

Online reputation management (ORM) is central to how we run our hotel operations. A coordinated ORM process between hotel teams and our Marketing team helps identify and resolve service gaps quickly.

We use insights from ORM data to guide annual improvements, including product upgrades, renovations and front-line staff training. Our Learning and Development team reviews negative and passive feedback from online platforms using Root Cause Analysis. This helps identify both people- and process-related issues. When recurring patterns emerge, we update brand standards accordingly. When immediate action is needed, our Learning & Development (L&D) team works with hotel operations to deliver re-briefings and targeted training.

Guest Stays			
	FY24 ⁵³	FY25 ⁵³	FY26 ⁵⁰
Repeat Guests	1,15,519	1,29,987	1,38,396
Long Stay Guests	31,013	32,268	31,711

Customer Feedback Management

Guest feedback helps us improve and we make it easy to share through review platforms such as TripAdvisor, social media and Online Travel Agents, including Booking.com and MakeMyTrip. Acting on feedback promptly remains an integral part of how we operate.

Loyalty and Rewards Program

Infinity Rewards continues to build traction and encourages guests to book with us and return for repeat stays. Members earn reward points on every rupee spent on room stays and can redeem them online at participating properties. The program offers four membership tiers: Silver, Gold, Platinum and Platinum Plus with increasing benefits, from discounted rates and a best price guarantee to upgrades and a complimentary buffet breakfast at the Platinum tier. Membership reached 23,71,923 members as of March 2026.



Guest Participation in Sustainability

We involve guests in our sustainability efforts by explaining the purpose behind our waste management practices through our communication channels. Washroom posters highlight our water recycling initiatives, while the third-day linen change option allows guests to help conserve water. At our restaurants, the half-glass water initiative has gained positive attention, with guests mentioning it in feedback and on social media.

⁴⁹For the 41 Owned/Leased hotels and 31 Managed hotels covered in the scope of this Integrated Annual Report. The total number of customers in FY26 for the entire portfolio was 18,24,579
⁵⁰For the 41 Owned/Leased hotels and 31 Managed hotels covered in the scope of this Integrated Annual Report
⁵¹For the entire network of Owned/Leased, Managed/Franchised hotels
⁵²The data for FY25, FY24 is as per the scope of each report i.e. 26, 22 Managed hotels, respectively
⁵³The data for FY25, FY24 is as per the scope of each report i.e. 26, 22 Managed hotels, respectively + 41 Owned hotels

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Responsible Supply Chain Practices

Every vendor, supplier and service provider we work with follows our Supplier Code of Conduct. The Code aligns with international frameworks, including the Universal Declaration of Human Rights (UDHR) and International Labour Organization (ILO) conventions. It defines requirements for minimum wages, human rights, health and safety, environmental compliance, labour practices, freedom of association, ethical conduct and transparent operations.

Approach

**Community and Local Economy**
Guest participation and sustainability awareness

**Sustainable Supply Chain**
Building a sustainable, responsible supply chain

FY26 Performance⁵⁴

21,446
Local Suppliers

96%
Sourcing from Local Suppliers

22,456
Active Suppliers

Supplier Guiding Principles

Our Code defines the standards we expect suppliers to meet. We also encourage them to establish ESG goals that align with these expectations.

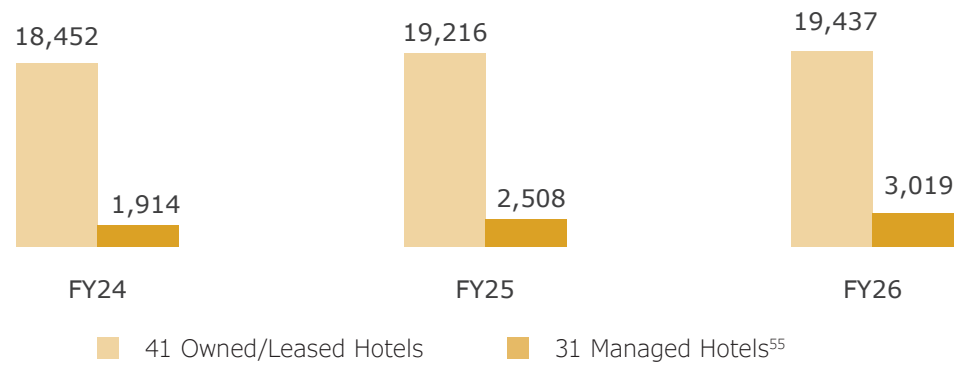
- Ethics and Governance:**
Legal compliance, conflict of interest prevention, anti-corruption, recordkeeping and worker grievance mechanisms
- Human Rights:**
Prohibition of child labour and human trafficking, fair wages, reasonable working hours and non-discrimination
- Environmental Sustainability:**
Obtaining and maintaining all required environmental permits and licenses under applicable national, state and local laws
- Occupational Health and Safety:**
Safe working conditions, fire safety and worker training

Local Procurement

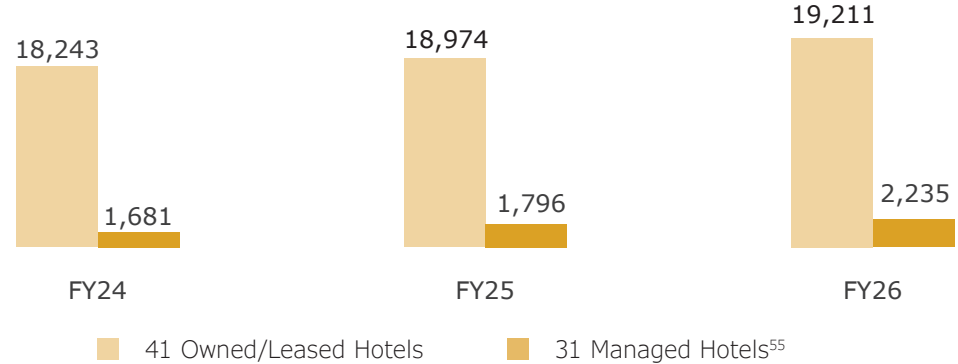
Our active supplier base reached 22,456 in FY 2025-26. Of these, 21,446 are local suppliers, representing approximately 96% of the total. We prioritise local partnerships because they support local economies, strengthen communities and reduce our environmental impact. They also support employment, provide access to distinctive products and strengthen business relationships. This approach reflects our commitment to sustainability and inclusive community development.

96%
Sourcing from Local Suppliers⁵⁴

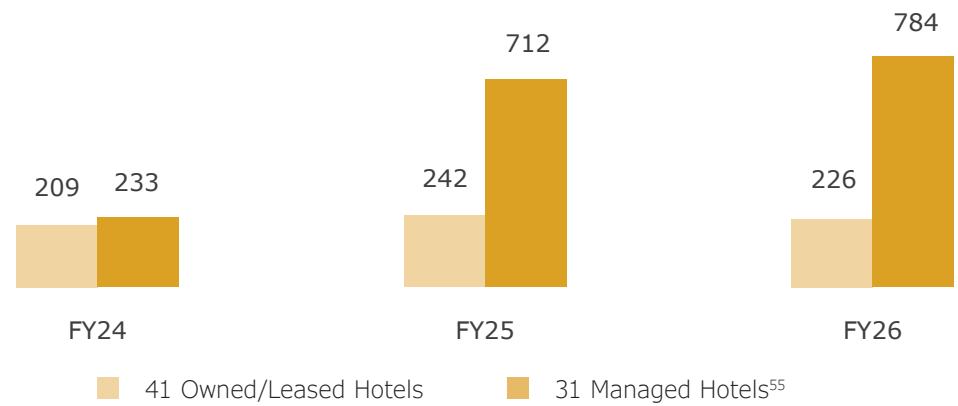
No. of Active Suppliers



No. of Local Suppliers



No. of National Suppliers



⁵⁴For the 41 Owned/Leased hotels and 31 Managed hotels covered in the scope of this Integrated Annual Report
⁵⁵The data for FY25, FY24 is as per the scope of each report i.e. 26, 22 Managed hotels, respectively

CORPORATE GOVERNANCE

Integrity that Powers Our Growth

Our governance approach is grounded in ethical conduct, disciplined risk oversight and leadership that values diverse perspectives. We uphold these principles because they reinforce stakeholder trust and protect the reputation we have built over time.



FY26 Highlights

- 50%

Independent Directors on the Board
- 32

Committee Meetings Held
- 97%

Average Board Attendance
- 10%

Women Representation on the Board

Key Material Topics

- Regulatory Compliance
- Ethics and Transparency
- Brand and Reputation Management
- Economic Performance
- Data Privacy

Stakeholders in Focus

- Employees
- Bankers
- Auditors
- Regulatory Bodies/ Government
- Investors and Stakeholders
- Owners and Partners

UN SDGs



Our Approach

Running the Company’s operations based on a three-pronged approach to governance, i.e. ethical conduct, fairness and transparency.

Governance Structure

We aim to create long-term value for all our stakeholders, including shareholders, employees, guests, business partners and society. To support this goal, our governance system instils transparency and efficiency across our corporate processes.



Board Performance Evaluation

Each year, the Nomination and Remuneration Committee conducts a formal evaluation of our Board, its committees and individual Directors. The process aligns with the Companies Act, 2013 and applicable SEBI (LODR) Regulations. It begins with input from every Director and evaluates that input against predefined qualitative and quantitative parameters. These cover the Board's role in strategy, performance monitoring, risk oversight, statutory and regulatory compliance, organizational culture and talent management.

Independent Directors separately evaluate the Non-Independent Directors, including the Chairperson, as required by law. They also assess the Board's overall effectiveness. Both evaluations follow a Board-approved framework, ensuring a transparent, objective and balanced assessment of individual Directors, committees and the Board.

Board Skills and Expertise in FY26 (%)



Board Tenure Overview in FY26

Tenure	Member(s)
Less than 1 Year	2
1 to 5 Years	3
5 to 10 Years	3
10+ Years	2



Code of Conduct and Policy Framework

Our Code of Conduct applies to every Board Member, the leadership team, senior management and employees. It reflects our commitment to fairness, transparency and professionalism, setting clear expectations for conduct across the organisation. We review and approve all related-party transactions, including those involving interested Directors or potential conflicts of interest, through the Audit Committee and the Board. Material transactions require specific Board approval. By following ethical and transparent practices, we hold management accountable and aligned with our vision and values.



Policies that Guide Us

Environment

- LTH Environmental Policy
- LTH Waste Management Corporate Policy
- LTH ESG Policy
- LTH Climate Change Policy

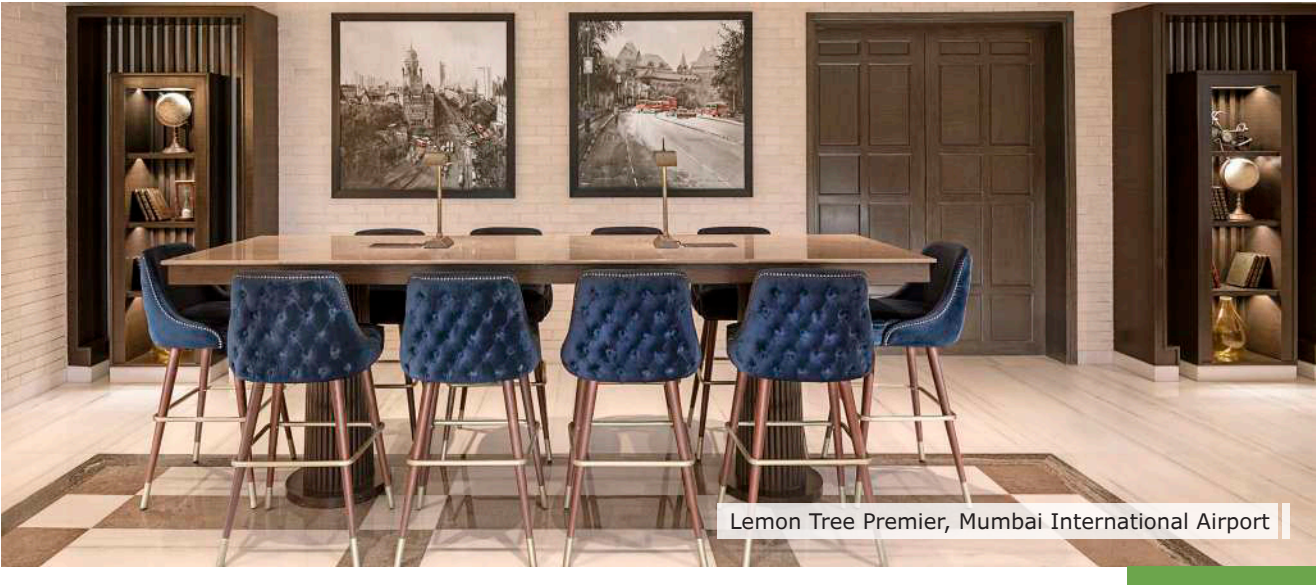
Social

- Corporate Social Responsibility Policy
- LTH Human Rights Policy
- LTH Health and Safety Policy
- LTH Equal Opportunity Policy

Governance

- LTH Code of Conduct for Directors
- LTH Code of Conduct for Senior Management and Employees
- LTH Vigil Mechanism-Whistle Blowers Policy
- Risk Management Policy
- Nomination and Remuneration Policy
- Dividend Distribution Policy
- Policy on Appointment and Rotation of Statutory Auditors
- LTH Supplier Code of Conduct
- LTH Stakeholder Relations Policy
- LTH Anti-bribery and Anti-corruption Policy
- Privacy Policy
- Determination of Material Subsidiary Policy
- Determination of Materiality of Events and Information Policy
- Code of Conduct for Regulation, Monitoring and Reporting of Trading by Insiders
- Preservation of Documents and Archival Policy
- Related Party Transaction Policy
- Policy on Board Diversity
- Succession Policy

[Read more](#) about our policies here ➔



Commitment to Compliance

The Board, senior management and Key Managerial Personnel (KMP) maintain strict compliance with applicable laws, regulations and notifications. We regularly review our compliance framework with the leadership team to keep it current. Directors and KMPs participate in structured briefings on SEBI (LODR) Regulations, CSR, ESG, stock exchange compliance requirements, policy updates and the Vigil Mechanism Policy. These sessions keep them aligned with evolving governance expectations. During FY 2025-26, there were no fines, penalties or non-monetary sanctions in relation to Stock Exchanges, SEBI or capital market regulations.

Internal Audit and Assurance

Alignment with Corporate Heads of Department (HoD)

- Individual meetings with Corporate HoDs are held before each audit cycle begins, evaluating existing audit parameters and key focus areas and communicating any changes in SOPs or guidelines
- Audit parameters are rated and the scope of execution is agreed before the audit process starts
- Action plans agreed with each HoD are documented and shared through minutes of meetings with stakeholders including Corporate HoDs
- A summary of key issues is presented to the Audit Committee

Audit Execution and Field Closure

- The respective hotel Cluster Head and General Manager (GM) are notified ahead of each audit
- Surprise audits are done without advance notice to the hotel team itself
- Audit queries are shared with process owners and exceptions are reported to both process owners and the hotel GM for discussion
- A closure meeting with the hotel GM and respective HoDs takes place at the end of each audit
- Post-discussion observations and audit ratings are agreed and signed off by the GM

Issues Compilation and Presentation to Stakeholders

- Once all audits close, issues observed across hotels are compiled at the corporate level with ratings
- Issues are shared department-wise with Corporate HoDs for reference and comment
- A review meeting with Corporate HoDs is scheduled to discuss the issues raised
- Discussions focus on root cause analysis and corresponding action plans
- Action plans agreed with each HoD are documented and shared through minutes of meetings with relevant stakeholders including Corporate HoDs
- A summary of key issues is presented to the Audit Committee

Building Sustainability Awareness

We embed sustainability into our culture through targeted training and awareness programs. These programs cover the Board of Directors, Key Managerial Personnel as well as employees. They focus on ESG principles, business strategy, safety protocols, digital transformation and risk management.

Training and Awareness Programs in FY26		
Segment	Total Number of Training and Awareness Programs Held	Percentage of Persons in Respective Category Covered by the Programs
BoD	4	Induction: 100% (41 Owned/Leased, 31 Managed Hotels)
KMP	4	ESG: 25.52% (41 Owned/Leased Hotels)
Employees other than BoD and KMP	972 (41 Owned/Leased Hotels)	51.30% (31 Managed Hotels) Operations 101: 98.95% (41 Owned/Leased Hotels) 54.91% (31 Managed Hotels) Sensitisation: 31.11% (41 Owned/Leased Hotels)



Grievance Redressal and Whistleblower Mechanism

We follow a structured grievance redressal framework to address concerns from employees, shareholders and other stakeholders. It promotes transparency, accountability and timely resolution. The Audit Committee oversees the framework, while its Chairperson handles exceptional matters.

Our Whistleblower Policy (Vigil Mechanism) supports this framework and complies with the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. It provides secure channels to report unethical conduct, fraud, financial irregularities or Code of Conduct violations. The policy ensures confidentiality, protects whistleblowers from victimization and allows anonymous reporting through sealed letters or email to the Vigilance Officer (svp_hr@lemontreehotels.com) or the Audit Committee Chairperson (praveengargias@gmail.com). Exceptional cases

may be escalated directly to the Chairperson. All disclosures are investigated objectively, resolved within defined timelines and records are retained for at least five years.

General grievances are addressed through a structured escalation process where matters are resolved within 24 to 72 hours. We reinforce awareness of the available reporting channels through the General Service Rules and Regulations and New Hire Orientation. Employees with grievances can write in to OurVoice@lemontreehotels.com. We also review employee satisfaction data to identify recurring concerns and strengthen our processes. The framework further covers shareholder complaints relating to share transfers, allotments, refunds, certificates, financial statements and annual reports. During FY 2025-26, no grievances were left unresolved.



Employees Part of Unions and Associations in FY26

Total Permanent Employees

3,809

41 Owned/Leased Hotels

Male

2,295

31 Managed/Franchised Hotels

Female

1.84%

1.43%

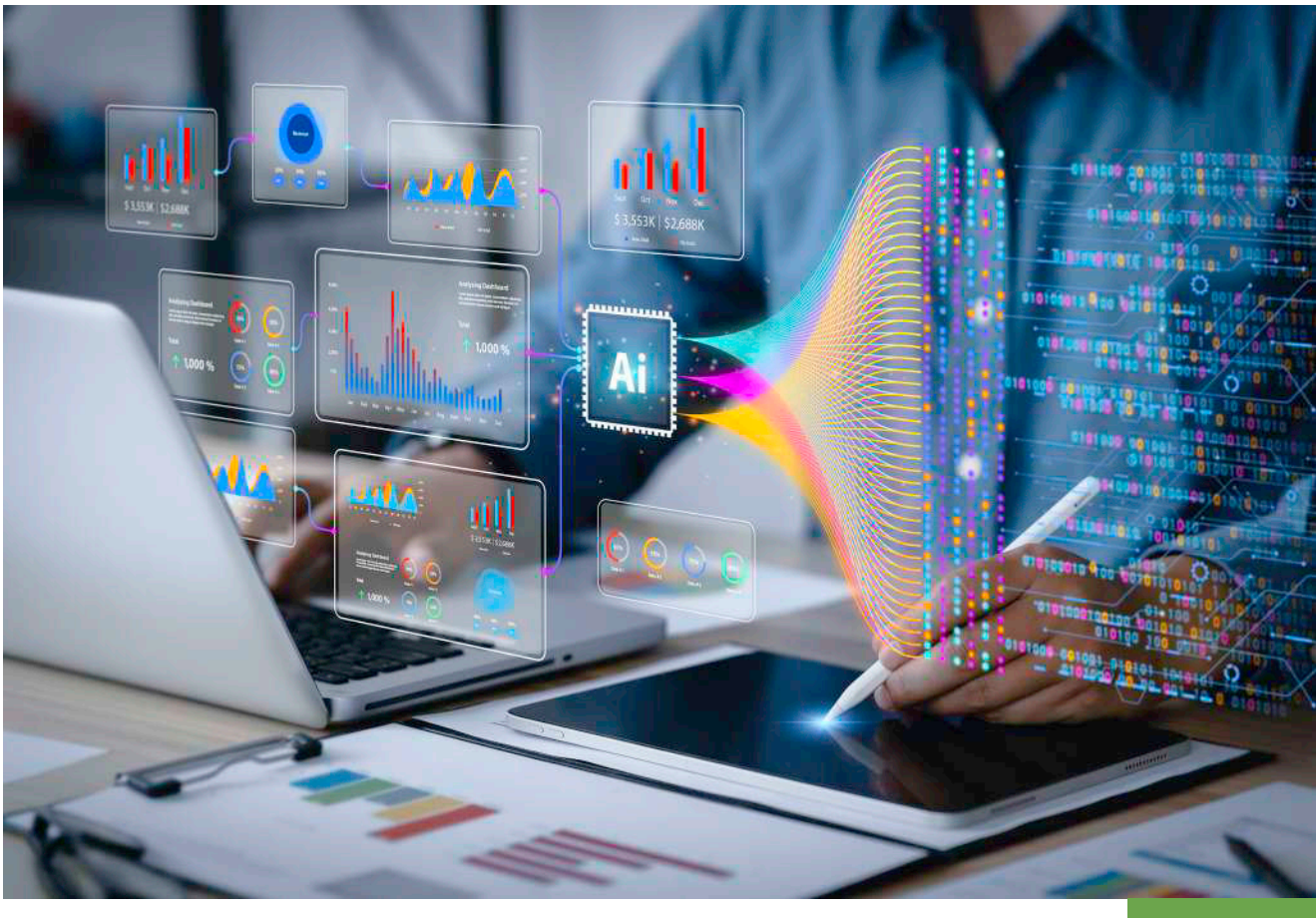
Data Privacy and Security

We prioritise data security and governance through a robust framework with defined cybersecurity measures. These measures protect stakeholder personal information. We regularly review and update our security protocols to address technological changes and evolving regulatory requirements. This helps prevent data loss, misuse, unauthorized disclosure, alteration and destruction.

Under our Data Privacy Policy, we clearly explain what personal data we collect, why we collect it and how we use, process, share and transfer it. We retain personal data only as long as necessary to meet legal, regulatory, contractual or statutory requirements. After that, we securely delete or archive the data.

To strengthen oversight, we engage internal auditors and, when needed, external auditors to conduct IT control audits every six months. We report any anomalies to the Board. No data breaches were recorded during FY 2025-26.

- Memberships and Industry Associations**
- Confederation of Indian Industry (CII)
 - Federation of Hotel and Restaurant Associations of India (FHRAI)
 - Hotel Association of India (HAI)
 - Hotel and Restaurant Association of Northern India (HRANI)
 - South India Hotels and Restaurants Association (SIHRA)
 - Skill Council for Persons with Disability (SCPwD)
 - Tourism and Hospitality Council (THSC)
 - Indian Green Building Council (IGBC) Founding Member

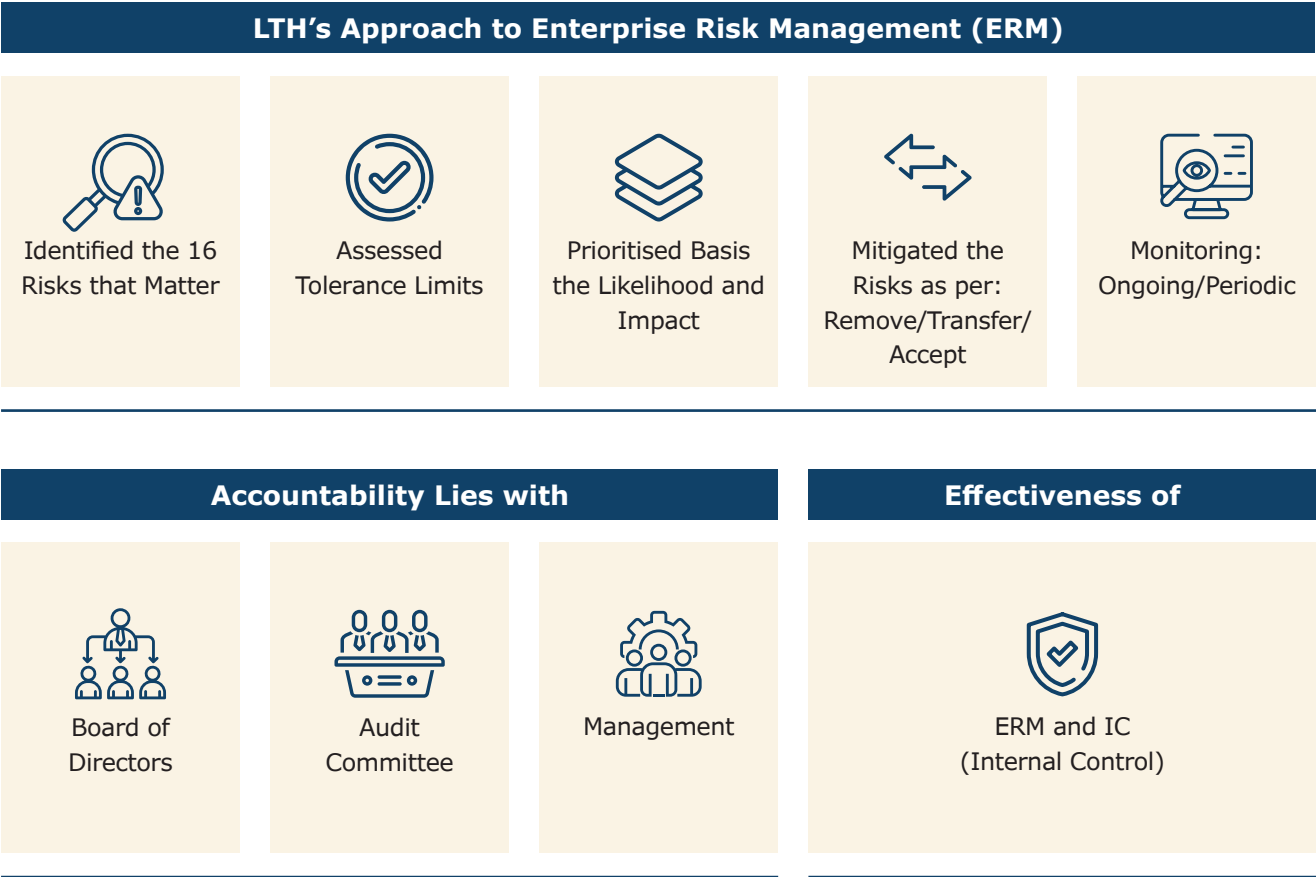


RISK MANAGEMENT

Navigating Risk. Securing Growth.

Risk management is an active discipline, not a passive one. We balance risk and return to create value while aligning risk management with our objectives. We integrate it into our short-, medium- and long-term plans to strengthen resilience and support future growth.

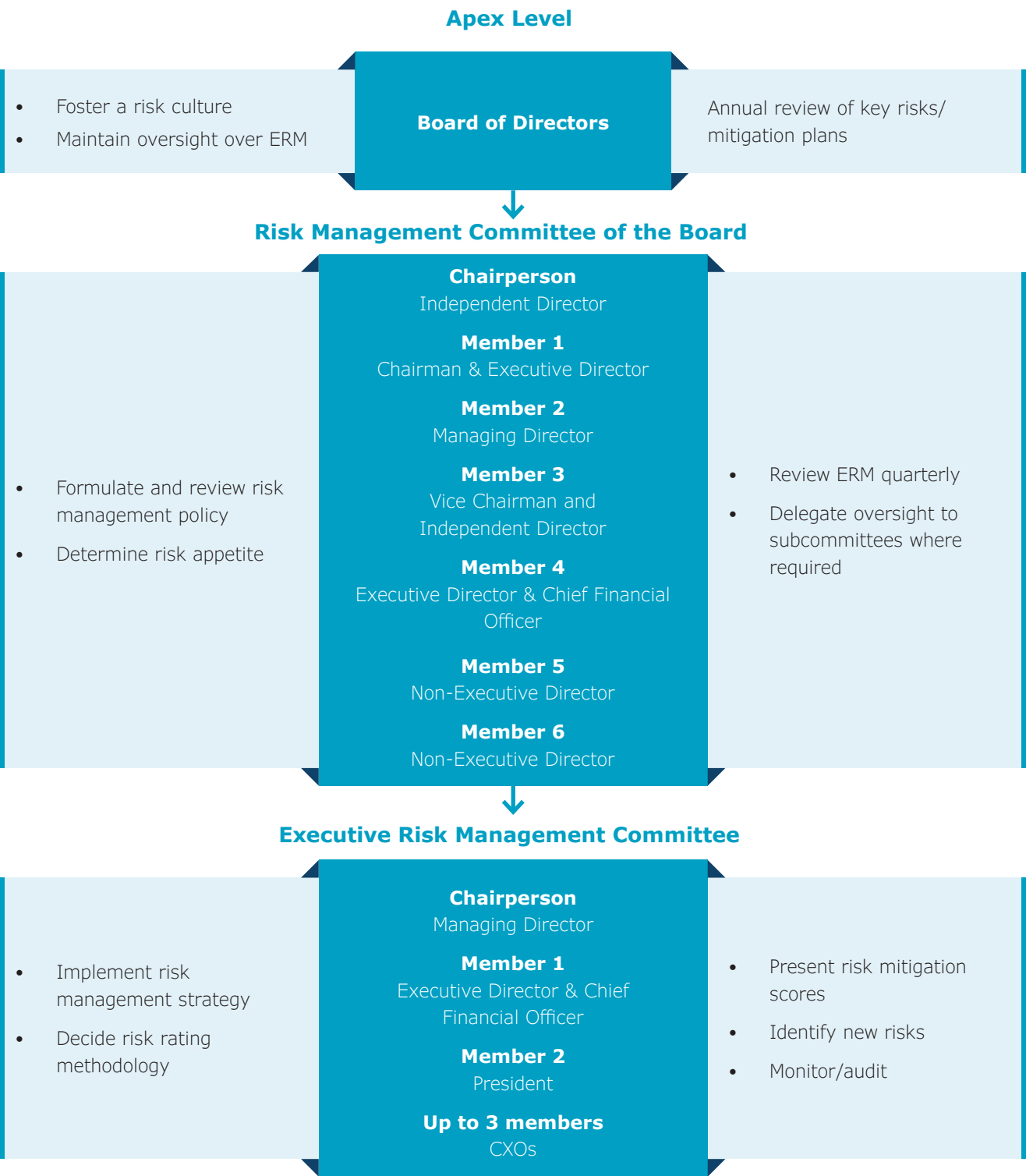
Enterprise Risk Management and Mitigation Framework



Enterprise Risk Management

Our Board oversees the effectiveness of our Enterprise Risk Management (ERM) approach and internal controls, supported by our Audit Committee, Risk Management Committee and management team. Together, we maintain a risk oversight framework that safeguards the company while supporting long-term growth.

Governance Structure



Principal Risks

Preventable Risks	
Culture/Reputation - Non-adherence to vision, mission and core values - Unacceptable behaviour - Ethical violations - Not meeting stakeholder expectations - Poor health and safety standards - Promoting/accepting discrimination of any kind	People - Poor quality of leadership - Disengagement of employees - Low compensation - High attrition - Shortage in staffing/absenteeism - Lack of technical skills - Low level of learning and development - Poor/absent performance management and incentivization
Product/Service Quality - Non-adherence to Standard Operating Procedures/Service Level Agreements - Low efficiency/effectiveness - Frequent process changes - Poor maintenance/repairs	Vendors - Not meeting contractual obligations - Uncompetitive pricing - Non-adherence to quality standards - Poor delivery - Misalignment - Bribing/incentivizing the customer
Market - Inadequate understanding of customer needs - Unsustainable products/services - Uncompetitive pricing (too high or too low) - Delay in fulfillment/response - Poor customer communication - Poor/incorrect forecasting	Environment - High carbon emissions - Usage of environmentally unfriendly products/ services like plastic - Absence of recycling, reusing, upcycling waste/by-products - Inefficient use of natural resources
Management Quality - Poor/slow decision making - Poor leadership - Overly complex processes - Absence of succession planning	Technology - Outdated and obsolete tech infrastructure - Lack of cybersecurity - Non-digitized operational practices - Loss of data - Data breach

Preventable Risks	
Financial - High interest rates - High debt/low debt service coverage - Low liquidity/low solvency buffers - Negative/poor cash flows - Poor collections/high working capital - Low EBITDA/ROCE/ROI - Poor payment process to vendors, i.e., extended outstanding (will impact competitive pricing eventually)	Internal Controls - Inadequate controls - Poor quality of reviews - Non-comprehensive internal audits - Poor follow-up/lack of monitoring
Health and Safety - Inappropriate fire safety and response mechanism - Electrical hazards - Equipment failure - Accident-prone areas/behaviour - Blocked emergency evacuation pathways - Unhygienic washing and eating facilities - Inadequate ventilation - Unavailability of first aid - Inadequate maintenance of equipment/ buildings, especially during a temporary shutdown	
Strategy Risks	
Sustainability - Non-adherence to defined ESG standards - Loose monitoring of KPIs related to sustainable practices	Capital/Resources Allocation - Ineffective allocation of capital - Lack of expertise to evaluate capital allocation opportunities
Business Model Disruptions Emergence of disruptors rendering business model obsolete/ineffective	Third-party Dependence - Disintermediation by a third party - Too high a dependence on a vendor or a customer - Vulnerability to external ecosystem shocks

External Risks	
Natural/Manmade Disaster - War/trade war - Terror attack - Earthquake - Epidemic/pandemic - Flood and extreme weather - Lightning events - Labour unrest/strikes - Fire - Theft - Civil unrest/riots - Injury or death of guest(s)/employee(s)	Economic - Excess supply of hotel rooms in the market - Loss of revenue - High inflation - Increase in interest rates - Reduction in liquidity - Reduction in demand - Negative shift in consumer preferences - Negative shift in locational preference - Negative shift in market catchment - Irrational competition - Disruptive competition
Regulatory - Unreasonable/unanticipated change in government regulations - Moral policing (of guests)	Technology - Disintermediation by a third-party - Cyber attack - Loss of data/privacy
Environmental - Change in standards/regulations - Gradual but permanent shift in local weather, making a destination unattractive	

Principal Risks and Challenges for FY26

Description	Risk	Risk Owner
Competitive or internal disruptions leading to loss of market share or revenue	1	Managing Director
Occurrence of natural or manmade disasters	2	
Inability to meet objectives outlined in the five-year plan	3	
Inability to achieve outcomes/objectives planned in the DT assignment	4	Chief Financial Officer
Increase in interest rates or risk aversion by traditional lending sources	5	
Lack of liquidity impairing ability to compete, grow or meet solvency obligations and covenants	6	
Technological obsolescence	7	Chief Digital & Transformation Officer
Inability to comply with governmental laws and regulations	8	

Description	Risk	Risk Owner
Loss of market share or revenue	9	Head of Sales
Inability to stabilize new assets	10	
Increase in cost structure impacting profitability and cash flow	11	President
Deterioration in product and service quality leading to customer loss or reputational impact	12	
Inadequate controls leading to non-compliance	13	
Inability to manage talent effectively	14	Head of Human Resources
Inadequate training programs	15	
Delay in achieving ESG Vision FY 2025-26	16	Head of Sustainability

Risk Assessment Matrix

Likelihood of Occurrence		
Rating	Parameter	Score
Almost Certain	Very likely/history of regular occurrence	4
Likely	More than even chance	3
Possible	Less than even chance	2
Unlikely	Not expected to happen	1

Impact/Consequence of Occurrence		
Rating	Parameter	Score
Extreme	Game changing, often survival at stake, sometimes irreversible	4
Significant	Can have a negative long-term impact on LTH	3
Moderate	Can have a negative impact over the medium term (< 1 year) on LTH	2
Minor	Limited impact over the short term (1-2 quarters)	1

Risk Impact Consequence (Matrix)				
Likelihood of Occurrence	Minor	Moderate	Significant	Extreme
Almost Certain	4	8	12	16
Likely	3	6	9	12
Possible	2	4	6	8
Unlikely	1	2	3	4

- Critical
- High
- Medium
- Low

Guiding Our Journey Forward

We support our governance with a comprehensive control system, placing business ethics at its core. We foster an inclusive environment where everyone has the opportunity to succeed. This approach helps us create long-term value for all our stakeholders.

Lemon Tree Hotels (Board of Directors)



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- Audit Committee
- Nomination and Remuneration Committee
- Risk Management Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Sustainability Committee

- Finance Committee
- Share Allotment Committee
- General Management Committee
- Reorganisation Committee

C - Chairperson
M - Member

1. Mr. Patanjali Govind Keswani

Chairman & Executive Director



- Education:**
- Bachelor's Degree in Electrical Engineering from Indian Institute of Technology, New Delhi
 - Post Graduate Diploma in Management from Indian Institute of Management, Calcutta
- Experience:**
- Founded Lemon Tree Hotels in September 2002
 - Previously, Director, A.T. Kearney Limited
 - 17 years of leadership experience at the Taj Group of Hotels, including roles such as Chief Operating Officer for Business Hotels

2. Mr. Niten Malhan

Vice Chairman & Independent Director



- Education:**
- Bachelor's Degree in Computer Science and Engineering from Indian Institute of Technology, New Delhi
 - Post Graduate Diploma in Management from Indian Institute of Management, Ahmedabad
- Experience:**
- Founder and Managing Partner of New Mark Advisors LLP, an investment management firm
 - Previously, Managing Director and Co-Head of India at Warburg Pincus India Private Limited, a global private equity firm and held roles at Stratum 8, a Silicon Valley technology startup
 - Co-founded Plaksha University and served as Vice Chairman of the Indian Private Equity and Venture Capital Association

3. Mr. Neelendra Singh

Managing Director



- Education:**
- Bachelor's Degree in Science from Kirori Mal College, University of Delhi
 - Master's Degree in Business Administration from Institute of Management Technology, Ghaziabad
- Experience:**
- Previously, Managing Director of Adidas India
 - 27 years of leadership experience in strategy, investment, capability building and operations

4. Mr. Kapil Sharma

Executive Director & Chief Financial Officer



- Education:**
- Bachelor's Degree in Commerce from University of Delhi
 - Chartered Accountant from the Institute of Chartered Accountants of India
- Experience:**
- Over 28 years of experience across the fields of accounting, financing and investing
 - Associated with Lemon Tree Group since 2004

5. Mr. Aditya Madhav Keswani

Non-Executive Director



- Education:**
- Bachelor's Degree in Arts from New York University
- Experience:**
- Non-Executive Director on Lemon Tree's Board since June 2015

6. Mr. Willem Albertus Hazeleger

Non-Executive Director



- Education:**
- Executive MBA from INSEAD, France
 - Executive MBA from Tsinghua University School of Economics and Management, People's Republic of China
 - LLM from Utrecht University, Netherlands
- Experience:**
- Previously, Chief Executive Officer for Asia Pacific of APG Asset Management, one of the largest institutional investors globally
 - Senior securities and capital markets lawyer with global law firms Linklaters and Allen and Overy
 - Experience in the field of investment management

7. Ms. Smita Anand
Independent Director



Education:

- Bachelor’s Degree in Psychology/Economics from University of Lucknow
- Master’s in Business Administration in Human Resources from University of Allahabad

Experience:

- Previously, MD, Leadership and Talent Consulting India and Head, Board/CEO Succession, Asia for Korn Ferry
- Previously, Regional Leader - Asia Pacific, Aon Hewitt and CEO India/Middle East, Greater China Markets, AON Hewitt
- Over 31 years of experience
- Currently active as an Independent Leadership Advisor and Executive Coach

8. Mr. Paramartha Saikia
Independent Director



Education:

- Bachelor’s Degree in Economics from University of Delhi
- Master’s Degree in Arts (Economics) from University of Delhi

Experience:

- Previously, CEO of J. Walter Thompson Sdn. Bhd., Malaysia
- Previously, CEO of Iris Worldwide Integrated Marketing Private Limited
- Previously, CEO of Publicis India
- 31 years of experience across the fields of marketing and brand development

9. Mr. Praveen Garg
Independent Director



Education:

- Bachelor’s Degree in Commerce (Honours) from University of Delhi
- Chartered Accountant from the Institute of Chartered Accountants of India

Experience:

- Advisor, Mobius Foundation; Senior Advisor - ESG and Climate Change, National Productivity Council (NPC)
- Previously, Chairman and Managing Director of Security Printing and Minting Corporation (SPMCIL)
- Previously, Secretary (Finance); Commissioner (Institutional Finance); MD, MP State Industrial Development Corporation; MD, MP Trade and Investment Facilitation Corporation; Revenue Commissioner (Bhopal Division), all with Government of Madhya Pradesh
- Over 34 years of experience with the Government of India, Government of Madhya Pradesh and in the Indian Administrative Service (IAS)

10. Mr. Sanjiv Nandan Sahai
Independent Director



Education:

- Bachelor’s Degree in History from University of Delhi
- Master’s in Public Policy from Princeton University; Robert McNamara Fellow at Princeton University

Experience:

- Joined the Tata Administrative Service (TAS) and later the Indian Administrative Service (IAS)
- Director, Prime Minister’s Museum and Library; Director General, Power Foundation
- Previously, Chairman and MD, Delhi Transport Corporation; OSD, Delhi Metro; Secretary-cum-Commissioner Transport, Delhi Government
- Previously, MD and CEO, Delhi Integrated Multi Modal Transit System Limited (DIMTS)
- Previously, Finance Secretary, Government of NCT of Delhi; Home Secretary, Delhi and CMD, Delhi Financial Corporation
- Previously, Secretary, Ministry of Power, Government of India



Fleur Hotels (Board of Directors)



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|---|--------------------------------|
| ● Audit Committee | ● Finance Committee |
| ● Nomination and Remuneration Committee | ● Share Allotment Committee |
| ● Risk Management Committee | ● General Management Committee |
| ● Stakeholders’ Relationship Committee | ● Reorganisation Committee |
| ● Corporate Social Responsibility Committee | ● C - Chairperson |
| ● Sustainability Committee | ● M - Member |

1. Mr. Patanjali Govind Keswani
Executive Director & Chairman



Education:

- Bachelor’s Degree in Electrical Engineering from Indian Institute of Technology, New Delhi
- Post Graduate Diploma in Management from Indian Institute of Management, Calcutta

Experience:

- Founded Lemon Tree Hotels in September 2002
- Previously, Director, A.T. Kearney Limited
- 17 years of leadership experience at the Taj Group of Hotels, including roles such as Chief Operating Officer for Business Hotels

2. Mr. Pradeep Mathur
Vice Chairman & Independent Director



Education:

- Bachelor’s Degree in Commerce from University of Pune
- Post Graduate diploma in Management from Indian Institute of Management, Ahmedabad

Experience:

- Previously, Global CFO and Senior Vice President of Tupperware Corporation and Managing Director for Tupperware, India
- Over 39 years of experience across the fields of accounting, finance and general management

3. Mr. Saurabh Shatdal

Managing Director & Chief Executive Officer



Education:

- Hotel Management Graduate from Institute of Hotel Management, Bhubaneswar

Experience:

- Previously, Managing Director of Cushman & Wakefield, India
- 28 years of experience in capital raising, land acquisitions, deal structuring, hospitality operations for all asset classes in real estate across India

4. Mr. Ashish Kumar Guha

Independent Director



Education:

- Bachelor's Degree in Economics from Jadavpur University, Kolkata
- London Business School (Management Development Program)

Experience:

- Previously, Advisor & Chairman of Ambit Private Limited
- Previously, the Chief Executive Officer of Lazard India Limited
- Previously, the Chief Executive Officer and Managing Director of Heidelberg Cement
- Over 33 years of experience across investment banking, advisory and industrial goods

5. Mr. Mohit Gujral

Independent Director



Education:

- Diploma in Architecture from Centre for Environmental Planning and Technology, Ahmedabad

Experience:

- Previously, Chief Executive Officer, DLF Limited and prior to that Whole-Time Director, DLF Limited
- Over 30 years of experience as an entrepreneur and a business leader; incubating and growing businesses; designing buildings in residential, commercial and retail segments

6. Mr. Niten Malhan

Independent Director

Education:

- Bachelor's Degree in Computer Science and Engineering from Indian Institute of Technology, New Delhi
- Post Graduate Diploma in Management from Indian Institute of Management, Ahmedabad

Experience:

- Founder and Managing Partner of New Mark Advisors LLP, an investment management firm
- Previously, Managing Director and Co-head of India at Warburg Pincus India Private Limited, a global private equity firm and held roles at Stratum 8, a Silicon Valley technology startup
- Co-founded Plaksha University and served as Vice Chairman of the Indian Private Equity and Venture Capital Association
- Director on Fleur Hotels' Board since 22 May 2026



7. Ms. Harita Gupta

Independent Director



Education:

- Master's Degree in Science (Chemistry) from Indian Institute of Technology, New Delhi
- Bachelor's Degree in Science from Stella Maris College, Chennai

Experience:

- Leading APAC and Global Head, Enterprise Business at Sutherland Global Services
- Previously, held leadership positions in Customer Service and Support Operations across India and Greater China at Microsoft India
- She is also the Advisory Board Chair at Will Forum India and a council member of NASSCOM BPM
- Director on Fleur Hotels' Board since 22 May 2026

8. Mr. Anish Kumar Saraf

Non-Executive Director

Education:

- Chartered Accountant from the Institute of Chartered Accountants of India
- Post Graduate Diploma in Management from Indian Institute of Management, Ahmedabad

Experience:

- Managing Director, Warburg Pincus India Private Limited
- Director on Fleur Hotels' Board since 22 May 2026

9. Mr. Swapnil Sinha

Non-Executive Director



Education:

- Bachelor's Degree in Mechanical Engineering from Indian Institute of Technology, New Delhi
- Master's in Business Administration from University of Chicago, Booth School of Business

Experience:

- Managing Director at Warburg Pincus India Private Limited
- Director on Fleur Hotels' Board since 22 May 2026

10. Mr. Aditya Madhav Keswani

Non-Executive Director



Education:

- Bachelor's Degree in Arts from New York University

Experience:

- Non-Executive Director on Lemon Tree's Board since June 2015. Joined Fleur Hotels' Board in May 2022

● Audit Committee	● Finance Committee
● Nomination and Remuneration Committee	● Share Allotment Committee
● Risk Management Committee	● General Management Committee
● Stakeholders' Relationship Committee	● Reorganisation Committee
● Corporate Social Responsibility Committee	● C - Chairperson
● Sustainability Committee	● M - Member

Driving Our Vision Forward

Lemon Tree Hotels (Senior Management Team)



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1. Mr. Davander Tomar
Executive Vice President - Corporate Affairs

Education:

- Bachelor's Degree in Commerce and Law from University of Delhi; Master's Degree in Arts from University of Delhi

Experience:

- Over 40 years of experience in the hospitality industry

2. Mr. Vishvapreet Singh Cheema
President

Education:

- Bachelor's Degree in Commerce, IGNOU; Diploma in Hotel Management and Catering Technology and Applied Nutrition, Lucknow; INSEAD Leadership Program for Senior Executives

Experience:

- Over 29 years of experience in the hospitality industry

3. Ms. Aradhana Lal
Senior Vice President - Sustainability & ESG

Education:

- Bachelor's Degree in Commerce (Honours) from Lady Shri Ram College, University of Delhi; Post Graduate Diploma in Management from Indian Institute of Management, Ahmedabad

Experience:

- TEDx speaker; over 33 years of experience in sales, marketing, corporate communications and sustainability/ESG across the hospitality and FMCG sectors

4. Ms. Sareena Kochar
Senior Vice President - Housekeeping

Education:

- Post Graduate Degree in Hotel Management from All India Institute of Management Studies, Chennai; Certified 'Mentor' from XLRI Jamshedpur

Experience:

- Over 40 years of experience in the hospitality industry

5. Mr. Rajesh Kumar
Senior Vice President - Human Resources & Vigilance Officer

Education:

- Post Graduate Degrees in Personnel Management and Industrial Relations, as well as Public Administration from Himachal Pradesh University

Experience:

- Over 25 years of experience in the hospitality industry

6. Mr. Vivek Jhawar
Senior Vice President - Business Development

Education:

- Bachelor's Degree in Commerce (Honours) from University of Calcutta; Post Graduate Diploma in Marketing with a specialisation in retail from S.P. Jain Center of Management

Experience:

- Over 17 years of experience across the retail sector in the field of business development

7. Mr. Pawan Kumar Kumawat
Company Secretary & Compliance Officer

Education:

- Bachelor's Degree in Commerce from University of Rajasthan; LL. M from K.N. Modi University; Member of The Institute of Company Secretaries of India

Experience:

- Over 16 years of experience in Corporate Compliance Management and Corporate Governance Practices

● Audit Committee	● Finance Committee
● Nomination and Remuneration Committee	● Share Allotment Committee
● Risk Management Committee	● General Management Committee
● Stakeholders' Relationship Committee	● Reorganisation Committee
● Corporate Social Responsibility Committee	● C - Chairperson
● Sustainability Committee	● M - Member

Fleur Hotels (Senior Management Team)



1. Mr. Mayank Sharma

Chief Financial Officer

Education:

- Bachelor’s Degree in Commerce from University of Delhi
- Chartered Accountant from the Institute of Chartered Accountants of India

Experience:

- Over 16 years of experience across the fields of accounting, financing management

2. Ms. Ritu Ranjan

Senior Vice President & Chief Design Officer

Education:

- Graduated from Lady Shri Ram College, University of Delhi

Experience:

- Over 13 years of experience



3. Mr. Sanjeev Kumar Jain

Vice President - Projects & Engineering

Education:

- Bachelor’s Degree in Civil Engineering from Indian Institute of Technology, Bombay; Master of Science in Civil Engineering from National University of Singapore

Experience:

- Over 34 years of experience in project management, construction, engineering and technical advisory services across the hospitality, residential and commercial sectors in India and abroad

4. Ms. Isha Jain

Company Secretary

Education:

- Bachelor’s Degree in Commerce (Honours) from Maharaja Agrasen College, University of Delhi; law graduate; Member of The Institute of Company Secretaries of India

Experience:

- Over 16 years of experience in legal and secretarial services



Lemon Tree Hotel, McLeodganj

GRI Content Index

Statement of use	Lemon Tree Hotels Limited has reported the information cited in this GRI content index for the period 1 April 2025 to 31 March 2026 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard No.	Disclosure	Location	
		Section	Page No.
GRI 2: General Disclosures 2021	2-1 Organizational details	About the Report	4-5
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		Our Portfolio	12-15
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	2-2 Entities included in the organization's sustainability reporting	About the Report	4-5
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	2-6 Activities, value chain and other business relationships	Our Portfolio	12-15
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		Value Creation Model	46-47
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	2-8 Workers who are not employees	Our Employees	82-93
		Business Responsibility and Sustainability Report	211
	2-9 Governance structure and composition	Corporate Governance	98
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		Corporate Governance Report	173
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		Corporate Governance Report	173
	2-11 Chair of the highest governance body	Board of Directors	112-117
		Corporate Governance Report	173
	2-12 Role of the highest governance body in overseeing the management of impacts	About the Report	4
		Corporate Governance Report	173
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	2-17 Collective knowledge of the highest governance body	Corporate Governance	100
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	2-18 Evaluation of the performance of the highest governance body	Corporate Governance	98-105
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	2-19 Remuneration policies	Corporate Governance	100
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	2-27 Compliance with laws and regulations	Corporate Governance	102
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	2-28 Membership associations	Corporate Governance	105
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	101-3 Access and benefit-sharing	Business Responsibility and Sustainability Report	259
	101-4 Identification of biodiversity impacts	Environmental Stewardship Business Responsibility and Sustainability Report	78-79 252-256
	101-5 Locations with biodiversity impacts	Business Responsibility and Sustainability Report	252-253
	101-6 Direct drivers of biodiversity loss	Environmental Stewardship Business Responsibility and Sustainability Report	78-79 252-254
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	201-3 Defined benefit plan obligations and other retirement plans	Creating Social Value Board's Report Business Responsibility and Sustainability Report Consolidated Financial Statement	89 163 230 290, 336, 338
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GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Creating Social Value Business Responsibility and Sustainability Report	93 260
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GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Creating Social Value	96-97
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Corporate Governance Business Responsibility and Sustainability Report	101 222-224, 241
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GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business Responsibility and Sustainability Report	257
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	303-2 Management of water discharge-related impacts	Environmental Stewardship Business Responsibility and Sustainability Report	72-73 248-249, 253-254
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	303-5 Water consumption	Environmental Stewardship Business Responsibility and Sustainability Report	71-72 248, 252
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Environmental Stewardship Business Responsibility and Sustainability Report	70 249
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	305-3 Other indirect (Scope 3) GHG emissions	Business Responsibility and Sustainability Report	253
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	305-5 Reduction of GHG emissions	Our ESG Vision 2026 Environmental Stewardship Business Responsibility and Sustainability Report	56-57 68-70 250
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Business Responsibility and Sustainability Report	249
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	401-3 Parental leave	Business Responsibility and Sustainability Report	231
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Creating Social Value Corporate Governance Business Responsibility and Sustainability Report	91-92 106-111 233-234
	403-2 Hazard identification, risk assessment, and incident investigation	Creating Social Value Business Responsibility and Sustainability Report	91-92 233
	403-3 Occupational health services	Creating Social Value Business Responsibility and Sustainability Report	91-92 233
	403-4 Worker participation, consultation, and communication on occupational health and safety	Creating Social Value Business Responsibility and Sustainability Report	92 233
	403-5 Worker training on occupational health and safety	Creating Social Value Business Responsibility and Sustainability Report	92 232-234
	403-6 Promotion of worker health	Creating Social Value Business Responsibility and Sustainability Report	90-92 233
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Creating Social Value Business Responsibility and Sustainability Report	96-97 234-235
	403-8 Workers covered by an occupational health and safety management system	Creating Social Value Business Responsibility and Sustainability Report	90-92 233
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	404-2 Programs for upgrading employee skills and transition assistance programs	Creating Social Value Business Responsibility and Sustainability Report	88-89 232-234
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GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Creating Social Value Corporate Governance Business Responsibility and Sustainability Report	92, 96-97 104 245-247
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Creating Social Value Business Responsibility and Sustainability Report	92, 96-97 245-247
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Creating Social Value Business Responsibility and Sustainability Report	92, 96-97 245-247
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Creating Social Value Business Responsibility and Sustainability Report	93 258-260
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Creating Social Value Business Responsibility and Sustainability Report	91-92, 94-95 261-262
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GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Corporate Governance Business Responsibility and Sustainability Report	105 261-262

Annexure

This annexure details the inventory from the Lemon Tree portfolio included in this reporting period.

Owned/Leased Hotels

Sr.No.	Hotel Name	City	State/UT	Country
1	Lemon Tree Hotel, Udyog Vihar	Gurugram	Haryana	India
2	Lemon Tree Premier, City Center	Gurugram	Haryana	India
3	Lemon Tree Amarante Beach Resort	Goa	Goa	India
4	Lemon Tree Hotel, Hinjawadi	Pune	Maharashtra	India
5	Lemon Tree Hotel	Indore	Madhya Pradesh	India
6	Lemon Tree Hotel, East Delhi Mall	Kaushambi/Ghaziabad	Uttar Pradesh	India
7	Lemon Tree Hotel	Aurangabad	Maharashtra	India
8	Lemon Tree Vembanad Lake Resort	Muhamma/Alleppey	Kerala	India
9	Lemon Tree Hotel	Ahmedabad	Gujarat	India
10	Lemon Tree Hotel	Chennai	Tamil Nadu	India
11	Lemon Tree Hotel, Electronics City	Bengaluru	Karnataka	India
12	Red Fox by Lemon Tree Hotels	Jaipur	Rajasthan	India
13	Red Fox by Lemon Tree Hotels	East Delhi	Delhi	India
14	Lemon Tree Premier – 1, Leisure Valley	Gurugram	Haryana	India
15	Lemon Tree Premier, Ulsoor Lake	Bengaluru	Karnataka	India
16	Red Fox by Lemon Tree Hotels	Hyderabad	Telangana	India
17	Lemon Tree Premier, HITEC City	Hyderabad	Telangana	India
18	Lemon Tree Hotel	Chandigarh	Chandigarh	India
19	Lemon Tree Hotel, Whitefield	Bengaluru	Karnataka	India
20	Lemon Tree Hotel, Delhi Airport	Delhi	Delhi	India
21	Lemon Tree Premier, Delhi Airport	Delhi	Delhi	India
22	Lemon Tree Hotel, Gachibowli	Hyderabad	Telangana	India
23	Lemon Tree Hotel	Candolim	Goa	India
24	Lemon Tree Wildlife Resort	Bandhavgarh	Madhya Pradesh	India
25	Lemon Tree Premier – 2, Leisure Valley	Gurugram	Haryana	India
26	Lemon Tree Hotel, Sector 60	Gurugram	Haryana	India
27	Red Fox by Lemon Tree Hotels, Sector 60	Gurugram	Haryana	India
28	Lemon Tree Hotel, Banjara Hills	Hyderabad	Telangana	India
29	Red Fox by Lemon Tree Hotels	Dehradun	Uttarakhand	India
30	Lemon Tree Premier, City Center	Pune	Maharashtra	India
31	Lemon Tree Premier, Mumbai International Airport	Mumbai	Maharashtra	India
32	Lemon Tree Premier, New Town	Kolkata	West Bengal	India
33	Aurika	Udaipur	Rajasthan	India
34	Keys Select by Lemon Tree Hotels	Thiruvananthapuram	Kerala	India
35	Keys Select by Lemon Tree Hotels, Hosur Road	Bengaluru	Karnataka	India
36	Keys Prima by Lemon Tree Hotels, Whitefield	Bengaluru	Karnataka	India
37	Keys Select by Lemon Tree Hotels	Kochi	Kerala	India
38	Keys Select by Lemon Tree Hotels	Ludhiana	Punjab	India
39	Keys Prima by Lemon Tree Hotels, Pimpri	Pune	Maharashtra	India
40	Keys Select by Lemon Tree Hotels	Visakhapatnam	Andhra Pradesh	India
41	Aurika, Mumbai Skycity	Mumbai	Maharashtra	India



Managed Hotels

Sr.No.	Hotel Name	City	State/UT	Country
1	Lemon Tree Premier	Jaipur	Rajasthan	India
2	Lemon Tree Premier, The Atrium	Ahmedabad	Gujarat	India
3	Lemon Tree Hotel	Dehradun	Uttarakhand	India
4	Lemon Tree Hotel, Shimona	Chennai	Tamil Nadu	India
5	Lemon Tree Hotel	Vadodara	Gujarat	India
6	Lemon Tree Hotel	Katra	Jammu & Kashmir	India
7	Red Fox by Lemon Tree Hotels	Tiruchirappalli (Trichy)	Tamil Nadu	India
8	Red Fox by Lemon Tree Hotels	Bhiwadi	Rajasthan	India
9	Sandal Suites, Operated by Lemon Tree Hotels	Noida	Uttar Pradesh	India
10	Lemon Tree Hotel	Gangtok	Sikkim	India
11	Lemon Tree Hotel	Alwar	Rajasthan	India
12	Lemon Tree Premier	Patna	Bihar	India
13	Lemon Tree Premier	Corbett	Uttarakhand	India
14	Lemon Tree Hotel	Coimbatore	Tamil Nadu	India
15	Lemon Tree Hotel, Sohna Road	Gurugram	Haryana	India
16	Lemon Tree Hotel	Siliguri	West Bengal	India
17	Lemon Tree Hotel	Jammu	Jammu & Kashmir	India
18	Lemon Tree Hotel	Srinagar	Jammu & Kashmir	India
19	Lemon Tree Hotel	Baddi	Himachal Pradesh	India
20	Lemon Tree Hotel	Lucknow	Uttar Pradesh	India
21	Lemon Tree Hotel, Viman Nagar	Pune	Maharashtra	India
22	Red Fox by Lemon Tree Hotels	Alwar	Rajasthan	India
23	Red Fox by Lemon Tree Hotels	Vijayawada	Andhra Pradesh	India
24	Keys Prima by Lemon Tree Hotels, Katti-Ma	Chennai	Tamil Nadu	India
25	Lemon Tree Premier	Rishikesh	Uttarakhand	India
26	Lemon Tree Hotel, Tarudhan Valley	Manesar	Haryana	India
27	Lemon Tree Premier	Dwarka	Gujarat	India
28	Lazy Lagoon, Baga – A Lemon Tree Resort	Baga	Goa	India
29	Lemon Tree Hotel	Jhansi	Uttar Pradesh	India
30	Lemon Tree Premier	Vijayawada	Andhra Pradesh	India
31	Lemon Tree Hotel	Aligarh	Uttar Pradesh	India

Assurance Statement



Felix Advisory Private Limited

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Gurugram-122002 Haryana
Board : +91 124 4252720
Web: www.felixadvisory.com
Email: info@felixadvisory.com

Strictly Private & Confidential

Date: 18th August 2026

Kind Attn:

To the Board of Directors

Lemon Tree Hotels Limited,

Asset No.6, Aerocity Hospitality District, New Delhi, Delhi-110037

Subject: - Independent Assurance Statement on sustainability disclosures in the Integrated Report

Lemon Tree Hotels Limited (hereafter 'LTH') has developed its Integrated Report 2025-26 (hereinafter 'the Report') for the period April 1, 2025, to March 31, 2026, based on the applicable accounting standards and has incorporated the principles of the Integrated Reporting (<IR>) Framework published by the International Integrated Reporting Council (IIRC) and Global Reporting Initiative (GRI) Standards. This assurance engagement was conducted in accordance with ISAE 3000 (Revised) - "Reasonable Level".

Felix Advisory Private Limited (hereafter "Assurance Company") was engaged by LTH to provide independent assurance on its sustainability disclosures in the Report that includes the Company's sustainability performance for the period 1st April 2025 to 31st March 2026.

Management's Responsibility

LTH has developed the Report's content. LTH management is responsible for identifying material topics and carrying out the collection, analysis, and disclosure of the information presented in the Report (web-based and print), including website maintenance, integrity, and for ensuring its quality and accuracy in accordance with the applied criteria stated in the <IR> framework and GRI standards, such that it's free of intended or unintended material misstatements.

Assurance Standard

This assurance statement has been prepared in accordance with the terms of our engagement and ISAE 3000 (revised) requirements. We applied a moderate level of assurance while performing the verification.

Scope and Boundary

The scope of work includes the assurance of following non-financial performance / KPI disclosed in the Report with respect to all 41 Owned/Leased Hotels and 31 Managed Hotels. In particular, the engagement included the following:

- Review of the disclosures submitted by LTH.
- Review of the quality of information.
- Review of evidence (on a sample basis) for identified non-financial indicators.



CIN:- U74140DL2013PTC248762



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Assurance Company has verified the following KPIs disclosed in the Report: -

GRI 204: Procurement Practices 2016	204-1
GRI 302: Energy	302-1 to 302-5
GRI 303: Water and effluents	303-1 to 303-5
GRI 304: Biodiversity	304-1 to 304-4
GRI 305: Emissions	305-1 to 305-7
GRI 306: Waste (2016)	306-2 to 306-4
GRI 307: Environmental Compliance	307-1
GRI 401: Employment	401-1 to 401-3
GRI 403: Occupational Health and Safety	403-1 to 403-10
GRI 404: Training & Education	404-3
GRI 405: Diversity and Equal Opportunity	405-1

Additionally, we have assured the financial values being represented in the report with respect to Total Income by business, Operating profit, Profit before tax, Profit after tax, Cash profit, EBITDA, Earnings per share, Tax Paid, Cost of borrowing, Debt ratios and Profit ratios, Investment in sustainable development, CSR spend; Operational metrics; Green building certification; Trademarks; Quantity of retired IT assets; Guest aspects related to NPS, repetition, long stay, satisfaction and Loyalty Programme; Disability internships and recruitment; Compliance of SEBI & Stock Exchange with respect to no fine & penalties; Data points related to Board Members, Board meetings, Gender diversity and Work tenure. This data is in addition to above listed GRI standards.

Limitations

The Assurance Company did not perform any assurance procedures on the prospective information, such as targets, expectations, and ambitions, disclosed in the Report, nor on any data or information pertaining to periods outside the defined reporting period (i.e., 1st April 2025 to 31st March 2026). Therefore, no assurance or conclusion is provided on these aspects.

Additionally, the Assurance Company notes the non-availability of cost data related to parameter "People (GRI 404-1): Average cost of training per employee" under the Social Tab & "Biodiversity: We assisted in managing forest fires and planted trees" under the Environment Tab. As a result, there is no assurance provided regarding this parameter.

During the assurance process, the Assurance Company did not encounter any other limitations to the agreed scope of the engagement. The Assurance Company expressly disclaims any liability or co-responsibility for decisions made by any person or entity based on this Assurance Statement.

Our Responsibility

Responsibility in relation to this engagement was to perform agreed level of assurance based on the work performed. This engagement did not include an assessment of the adequacy or the effectiveness of LTH's strategy, management of sustainability-related issues or the sufficiency of the Report against principles of IIRC Integrated Reporting (<IR>), GRI Standards, and ISAE 3000, other than those mentioned in the scope of assurance.

Responsibility regarding this verification is in accordance with the agreed scope of work which includes financial/non-financial quantitative information disclosed by LTH. This assurance engagement assumes that the data and information provided to us by LTH are complete and true.



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Verification Methodology

During the assurance engagement, assurance company adopted a risk-based approach, focusing on verification efforts with respect to disclosures and verified the same. We assessed the robustness of the underlying data management system, information flows, and controls. While performing the assurance, we

- Examined and reviewed the documents, data, and other information made available by LTH for non-financial KPIs (non-financial disclosures);
- Conducted interviews with key representatives, including data owners and decision-makers from different functions of LTH.
- Performed sample-based reviews of the mechanisms for implementing sustainability-related policies and data management (qualitative).
- Reviewed the level of adherence to principles of "The <IR> Framework", GRI standards

Our assurance team and independence

Assurance company is a professional services firm providing services in Advisory, Assurance, Tax and Business Services, to both domestic and international organisations across industry sectors. This team comprises of multidisciplinary professionals and has extensive experience in conducting independent assurance of processes across sectors and geographies. As an assurance provider, we are required to comply with the independence requirements set out in International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. Our independence policies and procedures ensure compliance with the Code.

Our Conclusion

In our opinion, based on the scope of this assurance engagement, the disclosures on sustainability performance reported in the Report along with the referenced information provides a fair representation of the material topics, related strategies, and meets the general content and quality requirements of the GRI Standards. The sustainability disclosures of Company as defined under the scope of assurance are reliable. The Company has applied considerable efforts to ensure consistency of data for this Report; however, the Company may continue to improve robustness of its data collection and collation process.

Based on the scope of our review, our conclusions are outlined below:

- **Inclusiveness:** We are not aware of any matter that would lead us to conclude that the Company has not applied the principle of inclusivity in engaging with key stakeholder groups. The Company transparently disclosed its stakeholder engagement approach and activities in the Report.
- **Materiality:** We noted that the Company has listed the material topics in the Report. Nothing has come to our attention that causes us to believe that any material topic has been excluded from the Report of the Company.
- **Responsiveness:** We are not aware of any matter that would lead us to believe that the Company has not applied the responsiveness principle for dealing with stakeholders (such as customers, suppliers, and local communities) on material topics covering its sustainability performance, including climate-related risks and opportunities.
- **Impact:** We are not aware of any matter that would lead us to believe that the Company does not monitor and measure and is not accountable for how their actions affect their stakeholder universe.



CIN:- U74140DL2013PTC248762



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- **Reliability of sustainability performance information:** We have reviewed the sustainability information in the Report based on the outlined scope wherein nothing has come to our attention that causes us not to believe that the data has been presented fairly, in material respects, in keeping with the <IR> Framework and the Company's reporting principles and criteria.

For Felix Advisory Private Limited



Name: Prashant Sharma
Designation: Partner

Date: 18th August, 2026

CIN:- U74140DL2013PTC248762

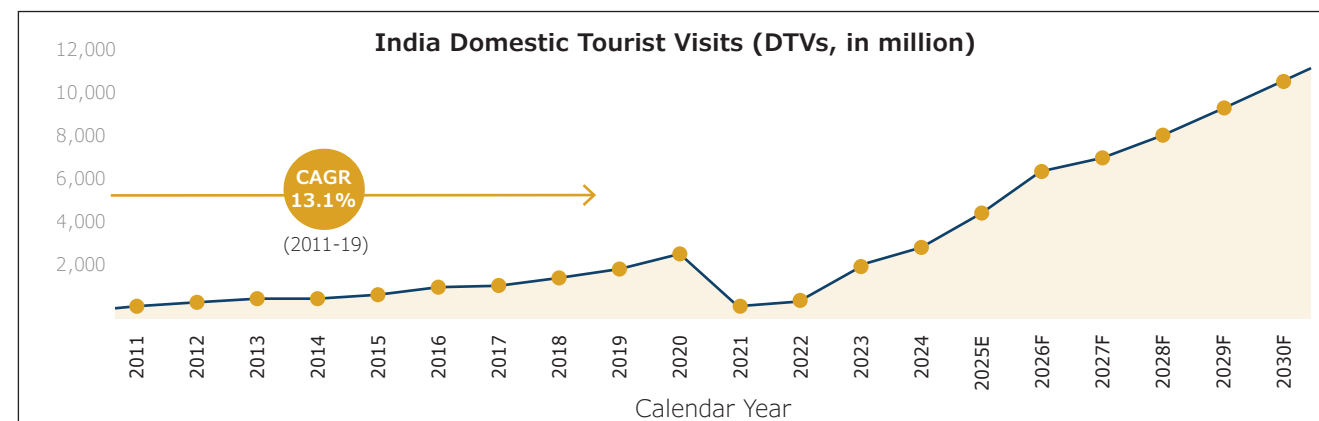
Management Discussion and Analysis FY 2025-26

Aurika, Udaipur

1. Introduction and Macroeconomic View of Indian Tourism

FY 2025-26 marked a watershed year for India's hospitality sector — one that transitioned decisively from recovery to structural growth. Despite intermittent global headwinds including renewed geopolitical tensions in the Middle East, aviation disruptions, an unseasonal monsoon and currency volatility, **India's macroeconomic fundamentals remained resilient**, with GDP growth sustained at ~6.5%, underpinned by robust domestic consumption, accelerating infrastructure investment and strong services sector expansion.

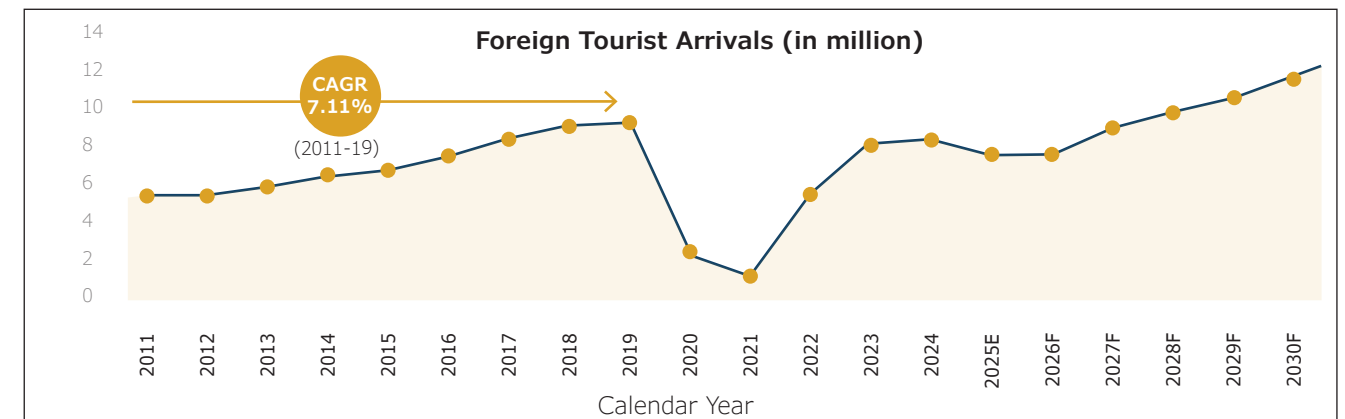
India's travel and tourism economy continued its upward trajectory, ranking as the **world's 8th largest travel and tourism economy** as per World Travel & Tourism Council (WTTC), with domestic tourism acting as the primary engine. **Domestic Tourist Visits (DTVs) are estimated at ~4,548 million in CY2025** — a figure that underscores the sheer scale of India's homegrown travel base. Total air passenger traffic in India reached **~420 million in CY2025**, growing ~5% year-on-year, with domestic traffic accounting for 338.9 million passengers.



Note: E: Estimate; F: Forecast

Source: Ministry of Tourism, India Tourism Compendium Report 2025 & HVS ANAROCK Research

Foreign Tourist Arrivals (FTAs) were estimated at **~9.02 million in CY2025**, reflecting a ~9% decline largely attributable to geopolitical unrest and the IndiGo aviation shocker. Adjusted for this external factor, underlying inbound demand grew ~5% year-on-year, demonstrating the structural resilience of India's tourism appeal.



Note: FTAs for 2025 and 2026 represent anomaly years driven by geopolitical disruptions in key source markets, including Bangladesh and the Middle East. Underlying inbound demand trends remain positive when adjusted for these external factors. Projections from 2027 onwards are based on the historical CAGR observed between 2011 and 2019; F: Forecast
Source: Ministry of Tourism, India Tourism Compendium Report 2025 & HVS ANAROCK Research

The government's continued investment in infrastructure — including airport expansions, Bharatmala highway corridors, Vande Bharat rail connectivity and the operationalisation of 663 UDAN routes across 95 airports — is steadily expanding India's accessible tourism geography and diversifying demand well beyond the traditional metros.

2. India Hotel Industry Performance CY2025

India's hotel sector delivered another year of healthy performance in CY2025, led by pricing discipline and sustained demand depth across both business and leisure segments.

Key Performance Indicator	CY2024	CY2025	YoY Change
Nationwide Occupancy	61-63%	63-65%	+1-2 pp
Average Room Rate (ARR or ADR)	₹ 7,800-8,000	₹ 8,500-8,700	+8-10%
RevPAR	₹ 4,900-5,100	₹ 5,400-5,600	+10-12%
Total Air Passengers	~400 Mn	~420 Mn	+5%
Brand Signings (Keys)	47,249	64,118	+36%
New Hotel Openings (Keys)	13,482	14,199	+5%

Source: HVS ANAROCK India Hospitality Industry Overview 2025; Hotelivate Hotel Check-In Reports Q1-Q4 FY 2025-26

Pricing power remained the defining characteristic of the year. **ARR growth of 8-10% was achieved despite weather disruptions, geopolitical headwinds and the IndiGo aviation crisis** towards year-end. Hotel asset values at the national level stood at 2.15x their FY 2013-14 base, representing an ~8% CAGR in value appreciation over eleven years.



Keys Prima by Lemon Tree Hotels, Whitefield, Bengaluru

Quarterly Performance Trends (FY 2025-26)

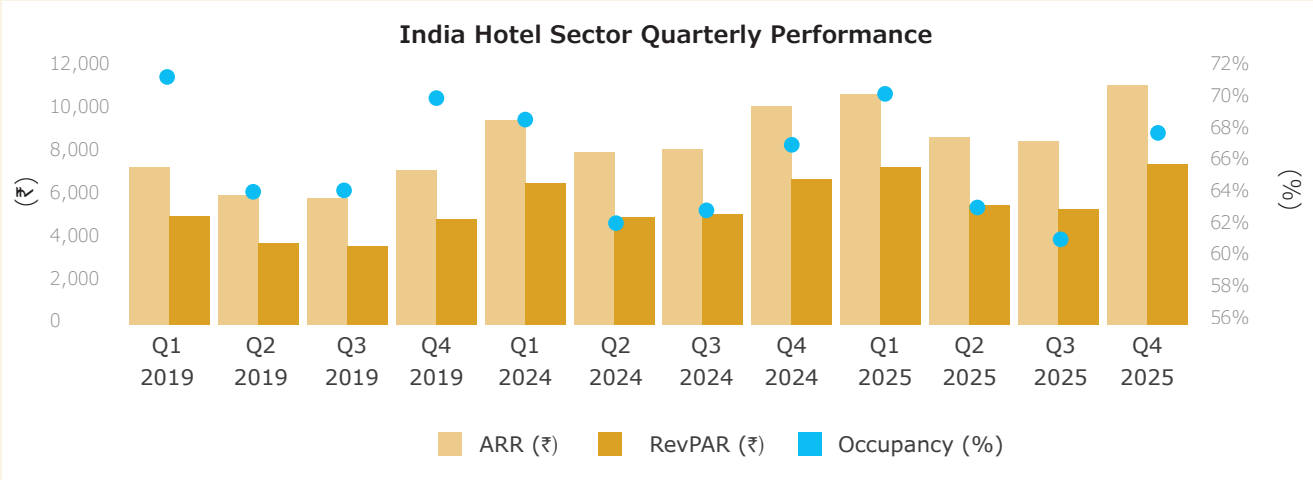
Q1 FY 2025-26 (April–June 2025): The year opened strongly, with ARR growing 12.4% year-on-year and occupancy broadly stable. Mumbai led performance with occupancy around 75% and average rates around ₹ 12,000. The top five markets by RevPAR for the quarter were Mumbai, New Delhi, Bengaluru, Chennai and Hyderabad. The NIFTY Tourism Index improved 8% during the quarter.

Q2 FY 2025-26 (July–September 2025): The sector moderated, as expected in the monsoon quarter, compounded by Indo-Pakistan geopolitical tensions and the Air India crash, which weighed on travel sentiment. Nationwide RevPAR still grew 6% year-on-year, evidencing pricing resilience. The top five markets by RevPAR for this quarter were Mumbai, New Delhi, Bengaluru, Chennai and Hyderabad. The NIFTY Tourism Index declined 5.1% during the quarter.

Q3 FY 2025-26 (October–December 2025): The strongest quarter of the year. Nationwide RevPAR grew 44.7% quarter-on-quarter and 12.1%

year-on-year, driven by festive demand, peak wedding season and strong inbound foreign tourism. The top five markets by RevPAR were Udaipur, New Delhi, Mumbai, Goa and Jaipur. The NIFTY Tourism Index declined 2.9% during the quarter even as sector fundamentals remained strong.

Q4 FY 2025-26 (January–March 2026): In this quarter, leisure demand slowed, but corporate and MICE demand strengthened, with February being one of the strongest months. However, the Middle East crisis weighed on travel sentiment. Despite this, stable domestic demand and limited new supply supported ARR and RevPAR growth resulting in a 5% growth in ARR and a degrowth of 75 basis points in occupancy. Hence, the nationwide RevPAR grew 4.8% year-on-year. The top five markets by RevPAR for this quarter were Udaipur, New Delhi, Mumbai, Goa and Jaipur. The NIFTY Tourism Index declined 24.4% during the quarter.



Source: HVS ANAROCK Research

3. Supply Trends and Competitive Landscape

Hotel development activity reached record levels in CY2025. Brand signings totalled 64,118 keys across 586 properties — a 36% increase over CY2024 — and more than three times the 2019 level. New openings totalled 14,199 rooms across 176 properties. The sustained pace of signings reflects deepening investor conviction in India’s long-term hospitality fundamentals.

Management agreements remained the dominant growth model, accounting for over 85% of all keys signed in CY2025. Greenfield projects represented 59.5% of signings by keys, while conversions contributed 10.1%, evidencing the growing role of soft-brand strategies in capturing India’s vast independent hotel inventory.

City	Branded Supply (CY2025)	Signing Activity	Market Position
Bengaluru	~19,700+ keys	4,510 keys signed (#1)	Strong corporate/ GCC demand
Mumbai	~18,000+ keys	4,499 keys signed (#2)	Premium pricing, limited supply
Jaipur	Growing rapidly	3,377 keys signed (#3)	Leisure/MICE/ weddings
Goa	~12,000+ keys	2,328 keys signed (#4)	Leisure; ARR correction underway
Hyderabad	~8,700+ keys	2,129 keys signed (#5)	Corporate/IT/events
Tier II - IV Cities	Expanding	55%+ of properties	Structural growth frontier

Source: HVS ANAROCK India Hospitality Industry Overview 2025

The midscale segment continued to dominate development activity, representing 55% of properties signed in CY2025 — directly aligned with the core positioning of Lemon Tree Hotels and its sub-brands. International operators accounted for 48% of keys signed, reflecting continued global confidence in India’s mid-to-upper segments.

4. Key Demand Drivers

Business Travel

Corporate travel remains anchored in Delhi NCR, Mumbai, Bengaluru, Pune and Hyderabad. Record Grade-A office absorption — with weighted rentals reaching ₹ 101 per sq. ft. per month in Q3 FY 2025-26 and vacancy rates declining to 14.6% — signals continued expansion of the corporate workforce and, by extension, sustained business travel demand.

Leisure Travel

Leisure demand is the fastest-growing segment, with nearly 80% of Indian travellers now considering the accommodation experience central to their holiday — far above global averages. Short-break travel is rising, with 7-day-or-less itineraries becoming dominant. Drive-to destinations, heritage circuits, wildlife and wellness escapes are benefiting from improving road and rail connectivity.

Weddings and Social Events

The November–mid-December 2025 wedding window alone generated over ₹ 6.5 Lakh Crores (~\$79 billion)

across ~46 Lakh weddings — a ~10% growth over 2024. Lemon Tree properties in leisure markets such as Jaipur, Goa and Udaipur are well-positioned to capitalise on this demand segment.

MICE

India’s infrastructure build-out for large-format events — Bharat Mandapam, Yashobhoomi, Jio World Convention Centre — is enabling events at a scale previously constrained by capacity. MICE demand is increasingly extending beyond the traditional top three metros, with Hyderabad, Jaipur and Kochi gaining significant convention credibility.

Airlines and Crew/Transit

The normalisation of aviation — despite IndiGo disruptions in Q3 FY 2025-26 — continues to generate consistent demand for airport-adjacent properties. India’s total air passenger traffic of 420 million in CY2025 and the rapid expansion of regional routes under UDAN support occupancy at airport properties and secondary cities.

5. Barriers to Entry



Land Cost & Scarcity: Land cost and scarcity in Tier I cities, which continue to constrain new supply in gateway markets



Regulatory Complexity: Complex regulatory approvals, including environmental clearances, that extend project timelines



Capital Intensity: High capital requirements with extended gestation periods and low ROI at sub-scale operations



Brand Entrenchment: Brand loyalty and market saturation by established multi-brand operators in mature urban markets



Financing Constraints: Infrastructure lending thresholds (current ₹ 200 Crores qualifying limit) that restrict access to cheaper long-term capital for midscale projects

6. Key Risks and Mitigation Strategies

Seasonality Risk

- Risk:** Fluctuating occupancy and RevPAR across seasons, particularly in leisure-heavy markets
- Mitigation:** Diversified portfolio presence across 80+ cities balances business and leisure demand cycles. Dynamic pricing engines and corporate contracts with semi-annual rate locks anchor base occupancy

Geopolitical and External Disruption Risk

- Risk:** Ongoing Middle East instability and aviation disruptions (as seen with IndiGo in Q3 FY 2025-26) create intermittent demand volatility
- Mitigation:** India's deep domestic demand base — over 4.5 billion domestic tourist visits — acts as a structural insulator against global shocks. Geopolitical disruptions in competing destinations such as the Middle East are expected to redirect international demand toward stable alternatives including India

Economic and Industry Risk

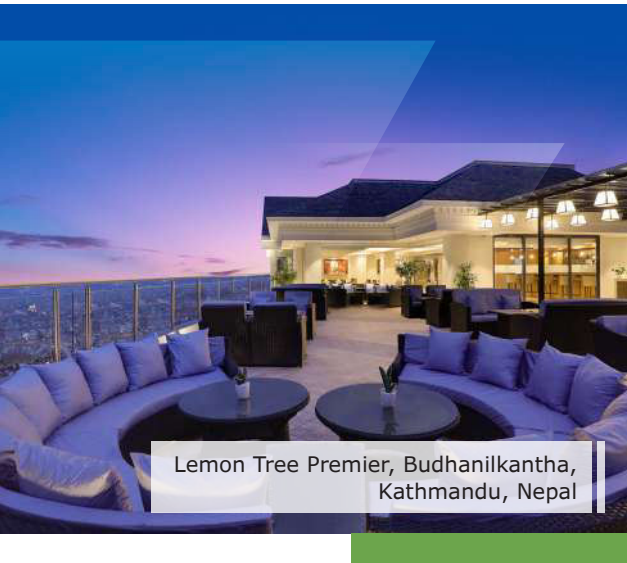
- Risk:** Rising crude oil prices (Brent crude above \$111/barrel in parts of FY 2025-26) increase Aviation Turbine Fuel costs, driving airfare inflation that disproportionately impacts mid-market leisure travellers
- Mitigation:** Multi-brand architecture spanning economy to upscale, combined with strong drive-to destination positioning, provides a natural hedge against airfare sensitivity. Centralized procurement and supplier optimisation reduce exposure to input cost inflation

Financial Risk

- Risk:** Interest rate volatility, elevated working capital requirements and long project gestation periods
- Mitigation:** Asset-light expansion through management contracts and franchise agreements limits balance sheet exposure while enabling rapid portfolio growth. Stable EBITDA margins and disciplined capital allocation support debt serviceability and investor confidence

Technology and Competitive Risk

- Risk:** Algorithm-led travel discovery means hotels with weak digital presence risk losing bookings to better-optimised competitors
- Mitigation:** Investments in AI-driven revenue management, dynamic pricing infrastructure and OTA visibility are critical countermeasures



7. Outlook for FY 2026-27/CY2026

The following macro-trends are expected to shape the operating environment for the industry:

Domestic Tourism as Structural Anchor

Domestic tourist visits are projected to cross 9,542 million by 2030, based on a historical CAGR of 13.1% (2011–2019). Rising disposable incomes, improving multimodal connectivity and a broadening travel aspirations base — extending beyond the top metros into Tier II-IV markets — are the primary structural drivers.

Faith-Based and Event-Led Tourism

The Maha Kumbh in Prayagraj drew over **663 million visitors in 45 days**, with an estimated economic impact exceeding ₹ 2 trillion. Live events are emerging as measurable demand generators: India hosted over 34,000 live events in CY2025, with attendance growing 17% year-on-year. The IPL drove occupancies above 85% in host cities with F&B footfall up 40–50%.

Destination Weddings

India's destination wedding segment — estimated at over **\$18 billion in CY2025** — is expanding at a steady double-digit pace. More than 60% of weddings with budgets exceeding ₹ 1 Crore are now destination-based, with average spend climbing to ~₹ 58 Lakhs per wedding. This represents a high-yield, repeatable demand cycle that benefits midscale and upscale properties across leisure markets.

MICE and the New Geography of Demand

MICE demand is decentralising rapidly. Cities like Hyderabad, Jaipur, Kochi and Indore are increasingly hosting large-format conferences and conventions, supported by purpose-built venues such as Bharat Mandapam and Yashobhoomi. Delegate expectations increasingly integrate leisure experiences into conference stays, benefiting Lemon Tree's presence in emerging MICE cities.

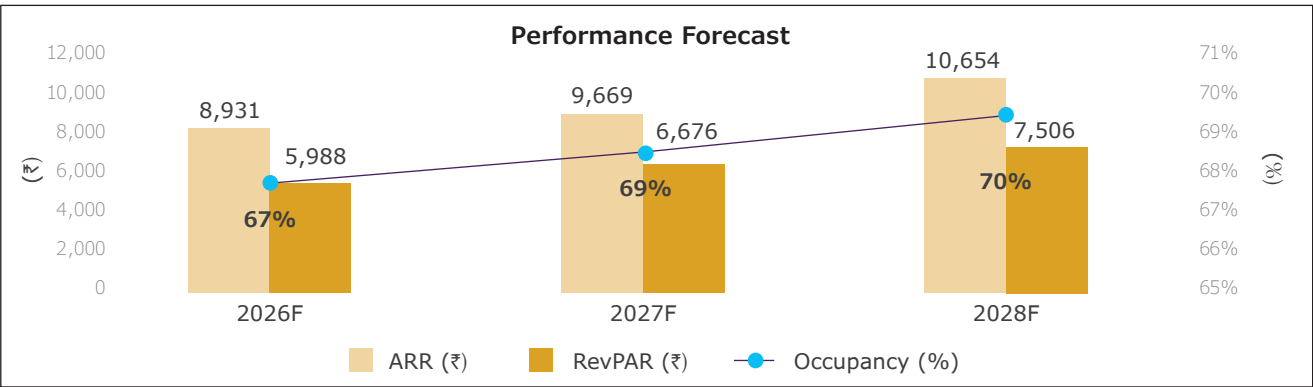
AI-Driven Travel Planning

Over 83% of Indian travellers believe AI makes travel easier, with more than 80% using it to avoid overcrowding and discover experiences. India's AI-in-tourism market, valued at ~\$109 million in CY2024, is projected to grow at a 32.6% CAGR to ~\$595 million by 2030. For hospitality operators, this necessitates investment in digital visibility, structured content and dynamic pricing infrastructure to remain competitive in an algorithm-led discovery environment.

Tier 2–4 Market Expansion

Tier III and IV cities accounted for 44% of total hotel brand signings by keys in CY2025 and over 55% of properties signed.

India's hotel sector enters FY 2026-27/CY2026 from a position of structural strength, with industry-level RevPAR forecast for CY2026 to reach ~₹ 5,988 with occupancy at ~67% and ARR at ~₹ 8,931 — representing continued healthy growth over CY2025 levels.



Source: HVS ANAROCK Research

Brand signings in CY2026 are estimated at **~690 hotels with 76,000 keys** — a further acceleration from CY2025 record levels. Scheduled openings are projected at ~200 hotels with ~15,620 keys. The pipeline is increasingly tilted toward Tier II-IV markets and leisure destinations.

The Union Budget FY 2026-27 has reinforced tourism as a core national priority, with a ₹ 2,438 Crores Ministry of Tourism allocation for FY 2026-27 and plans to develop 50 new tourism destinations. Seven new high-speed rail corridors spanning ~4,000 km with an estimated investment of ₹ 16 Lakh Crores will further

enhance multimodal connectivity, unlocking demand in previously under-served circuits.

For Lemon Tree Hotels, the convergence of a maturing rate-led cycle, deepening Tier II-IV penetration, growing MICE and wedding demand in secondary cities and the rising importance of the accommodation experience as a travel anchor all represent compelling structural tailwinds. The Company’s diversified brand architecture, disciplined asset-light expansion strategy and entrenched domestic demand focus position it well to deliver sustained RevPAR improvement and margin expansion through FY 2026-27/CY2026 and beyond.

Note:
Industry data and benchmarks referenced herein are sourced from HVS ANAROCK India Hospitality Industry Overview 2025 and Hotelivate Hotel Check-In Reports (Q1–Q4 FY 2025-26).

8. Operating Results

Particulars (in ₹ Crores)	Year Ended		
	31 March 2026	31 March 2025	YoY Change
Income			
Revenue from operations	1,444.5	1,286.1	12%
Other income	8.2	2.3	250%
Total income	1,452.7	1,288.4	13%
Expenses			
Cost of food and beverages consumed	84.8	76.2	11%
Employee benefit expenses	239.3	218.5	10%
Other expenses:			
- Power and fuel	85.1	87.8	(3%)
- Others	344.2	269.5	28%
Total expenses	753.3	652.0	16%
Net EBITDA	699.3	636.5	10%
Net EBITDA %	48.1%	49.4%	(126) bps
Finance cost	179.5	211.2	(15%)
Finance income	(12.3)	(10.6)	17%
Depreciation and amortization expense	138.8	139.3	0%
Net profit before tax and share of associates	393.3	296.5	33%
Add: Share of (loss)/profit of associates	(0.9)	(0.3)	254%
Profit before tax and exceptional items	392.4	296.2	32%
Exceptional items	33.3	-	100%
Profit before tax	359.1	296.2	21%
Tax expense	70.8	53.1	33%
Net profit after tax	288.3	243.1	19%
Cash profit*	443.1	382.4	16%

* Cash Profit for FY 2025-26 equals PAT + Depreciation + Provision for New Labour Code and Stock Appreciation Rights

Income

The Company’s total income has increased by 13% from ₹ 1,288.4 Crores during FY 2024-25 to ₹ 1,452.7 Crores during FY 2025-26 and revenue from operations alone increased by 12% from ₹ 1,286.1 Crores for FY 2024-25 to ₹ 1,444.5 Crores for FY 2025-26.

- Gross ARR of the Company saw an increase of 8% from ₹ 6,381 in FY 2024-25 to ₹ 6,875 in FY 2025-26; Occupancy increased by 186 bps from 71.7% in FY 2024-25 to 73.5% in FY 2025-26; hence, the RevPAR increased by 11% from ₹ 4,573 in FY 2024-25 to ₹ 5,055 in FY 2025-26
- The revenue from food and beverages increased by 10% from ₹ 247.5 Crores for FY 2024-25 to ₹ 271.6 Crores for FY 2025-26
- The management fees from third-party owned hotels also increased by 23% from ₹ 60.3 Crores for FY 2024-25 to ₹ 73.9 Crores for FY 2025-26

Expenses

Total expenses increased by 16% from ₹ 652.0 Crores for FY 2024-25 to ₹ 753.3 Crores for FY 2025-26.

- The cost of food and beverages consumed increased in line with the increase in food and beverages revenue from ₹ 76.2 Crores for FY 2024-25 to ₹ 84.8 Crores for FY 2025-26. Moreover, the cost of food and beverages consumed as a percentage of food and beverages revenue has increased from 30.8% for FY 2024-25 to 31.2% for FY 2025-26
- Employee Benefit expenses increased by 10% from ₹ 218.5 Crores for FY 2024-25 to ₹ 239.3 Crores for FY 2025-26 primarily due to a one-time ex-gratia payment made to hotel employees as a goodwill gesture linked to salary rationalization measures implemented during the COVID-19 period
- Power and Fuel expenses decreased by 3% from ₹ 87.8 Crores for FY 2024-25 to ₹ 85.1 Crores for FY 2025-26 driven by increased adoption of renewable energy sources
- Other expenses increased by 28% from ₹ 269.5 Crores for FY 2024-25 to ₹ 344.2 Crores for FY 2025-26 driven by higher business activity, the impact of changes in GST regulations resulting in lower input tax credit benefits and increased renovation expenditure across the portfolio

Net EBITDA

The Company’s net EBITDA increased by 10% from ₹ 636.5 Crores for FY 2024-25 to ₹ 699.3 Crores for FY 2025- 26. Net EBITDA margins decreased by 126 bps from 49.4% for FY 2024-25 to 48.1% for FY 2025-26, largely on account of reduced GST input tax credit benefits following regulatory changes and increased renovation-related expenditure across the portfolio.

Depreciation and Amortization

Depreciation and amortization expenses remained almost flat, at ₹ 139.3 Crores for FY 2024-25 and slightly came down to ₹ 138.8 Crores for FY 2025-26.

Finance Costs

Total debt decreased by 12% from ₹ 1,698.6 Crores for FY 2024-25 to ₹ 1,500.3 Crores for FY 2025-26. The finance cost decreased by 15% from ₹ 211.2 Crores for FY 2024-25 to ₹ 179.5 Crores for FY 2025-26. The Company’s weighted average cost of debt decreased by 115 bps from 8.57% as at end of FY 2024-25 to 7.42% as at end of FY 2025-26.

Exceptional Items

Exceptional items for FY 2025-26 include the following:

- Considering uniform definition of ‘wages’ as per Code on Wages, 2019, with effect from 21 November 2025, the company has created a provision for New Labour Code amounting to ₹ 14.5 Crores
- One-time ex-gratia amounting to ₹ 11.0 Crores paid to certain employees as a goodwill gesture in connection with salary rationalization measures undertaken during the COVID-19 period
- The Company availed a one-time settlement scheme notified by the Municipal Corporation of Delhi for settlement of property tax dues relating to three hotel properties resulting to an impact of ₹ 4.8 Crores
- The Company spent ₹ 3.0 Crores towards legal, professional, advisory and other directly attributable costs in connection with the proposed Composite Scheme of Arrangement involving demerger and restructuring of the Company and its group entities, which was subsequently approved by the Board of Directors on 9 January 2026, subject to requisite statutory and regulatory approvals

Profit for the Year (PAT)

The Company's PAT increased by 19% from ₹ 243.1 Crores in FY 2024-25 to ₹ 288.3 Crores in FY 2025-26. The improvement is due to uptick in the operational performance of the Company, lean cost control measures deployed by the Company and reduced debt levels.

Cash Profit* (PAT + Depreciation)

The Company's cash profit increased by 16% from ₹ 382.4 Crores in FY 2024-25 to ₹ 443.1 Crores in FY 2025-26.

9. Performance of Owned/Leased Hotels by Brand - FY 2025-26 vs. FY 2024-25

Parameters	RevPAR(₹)			Occupancy Rate (%)			ARR(₹)			Hotel Level EBITDAR/Room (₹ Lakhs)**			Hotel Level EBITDAR Margin %**		
	FY 2025-26	FY 2024-25	Change (%)	FY 2025-26	FY 2024-25	Change (bps)	FY 2025-26	FY 2024-25	Change (%)	FY 2025-26	FY 2024-25	Change (%)	FY 2025-26	FY 2024-25	Change (bps)
Aurika Hotels & Resorts (808)	7,470	6,266	19%	74%	62%	1,200	10,040	10,042	0%	25.0	20.0	25%	63%	61%	226
Lemon Tree Premier (1,603)	6,390	5,924	8%	82%	81%	99	7,837	7,354	7%	16.9	16.0	6%	58%	59%	(29)
Lemon Tree Hotels (1,769)	4,757	4,459	7%	74%	76%	(164)	6,412	5,879	9%	10.6	10.5	1%	50%	52%	(204)
Red Fox by Lemon Tree Hotels (643)	3,052	2,872	6%	67%	70%	(255)	4,557	4,132	10%	6.4	6.1	5%	51%	52%	(59)
Keys by Lemon Tree Hotels (936)	2,621	2,183	20%	62%	58%	423	4,210	3,761	12%	4.8	3.6	34%	43%	38%	464



*Cash Profit for FY 2025-26 equals PAT + Depreciation + Provision for New Labour Code and Stock Appreciation Rights
**Hotel level EBITDAR and EBITDAR Margin% is before renovation expense for both FY 2025-26 and FY 2024-25



Aurika's numbers include the numbers for Aurika, Mumbai Skycity which operationalized on 3rd October 2023. Gross ARR remained flat, at ₹ 10,042 for FY 2024-25 and ₹ 10,040 for FY 2025-26. Occupancy increased by 1,200 bps from 62% for FY 2024-25 to 74% for FY 2025-26. RevPAR increased by 19% from ₹ 6,266 for FY 2024-25 to ₹ 7,470 for FY 2025-26. Hotel level EBITDAR/room increased by 25% from ₹ 20.0 Lakhs for FY 2024-25 to ₹ 25.0 Lakhs for FY 2025-26. EBITDAR margin increased by 226 bps from 61% for FY 2024-25 to 63% for FY 2025-26.



Gross ARR increased by 7% from ₹ 7,354 for FY 2024- 25 to ₹ 7,837 for FY 2025-26. Occupancy increased by 99 bps from 81% for FY 2024-25 to 82% for FY 2025-26. RevPAR increased by 8% from ₹ 5,924 for FY 2024-25 to ₹ 6,390 for FY 2025-26. EBITDAR/ room increased by 6% from ₹ 16.0 Lakhs for FY 2024-25 to ₹ 16.9 Lakhs for FY 2025-26. EBITDAR margin decreased by 29 bps from 59% for FY 2024-25 to 58% for FY 2025-26.



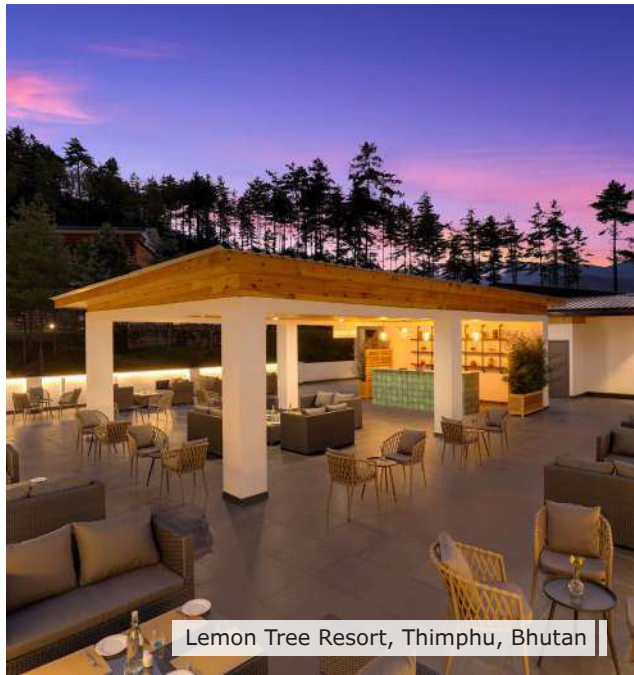
Gross ARR increased by 9% from ₹ 5,879 for FY 2024-25 to ₹ 6,412 for FY 2025-26. Occupancy decreased by 164 bps from 76% for FY 2024-25 to 74% for FY 2025-26. RevPAR increased by 7% from ₹ 4,459 for FY 2024-25 to ₹ 4,757 for FY 2025-26. EBITDAR/room increased by 1% from ₹ 10.5 Lakhs for FY 2024-25 to ₹ 10.6 Lakhs for FY 2025-26. EBITDAR margin decreased by 204 bps from 52% for FY 2024-25 to 50% for FY 2025-26.



Gross ARR increased by 10% from ₹ 4,132 for FY 2024-25 to ₹ 4,557 for FY 2025-26. Occupancy decreased by 255 bps from 70% for FY 2024-25 to 67% for FY 2025-26. RevPAR increased by 6% from ₹ 2,872 for FY 2024-25 to ₹ 3,052 for FY 2025-26. EBITDAR/ room increased by 5% from ₹ 6.1 Lakhs for FY 2024-25 to ₹ 6.4 Lakhs for FY 2025-26. EBITDAR margin decreased by 59 bps from 52% for FY 2024-25 to 51% for FY 2025-26.



Gross ARR increased by 12% from ₹ 3,761 for FY 2024-25 to ₹ 4,210 for FY 2025-26. Occupancy increased by 423 bps from 58% for FY 2024-25 to 62% for FY 2025-26. RevPAR increased by 20% from ₹ 2,183 for FY 2024-25 to ₹ 2,621 for FY 2025-26. EBITDAR/room increased by 34% from ₹ 3.6 Lakhs for FY 2024-25 to ₹ 4.8 Lakhs for FY 2025-26. EBITDAR margin increased by 464 bps from 38% for FY 2024-25 to 43% for FY 2025-26.



10. Key Financial Ratios

Key financial ratios for consolidated financial statements and their definitions are given below:

Sr.No.	Ratio	Year Ended 31 March 2026	Year Ended 31 March 2025
1	Current Ratio (in times)	1.21	0.85
2	Debt-to-Equity Ratio (in times)	0.72	0.95
3	Debt Service Coverage Ratio (in times)	1.61	1.12
4	Return on Equity (in %)	14.90%	14.58%
5	Inventory Turnover Ratio (in times)	18.41	15.47
6	Trade Receivable Turnover Ratio (in times)	14.55	16.83
7	Net Capital Turnover Ratio (in times)	18.73	(24.93)
8	Net Profit Margin (in %)	20.33%	19.26%
9	Return on Capital Employed (in %)	15.71%	14.35%
10	Interest Coverage Ratio (in times)	5.25	4.01
11	Operating Profit Margin (in %)	48.74%	50.22%

- **Interest Service Coverage Ratio** equals Profit before Tax + Interest on Borrowings + Depreciation and Amortisation divided by Interest on Borrowings
- **Operating Profit Margin** equals Profit before Depreciation and Amortisation Expenses, Interest and Tax less Other Income divided by Net Sales
- **Net Sales** equals Revenue from Operations less Government Grant
- The definitions of other ratios are given in Note 39 of the Notes to Standalone Financial Statements
- The Current Ratio of the Group has improved from 0.85 in FY 2024-25 to 1.21 in FY 2025-26. Net Capital Turnover Ratio improved from (24.93) in FY 2024-25 to 18.73 in FY 2025-26 on account of higher revenue during the year



BOARD’S REPORT

TO,
THE MEMBERS
LEMON TREE HOTELS LIMITED

The Board of Directors have pleasure in presenting the Thirty-Fourth (34th) Board Report of Lemon Tree Hotels Limited (“LTHL or the Company”) together with the Audited Standalone and Consolidated Financial Statements for the Financial Year ended March 31, 2026.

The consolidated performance of the Company and its subsidiaries have been referred to wherever required.

FINANCIAL RESULTS AND OPERATIONS

The financial performance of the Company, based on the Standalone and Consolidated Financial Statements for the year ended March 31, 2026 is summarized below:

Particulars	Standalone		Consolidated	
	Year ended	Year ended	Year ended	Year ended
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
(₹ in Lakhs)				
Revenue from operations	44,203.93	38,462.77	1,44,450.33	1,28,607.77
Other Income	221.17	86.68	816.28	233.39
Total Income	44,425.10	38,549.45	1,45,266.61	1,28,841.16
Total Expense	22,469.17	18,696.12	75,333.60	65,195.47
Profit before finance cost, finance income, depreciation and amortization and tax (EBITDA)	21,955.93	19,853.33	69,933.01	63,645.69
Less: Finance costs	3,455.44	4,242.75	17,951.89	21,123.29
Less Finance income	(746.45)	(562.08)	(1,234.07)	(1,056.59)
Less: Depreciation and amortization expense	1,993.28	1,953.45	13,880.47	13,929.65
Net Profit before tax, exceptional items and share of associate	17,253.66	14,219.21	39,334.72	29,649.34
Share of Profit of associate	-	-	(94.59)	(26.70)
Less: Exception Item	2026.98	-	3,326.59	-
Profit before Tax	15,226.68	14,219.21	35,913.54	29,622.64
Tax expense:				
- Current Tax	3,258.14	2,487.03	4,688.67	3,632.78
- Deferred Tax	1,121.53	1,683.44	2,393.05	1,675.32
Profit for the year	10,847.01	10,048.74	28,831.82	24,314.54
Add: Other Comprehensive (Loss)/Income for the year	(7.73)	5.83	(24.31)	2.35
Total Comprehensive Income for the year	10,839.28	10,054.57	28,807.51	24,316.89
Non - controlling Interest	-	-	6,117.10	4,654.57
Total Comprehensive Income for the year attributable to Equity Holders of the Parent	-	-	22,690.41	19,662.32
Earning per Equity Share (Face value of ₹ 10 each)				
Basic (In ₹)	1.37	1.27	2.87	2.48
Diluted (In ₹)	1.37	1.27	2.87	2.48

Further, key financial and operational highlights of Company are available in the Management Discussion and Analysis Report forming part of the Integrated Report.

CONSOLIDATED FINANCIAL STATEMENT

In accordance with the provisions of the Companies Act, 2013 (“the Act”) and the SEBI (LODR) Regulations read with Ind AS 110-Consolidated Financial Statements and Ind AS 28-Investments in Associates, the consolidated audited financial statement forms part of the Integrated Report.

CAPITAL STRUCTURE

Authorised Share Capital

The Authorized Share Capital of the Company is ₹ 10,14,24,00,000 consisting of 1,00,73,90,000 equity shares of ₹ 10 each, 1,95,000 5% redeemable preference shares of ₹ 100 each and 4,90,000 preference shares of ₹ 100 each.

Paid-up Share Capital

During the Financial Year under review, the Issued and Paid up Share Capital of the Company remained at ₹ 7,92,24,64,640/- divided into 79,22,46,464 equity shares of face value of ₹ 10/- each.

STATEMENT OF COMPANY’S AFFAIRS:

A. Operational Hotels and Upcoming Projects

During the year under review, the Company achieved the significant milestone of crossing 11,000 operational rooms. As on March 31, 2026, the Group’s portfolio comprised 131 operational hotels with 11,811 rooms, while the development pipeline consisted of 137 hotels with 10,770 rooms.

Lemon Tree Hotels Limited is a Company engaged in hotel business and there has been no change in the nature of its business during the year under review.

The details of operational hotels and upcoming projects are given in the “Corporate Overview” Section of the Integrated Report 2025-26.

B. Awards and Recognition

During the year under review, the Company has received following key awards and recognition as detailed herein below:

- Aurika Mumbai, SkyCity received the **Platinum Certification by the Indian Green Building Council (I.G.B.C.)**

- TripAdvisor Traveller’s Choice Award 2025**

28 out of 68 eligible hotels received the Traveller’s Choice Award by TripAdvisor

Aurika Hotels & Resorts – 2

Lemon Tree Premier – 3

Lemon Tree Hotels - 16

Red Fox by Lemon Tree Hotels - 3

Keys Select by Lemon Tree Hotels - 4

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP’S)

As on March 31, 2026, the Board of Directors (the ‘Board’) of the Company comprised of Ten (10) Directors, with an optimum combination of Executive and Non-Executive Directors, including one Women Independent Director.

The Board comprises of Five (5) Non-Executive Independent Directors. During the year, the following appointment/re-appointment/cessation of Directors/KMP took place:

- Mr. Pawan Kumar Kumawat was appointed as Company Secretary and Compliance Officer (Key Managerial Personnel) w.e.f. May 29, 2025.
- Mr. Patanjali Govind Keswani (DIN:00002974) was appointed as Executive Director and Chairman for a term of 18 (Eighteen) months w.e.f. October 01, 2025 and ceased from the position of Managing Director w.e.f. September 30, 2025
- Mr. Neelendra Singh (DIN: 08491872) was appointed as Managing Director of the Company for a term of 5 (Five) years w.e.f. October 01, 2025.
- Mr. Kapil Sharma (DIN:00352890) was appointed as Executive Director and Chief Financial Officer of the Company for a term of 5 (Five) years w.e.f. October 01, 2025.
- Mr. Niten Malhan (DIN: 00614624) was re-appointed as Independent Director of the Company for second term of 5 (Five) years w.e.f. November 06, 2025.
- Ms. Freyan Jamshed Desai (DIN: 00965073), Independent Director of the Company resigned from the Board w.e.f. close of business hours of March 20, 2026. The Board places on record its appreciation for her invaluable contribution and guidance.

The details of the Directors & KMP’s [as per Companies Act, 2013 (“Act”)] of the Company as on March 31, 2026 are given herein below:

S. No.	Name of Directors/KMP’s	Designation
1	Mr. Patanjali Govind Keswani	Chairman & Executive Director
2	Mr. Niten Malhan	Vice Chairman & Lead Independent Director (Non-Executive)
3	Mr. Neelendra Singh	Managing Director
4	Mr. Kapil Sharma	Executive Director and Chief Financial Officer
5	Mr. Aditya Madhav Keswani	Non-Executive Director
6	Mr. Willem Albertus Hazeleger	Non-Executive Director
7	Mr. Paramartha Saikia	Non-Executive Independent Director
8	Mr. Praveen Garg	Non-Executive Independent Director
9	Mr. Sanjiv Nandan Sahai	Non-Executive Independent Director
10	Ms. Smita Anand	Non-Executive Independent Director
11	Mr. Pawan Kumar Kumawat	Company Secretary and Compliance Officer

In accordance with the Companies Act, 2013 and the Articles of Association of the Company, Mr. Aditya Madhav Keswani and Mr. Willem Albertus Hazeleger, Non-Executive Directors shall be liable to retire by rotation, and being eligible, offers themselves for reappointment. The same shall be placed for approval of members at the ensuing Annual General Meeting of the Company.

SENIOR MANAGEMENT

During the financial year under review the following changes took place in the Senior Management Personnel (SMP) of the Company:

- Mr. Vishvapreet Singh Cheema was appointed as President and designated as Senior Management Personnel (SMP) of the Company w.e.f. June 09, 2025.
- Mr. Jagdish Kumar Chawla resigned from the position of Executive Vice President-Projects & Engineering and ceased to be SMP of the Company w.e.f. close of business hours of June 30, 2025.
- Mr. Sumant Jaidka - Sr. Vice President - Ops & Chief Operations Officer and Mr. Rajesh Kumar - Sr. Vice President – Human Resources, ceased to be SMP of the Company w.e.f. close of business hours of June 30, 2025, pursuant to change in Company’s reporting structure.
- Mr. Saurabh Shatdal was appointed as Senior Management Personnel of the Company and Chief Executive Officer (CEO) of Fleur Hotels

Limited (material subsidiary of the Company) w.e.f. August 01, 2025.

- Mr. Vivek Jhavar was appointed as Senior Vice President – Business Development and designated as SMP of the Company w.e.f. January 23, 2026.
- Mr. Vilas Pawar, CEO- Managed & Franchised Division and SMP of the Company, superannuated from the services of the Company w.e.f. close of business hours of March 31, 2026.

DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors of the Company have given declarations under Section 149(7) of the Act, that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “SEBI (LODR) Regulations”). In terms of Regulation 25(8) of the SEBI (LODR) Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Independent Directors of the Company have undertaken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Act read along with the Rules made thereunder and are independent of the Management.

COMMITTEES OF THE BOARD

As on March 31, 2026, your Board has following mandatory Committees:

- Audit Committee;
- Nomination and Remuneration Committee;
- Corporate Social Responsibility Committee;
- Stakeholder’s Relationship Committee; and
- Risk Management Committee.

The details of the compositions, meetings held during the Financial Year under review, attendance of the Committee Members and the terms of reference of the above Committees of the Board are provided in the Corporate Governance Report attached as ‘Annexure-5’ to this Report.

Apart from the above-mentioned Committees, the details of the compositions, meetings held during the Financial Year under review and attendance of the Members of following non-mandatory Committees are given in ‘Annexure-1’ to this Report:

- (a) Finance Committee;
- (b) Share Allotment Committee;
- (c) General Management Committee;
- (d) Sustainability Committee; and
- (e) Reorganization Committee.

BOARD MEETINGS HELD DURING THE YEAR

During the Financial Year under review, the Board met 7 (Seven) times and the details of the Board Meetings held indicating number of meetings attended by each Director is provided in the Corporate Governance Report attached as ‘Annexure-5’ to this Report.

ANNUAL BOARD EVALUATION

To comply with the provisions of Section 134(3)(p) of the Act and Rules made thereunder, Regulation 17(10) of SEBI (LODR) Regulations, the Board of Directors has carried out an annual evaluation of its own performance including its Committees (wherein the concerned Director being evaluated did not participate). The performance of the Board was evaluated by the Board

after seeking inputs from the Directors on the basis of the criteria such as strategy, performance management, risk management, core governance & compliance, organization’s health and talent management.

Further, to comply with the Regulation 25(4) of SEBI (LODR) Regulations, Independent Non-Executive Directors also evaluated the performance of Non-Independent Non-Executive Directors, Chairman and Board as a body at a separate meeting of Independent Directors held on December 24, 2025.

The evaluation of all the Directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. On the basis of the ranking filled in the evaluation questionnaire and discussion of the Board, the performance of the Board and its Committees and Individual Directors (including Independent Directors) have been assessed as satisfactory.

POLICIES UNDER COMPANIES ACT, 2013/SEBI (LODR) REGULATIONS

Nomination and Remuneration Policy

The Company has in place a Nomination and Remuneration Policy which lays down the criteria for appointment, evaluation of performance of Directors and remuneration of Directors, KMP, Senior Management Personnel and other employees. The Nomination and Remuneration Policy is attached as ‘Annexure-2’ to this Report.

During the Financial Year under review, the Company has taken necessary approval/recommendation with respect to appointment/re-appointment of Directors/KMP, wherever required, from Nomination and Remuneration Committee in accordance with the terms of the policy.

Risk Management Policy

The Company has, in place, Risk Management Policy which includes identification therein of the elements of risk which in the opinion of Board may threaten the existence of the Company. The Company recognizes that the applicable risks need to be managed and mitigated to protect the interests of the shareholders and stakeholders, to achieve business objectives and enable sustainable growth. The risk management framework is aimed at effectively mitigating the Company’s various business and operational risks, through strategic and tactical actions. Risk management is embedded in our critical business activities, functions and processes. The risks are reviewed for the change in the nature and extent of the major risks which provides control measures for risks and future action plans.

The Company has in place following policies in compliance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policies are available in the ‘Investor Relations’ section at the Company’s website.

Name of the policy	Web link
LTH Code of Conduct for Directors*	https://www.lemontreehotels.com/factsheet/Policies/lth-code-of-conduct-for-directors.pdf
LTH Code of Conduct for Senior Management & Employees*	https://www.lemontreehotels.com/factsheet/Policies/lth-code-of-conduct-for-senior-management-and-employees.pdf
Vigil Mechanism/ Whistle Blower Policy*	https://www.lemontreehotels.com/factsheet/Policies/lth-vigil-mechanism-whistle-blowers-policy.pdf
Risk Management Policy	https://www.lemontreehotels.com/factsheet/Policies/Risk_Management_Policy.pdf
Nomination and Remuneration Policy	https://www.lemontreehotels.com/factsheet/Policies/Nomination_and_Remuneration_Policy.pdf
Corporate Social Responsibility (“CSR”) Policy	https://www.lemontreehotels.com/factsheet/Policies/Corporate_Social_Responsibility_Policy.pdf
Dividend Distribution Policy	https://www.lemontreehotels.com/factsheet/Policies/Dividend_Distribution_Policy.pdf
Policy on Appointment and Rotation of Auditors	https://www.lemontreehotels.com/factsheet/Policies/Rotation_of_Auditors_Policy.pdf
Policy on Board Diversity	https://www.lemontreehotels.com/factsheet/Policies/Policy_on_Board_Diversity.pdf
Policy on related party transaction*	https://www.lemontreehotels.com/factsheet/Policies/Related%20Party%20Transaction%20Policy.pdf
Policy for determination of material subsidiary	https://www.lemontreehotels.com/factsheet/Policies/Determination_of_Material_Subsiary_Policy.pdf
Policy for determination of materiality of events and information*	https://www.lemontreehotels.com/factsheet/Policies/Determination_of_Materiality_of_Events_and_Information_Policy.pdf

*Note:- The policies have been amended w.e.f. May 29, 2025.

CORPORATE SOCIAL RESPOSIBILITY

The Company strongly believes that sustainable community development is essential for harmony between the community and the industry. The Company endeavours to make a positive contribution especially to the underprivileged communities by supporting a wide range of socio-economic and educational initiatives.

The Corporate Social Responsibility Committee (“CSR Committee”) of the Board of Directors of the Company oversees the implementation of CSR Policy of the Company.

In line with the provisions of the Act and on the recommendations of the CSR Committee, the Board of Directors has approved the CSR Policy of the Company. Detailed CSR Policy of the Company has been uploaded on the website of the Company at https://www.lemontreehotels.com/factsheet/Policies/Corporate_Social_Responsibility_Policy.pdf

The report on CSR Activities for the Financial Year under review under Section 134 and 135 of the Act read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 read with Rule 9 of the Companies (Accounts) Rules, 2014 is attached as ‘Annexure-3’ to this Report.

SUBSIDIARY, ASSOCIATES AND JOINT VENTURE COMPANIES

As on March 31, 2026, the Company has Ten (10) direct subsidiaries; Ten (10) indirect subsidiaries and Three (3) associate companies as under:

Direct Subsidiaries	Indirect Subsidiaries
Fleur Hotels Limited (Formerly known as Fleur Hotels Private Limited)	Berggruen Hotels Private Limited
Carnation Hotels Private Limited	Bandhav Resorts Private Limited
Totally Foxed Solutions Private Limited	Celsia Hotels Private Limited
Canary Hotels Private Limited	Inovoa Hotels and Resorts Limited
Sukhsagar Complexes Private Limited	Iora Hotels Private Limited

Direct Subsidiaries	Indirect Subsidiaries
Oriole Dr. Fresh Hotels Private Limited	Ophrys Hotels Private Limited
Lemon Tree Hotel Company Private Limited	Hyacinth Hotels Private Limited
Red Fox Hotel Company Private Limited	Arum Hotels Private Limited
Hamstede Living Private Limited	Madder Stays Private Limited*
Manakin Resorts Private Limited	Nettle Hotels Private Limited*
	Associate(s)
	Mind Leaders Learning India Private Limited
	Pelicaan Facilities Management Private Limited
	Glendale Marketing Services Private Limited

**During the year under review, Madder Stays Private Limited and Nettle Hotels Private Limited became the Indirect Subsidiary of Lemon Tree Hotels Limited pursuant to transfer of shares to Fleur Hotels Limited w.e.f. March 11, 2026.*

Further, the Subsidiary Companies viz. Fleur Hotels Limited and Celsia Hotels Private Limited are partners of a limited liability partnership, Mezereon Hotels LLP (“Mezereon”).

During the year, there has been no material change in the nature of the business of the subsidiaries.

In accordance with Section 129(3) of the Act read with Rule 8(1) of Companies (Accounts) Rules, 2014, a statement containing the salient features of financial statements of the Company’s subsidiaries, associates and joint ventures is attached in Form AOC-1 as ‘**Annexure-4**’ to the Board Report.

Further, pursuant to provisions of section 136 of the Act, the audited financial statements of the Company along with relevant documents and separate audited financial statements of the subsidiaries are available on the website of the Company under Investor section under following link <https://investors.lemontreehotels.com/financials-subsidiaries.html>

MANAGEMENT REPORTS

Management Discussion and Analysis Report

The management discussion and analysis report on Company’s performance-industry trend and other material changes with respect to the Company, its subsidiaries, associates, wherever applicable, has been given separately and forms part of this Integrated Report.

Business Responsibility and Sustainability Report (BRSR)

In accordance with Regulation 34(2)(f) of the SEBI Listing Regulations, Business Responsibility and Sustainability Reporting (BRSR), covering disclosures on the Company’s performance on Environment, Social and Governance parameters in the prescribed format as ‘**Annexure-10**’ for Financial Year 2025-26, forms part of this Integrated Annual Report. Cross-reference is provided in relevant sections of this Integrated Annual Report 2025-26 with suitable references to the BRSR.

In terms of the SEBI Listing Regulations, the Company has obtained Independent Limited Assurance Statement on BRSR from JDP & Associates, Chartered Accountants.

Integrated Annual Report

The Company continues its integrated reporting journey in the current financial year also. This Integrated Annual report for the Financial Year 2025-26 is prepared in alignment with the Integrated Reporting framework laid down by the International Integrated Reporting Council and aims at presenting the value creation approach for our stakeholders.

CORPORATE GOVERNANCE

The Company has adopted good governance practices and committed to maintain high standards of corporate ethics, professionalism and transparency. The Company has adopted polices in line with the good corporate governance requirements which inter alia includes policy on Related Party Transactions, policy on Material Subsidiary, policy for Material Information and Events, Corporate Social Responsibility Policy, Dividend Distribution Policy, Whistle Blower Policy and a Policy on Board Diversity. These policies are available in the ‘Investor Relations’ section at the Company’s website at link <https://investors.lemontreehotels.com>

In compliance with the provisions of Regulations 34(3) of the SEBI (LODR) Regulations, a separate report on Corporate Governance together with a certificate from the Secretarial Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under the SEBI (LODR) Regulations is attached as ‘**Annexure-5**’ to this Report.

The certificate from the Practicing Company Secretary pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (LODR) Regulations with respect to non-disqualification of Directors of the Company is also annexed along with ‘**Annexure-5**’ and forms part of this Report.



VIGIL MECHANISM / WHISTLEBLOWER POLICY

The Company has a Whistle Blower Policy in place to report concerns about unethical behaviour, improper activities, or serious irregularities or violation of the Company’s Code of Conduct. The Policy provides for protected disclosures for the whistle-blower. Directors, employees, vendors, or any person having dealings with the Company may report non-compliance to the Chairman of the Audit Committee, who reviews the report. The Whistle Blower Policy can be accessed on the Company’s website at the link <https://www.lemontreehotels.com/factsheet/Policies/lth-vigil-mechanism-whistle-blowers-policy.pdf>

DEPOSITS

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

BORROWINGS FROM BANKS/ FINANCIAL INSTITUTIONS

The Company’s total long-term borrowings from banks/ financial institutions have reduced from ₹ 22,802.67

Lakhs in the previous year to ₹ 15,816.88 Lakhs in the current year.

EMPLOYEES STOCK OPTION SCHEME

A certificate from the Secretarial Auditors of the Company that Employee Stock Option Scheme, 2006 (‘ESOP Scheme’) the scheme has been implemented in accordance with Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 will be placed at the ensuing Annual General Meeting for inspection by Members of the Company.

Further, during the financial year under review, there were no stock options outstanding that were exercisable by the employees of the Company through the Krizm Hotels Private Limited Employee Welfare Trust (“Trust”).

The applicable disclosures as stipulated under Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 with regard to Employees Stock Option Plan of the Company is given herein below and the information required under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 is available at the Company’s website at <https://www.lemontreehotels.com/factsheet/Policies/ESOP-DISLOSURE-2026.pdf>

ESOP Report for Financial Year 2025-26

Sr. No.	Description	ESOP Scheme
a)	Options Granted	-
b)	Options vested	-
c)	Options Exercised*	-
d)	Total Number of Shares arising as a result of exercise of option	-
e)	Options lapsed*	N.A.
f)	The exercise price (On weighted average basis)	-
g)	Variation of terms of options	N.A.
h)	Money realized by exercise of options (if scheme is implemented directly by the Company)	N.A.
i)	Total number of options in force	-
j)	Employee wise details for options granted to:-	
	(i) Key managerial Personnel:	
	a) Mr. Neelendra Singh (Managing Director)	N.A.
	b) Mr. Kapil Sharma (Executive Director and Chief Financial Officer)	N.A.
	c) Mr. Pawan Kumar Kumawat (Company Secretary & Compliance Officer)	N.A.
	(ii) any other employee who received a grant of options in any one year of option amounting to five percent or more of options granted during that year	N.A.
	(iii) identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (Excluding outstanding warrants and conversions) of the Company at the time of grant	N.A.

**ESOP Plan is implemented though Trust Route. Hence, all the options have already been exercised by Krizm Hotels Private Limited Employee Welfare Trust.*

STOCK APPRECIATION RIGHTS SCHEME-2024

“LTHL Stock Appreciation Rights Scheme – 2024” hereinafter referred to as “the Scheme” seeks to reward eligible employees by way of granting Stock Appreciation Rights (SARs), with a view to reward their association and loyalty which has resulted in corporate growth and value creation over a long period of time. The Scheme is implemented through Direct Route for extending benefits to Employees wherein the Company will distribute the Appreciation in accordance with the Scheme. The Scheme shall continue to be in effect up to 8 years from the effective date of the scheme unless terminated earlier by the Board of Directors.

A certificate from the Secretarial Auditors of the Company that the LTHL Stock Appreciation Rights Scheme – 2024 has been implemented in accordance with Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 will be placed at the ensuing Annual General Meeting for inspection by Members of the Company. The information required under Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 is available at the Company’s website at <https://www.lemontreehotels.com/factsheet/Policies/SAR-DISCLOSURE-2026.pdf>

- (i) General terms and conditions of the Scheme are as follows:
- a) Date of shareholders’ approval: September 26, 2024 (amended on September 25, 2025)
 - b) Total number of shares approved under the SAR scheme: 80,00,000 equity shares at a face value of ₹ 10 each
 - c) Vesting requirements: Vesting period shall commence after minimum 2 (Two) years from the grant date and shall not exceed the maximum period of 8 (Eight) years from the effective date of the Scheme subject to achievement of milestones as mentioned in the scheme.
 - d) SAR price or pricing formula: SAR Price shall be calculated on the basis of market price.
 - e) Maximum term of SAR granted: The Scheme shall continue to be in effect up to 8 years from the effective date of the scheme unless terminated earlier by the Board of Directors.
 - f) Method of settlement (whether in cash or equity): In form of equity or in cash (in case of fraction entitlements only) as per the Scheme.

- g) Choice of settlement (with the company or the employee or combination): In form of equity or in cash (in case of fraction entitlements only) as per the Scheme
- h) Source of shares (primary, secondary or combination): Primary
- i) Variation in terms of scheme: The amendment was made in LTHL Stock Appreciation Rights Scheme – 2024 which was approved by the shareholders in Annual General Meeting held on September 25, 2025.

Key terms amended are as below:

- Corporate Action - means a change in the capital structure of the Company as a result of Bonus Issue, Rights Issue, Split of Shares and Consolidation of Shares and also consequent to any scheme of merger, demerger, arrangement or any other re-organisation.
- Subsidiary or Subsidiaries shall include only unlisted subsidiary of the Company.
- The definition of Employee and Eligible Employee includes the employee of Lemon Tree Hotels Limited and its existing unlisted subsidiaries.
- Appreciation value is being contemplated to be paid fully in the form of shares only instead of part payment in cash. Payment in cash to be done in case of fraction entitlements only.
- The maximum number of SAR Units that may be issued shall not exceed 1,50,00,000 and the maximum number of Equity Shares that may be issued and allotted at any time pursuant to exercise of SAR Units shall not exceed 80,00,000 at a face value of ₹ 10/- each.
- Milestones for vesting of SAR units are based on time period and are linked to the achievement of Benchmark market price which is now defined as a multiple of SAR Price.

Milestone(s) as stated below:

1 st Milestone	Achieving Benchmark Market Price equivalent to 1.67x of SAR Price
2 nd Milestone	Achieving Benchmark Market Price equivalent to 2.00x of SAR Price
3 rd Milestone	Achieving Benchmark Market Price equivalent to 2.34 x of SAR Price
4 th Milestone	Achieving Benchmark Market Price equivalent to 2.67x of SAR Price

The vesting Schedules upon achievement of Milestone shall be as follows:

Milestone to be achieved	% of SAR Units to be vested
At the achievement of First Milestone	25% of the SAR Units granted
At the achievement of Second Milestone	25% of the SAR Units granted
At the achievement of Third Milestone	25% of the SAR Units granted
At the achievement of Fourth Milestone	25% of the SAR Units granted

The amended SAR Scheme is available at the Company’s website at https://www.lemontreehotels.com/factsheet/Policies/LTHL_SAR_SCHEME_2024.pdf

- (ii) Method used to account for SAR Intrinsic or fair value: Fair Value Method
- (iii) Where the company opts for expensing of SAR using the intrinsic value of SAR, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of SAR, shall be disclosed. The impact of this difference on profits and on EPS of the company any shall also be disclosed: NA
- (iv) SAR movement during the year:

Particular	Details
Number of SARs outstanding at the beginning of the year	-
Number of SARs granted during the year	99,16,000
Number of SARs forfeited / lapsed during the year	3,81,000
Number of SARs vested during the year	-
Number of SARs exercised / settled during the year	-
Number of SARs outstanding at the end of the year	95,35,000
Number of SARs exercisable at the end of the year	-

- (v) Employee wise details (name of employee, designation, number of SAR granted during the year, exercise price) of SAR granted to:

- a) “Senior Management” as defined under Regulation 16(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Name of Employee	Designation	Number of SAR granted during the year	Exercise Price (SAR Price)
Mr. Vishvapreet Singh Cheema	President	10,00,000	₹ 129.37/-

- b) any other employee who receives a grant in any one year of amounting to 5% or more of SAR granted during that year:

Name of Employee	Designation	Number of SAR granted during the year	Exercise Price (SAR Price)
Mr. Neelendra Singh	Managing Director	30,00,000	₹ 129.37/-
Mr. Kapil Sharma	Executive Director and Chief Financial Officer	15,00,000	₹ 129.37/-

- c) identified employees who were granted SAR, 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: NIL

REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

The statement including the details of employees as required to be furnished in accordance with the provisions of Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 are set out in ‘Annexure-6’ to this Report.

Disclosures pertaining to the remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in ‘**Annexure-7**’ to this Report.

DIRECTORS’ RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(C) read with Section 134(5) of the Act, the Directors, to the best of their knowledge and ability, hereby confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed with proper explanation relating to material departures;
- (ii) they have selected such accounting policies in consultation with Statutory Auditors and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year March 31, 2026 and of the profit and loss of the company for the year ended on that date;
- (iii) they have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- (iv) the annual accounts of the Company have been prepared on a going concern basis.
- (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS AND AUDITOR’S REPORT

Statutory Auditors

M/s Deloitte Haskins & Sells LLP (LLP No. AAB-7837), Chartered Accountants have been re-appointed as Statutory Auditors of the Company in the Annual General Meeting held on September 14, 2022 for a further period of 5 years upto conclusion of Annual General Meeting of the Company to be held in year 2027.

The reports given by the Statutory Auditors on the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2026 forms part of this Report. There have been

no qualifications, reservation, adverse remarks or disclaimers made by the Statutory Auditors in their reports. The Statutory Auditors have not reported any material fraud to the Central Government under Section 143(12) of the Act.

Secretarial Auditor Report of the Company and its material subsidiary Companies

The members of the Company at the 33rd Annual General Meeting of the Company held on September 25, 2025 had approved the appointment of M/s DPV & Associates LLP, Practicing Company Secretaries (FRN: L2021DE009500) to conduct the Secretarial Audit for the Financial Year 2025-26 to 2029-30 in accordance with Section 204 of the Act. The Secretarial Auditors have submitted their report for the FY 2025-26, which is annexed as ‘**Annexure-8**’ to this Report.

The Secretarial Auditor’s Report does not contain any qualifications, reservations, adverse remarks or disclaimers.

As per Regulation 24A of SEBI (LODR) Regulations, the Secretarial Audit Report(s) of the unlisted material subsidiaries of the Company for the Financial Year 2025-26 by Practicing Company Secretaries are annexed as ‘**Annexure-9**’ to this Report. None of the said Secretarial Audit Reports contain any qualifications, reservations, adverse remarks or disclaimers.

Cost Records and Cost Audit

The Company is not required to maintain cost records in accordance with Section 148 of the Act read with Rule 3 of the Companies (Cost Records and Audit) Rules, 2014 as the services of the Company are not covered under these rules. Hence, Cost Audit is not applicable.

SIGNIFICANT AND MATERIAL ORDERS

There are no significant or material orders passed by the regulators, courts or tribunals impacting the going concern status and the company’s operation in future. However, Members’ attention is drawn to the Statement on Contingent Liabilities and Commitments in the Notes forming part of the financial statements.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company, being engaged in the hotel business, is classified as providing infrastructure facilities in terms of the Schedule VI to the Act and is exempted from the compliance for loans made, guarantees given, security provided in terms of Section 186 (11) of the Act, however, the details of loans, guarantees, and investments made by the Company forms part of the notes to the Financial Statements.

Further, the detail required in terms of Regulation 34(3) of SEBI (LODR) Regulation with respect to loan given by the Company to its subsidiaries is given hereunder. For details regarding investments and Guarantees please refer to the notes to the Financial Statements.

(₹ in Lakhs)

Name of the Company	Maximum Loan Outstanding		Maximum Loan Outstanding	
	during the year 2026	As at March 31, 2026	during the year 2025	As at March 31, 2025
Canary Hotels Private Limited	523.19	-	553.91	303.91
Oriole Dr. Fresh Hotels Private Limited	32.54	-	155.11	7.25
Sukhsagar Complexes Private Limited	10.00	-	210.00	10.00
Red Fox Hotel Company Private Limited	2.11	2.11	2.11	2.11
Lemon Tree Hotel Company Private Limited	2.00	2.00	2.00	2.00
Totally Foxed Solutions Private Limited	6,926.49	6,217.51	6,199.05	4,999.65
Nettle Hotels Private Limited (formerly Known as Poplar Homestead Holding Private Limited)	1.50	1.50	1.50	1.50
Madder Stays Private Limited	1.50	1.50	1.50	1.50
Arum Hotels Private Limited (formerly known as Jessamine Stays Private Limited)	-	-	1.50	-
Manakin Resorts Pvt. Ltd.	0.67	-	-	-

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188 OF THE COMPANIES ACT, 2013

In line with the requirements of the Act and the SEBI (LODR) Regulations, your Company has formulated a policy on dealing with Related Party Transactions (RPTs) which has been amended during the year under review. The policy can be accessed in the ‘Investor Relations’ section at the Company’s website <https://www.lemontreehotels.com/factsheet/Policies/Related%20Party%20Transaction%20Policy.pdf>

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all material transactions between the Company and Related Parties.

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm’s length basis.

None of the transactions with related parties fall under the scope of Section 188(1) of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY 2025-26 and hence does not form part of this report. Related party Transactions can be viewed at Note No. 33 of Standalone Financial Statements and Note No. 38 of Consolidated Financial Statements of the Company.

ANNUAL RETURN

In accordance with Section 92(3) of the Companies Act, 2013 read with rules made thereunder, the Annual Return of the Company in Form MGT-7 has been placed on the website of the Company at <https://www.lemontreehotels.com/factsheet/Policies/LTHL-Annual-Return-2026.pdf>

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of this Report.

PARTICULARS REGARDING CONSERVATION OF ENERGY ETC. UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 AND RULES MADE THEREIN

As per the provisions of Section 134(3)(m) of the Act read with Companies (Accounts) Rules, 2013, the measures taken during the Financial Year under review for conservation of energy and technology absorption by the Company in the operation of its hotels are as follows:

A. Conservation of Energy:

Lemon Tree Hotels is deeply committed to ecofriendly operations and energy conservation

practices across all its properties. We believe that sustainability is integral to hospitality, and accordingly, we have implemented a wide range of initiatives focused on energy and water preservation, responsible waste management, and measures to mitigate water, noise, and environmental pollution.

Our existing and upcoming owned hotels are designed and constructed in line with IGBC Green Building Certification Standards, ensuring that sustainability is embedded right from the planning and design stage. These efforts reflect our longterm vision of reducing environmental impact while enhancing operational efficiency.

Further, the detailed steps undertaken for energy conservation and sustainability are comprehensively documented in the Business Responsibility and Sustainability Report (BRSR), which forms an integral part of this Report.

Steps taken by the Company for utilizing alternate source of energy:

The Company has consistently prioritized the use of alternative and renewable sources of energy to enhance sustainability across its operations. Our hotels have installed onsite Solar Photovoltaic (PV) systems on rooftops, enabling clean electricity generation and reducing dependence on conventional grid supply. In addition, solar hot water systems have been deployed to significantly lower the heating load for domestic hot water requirements, thereby improving energy efficiency.

Beyond onsite installations, we are also leveraging renewable energy through Open Access arrangements, which currently cater to approximately 50% of our total energy requirement. This integrated approach-combining rooftop solar generation, solar thermal systems, and Open Access procurement-demonstrates our commitment to reducing carbon footprint, optimizing operational costs, and aligning with longterm sustainability goals.

C. Foreign exchange earnings and outgo:

The information regarding Foreign Exchange earnings and outgo for the period under review is mentioned hereunder:

(₹ in Lakhs)			
S. No.	Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
1.	Earning in Foreign Currency	2,154.06	1,668.05
2.	Outgo in Foreign Currency		
	- Value of Capital Goods Imported on CIF basis	-	-
	- Commission/ Advertisement and business promotion	65.59	119.82

The Capital investment on energy conservation requirements:

The Company has made significant capital investments in sustainable technologies to reduce reliance on fossil fuels and enhance energy efficiency across its hotels. Rooftop Solar Photovoltaic (PV) systems have been installed to generate clean electricity onsite, directly lowering grid dependency. To minimize diesel consumption, heat pumps are being used in place of conventional hot water generators, providing efficient heating solutions. Additionally, heat recovery systems have been implemented to improve ventilation efficiency, while EC fan motors are deployed in HVAC and ventilation systems to optimize energy use.

Further, the adoption of double-glazed windows in guest rooms and public areas enhances thermal insulation, reduces cooling and heating loads, and improves overall comfort. Collectively, these measures not only reduce operational costs but also demonstrate the Company's commitment to sustainability, energy conservation, and environmental responsibility.

B. Technology Absorption, Research & Development (R&D):

Technology absorption:

The Company is in the service industry and operates and manages its hotels across India. However, no know how and technology has been imported during the year. However, efforts have been made to imbibe various new technologies like Green Building, rain water harvesting, use of plumbing faucets, sewage treatment plants.

Research & Development:

The Company operates in the hospitality sector where formal Research and Development ('R&D') investments are limited. During the year under review no expenditure was incurred for R&D purposes.

DIVIDEND ON EQUITY SHARES

The Company does not propose any dividend on the shares of the Company for the Financial Year ended on March 31, 2026.

TRANSFER TO RESERVES

No transfers to reserves were made, as no appropriations were required to be made during the Financial Year under review.

ADEQUACY OF INTERNAL CONTROLS

The Company has established adequate internal financial controls and an internal control system commensurate with the nature of its business and the size and complexity of its operations. The Statutory Auditors and Internal Auditors periodically evaluate the adequacy and effectiveness of these controls, including internal financial controls over financial reporting, compliance with applicable laws and regulations, operational processes, accounting procedures and policies.

Based on the observations and recommendations of the Internal Auditors, the respective departments undertake appropriate corrective and preventive actions to strengthen the internal control framework. Significant audit observations, together with the status of corrective actions taken thereon, are periodically placed before the Audit Committee for its review and guidance. The Audit Committee monitors the implementation of the recommendations and provides necessary directions to further strengthen the Company's internal control environment.

SECRETARIAL STANDARDS

The Company has proper systems in place to ensure compliance with the provisions of the applicable secretarial standards issued by The Institute of the Company Secretaries of India and such systems are adequate and operating effectively.

SHIFTING OF REGISTERED OFFICE

During the financial year under review, the registered office of the Company was shifted from Asset No. 6, Aerocity Hospitality District, New Delhi - 110037 to Lemon Tree Hotel, Urban Complex, Ullahawas, Sector 60, Gurugram, Haryana - 122011, pursuant to the requisite approvals obtained from the shareholders, the Regional Director, Ministry of Corporate Affairs, and other statutory authorities, in accordance with the applicable provisions of the Companies Act, 2013 and the rules made thereunder. Consequent to the above, the registered office of the Company is presently situated at the aforesaid address.

COMPOSITE SCHEME OF ARRANGEMENT

To achieve operational focus, greater flexibility for capital deployment, and clearer alignment of business objectives, a Composite Scheme of Arrangement among Lemon Tree Hotels Limited ("LTH"); Fleur Hotels Limited ("Fleur"); and Carnation Hotels Private Limited, Hamstede Living Private Limited, Oriole Dr. Fresh Hotels Private Limited, Canary Hotels Private Limited, Sukhsagar Complexes Private Limited and Manakin Resorts Private Limited was approved by the Board of Directors of the Company at their meeting held on January 9, 2026.

The Scheme of Arrangement comprises of the following integrated components:

- Part A- Amalgamation 1:** Merger of two wholly-owned subsidiaries of LTH (Carnation Hotels Private Limited and Hamstede Living Private Limited) with LTH;
- Part B- Amalgamation 2:** Merger of four wholly-owned subsidiaries of LTH (Oriole Dr. Fresh Hotels Private Limited, Canary Hotels Private Limited, Sukhsagar Complexes Private Limited and Manakin Resorts Private Limited) with Fleur Hotels Limited;
- Part C- Demerger:** the demerger of 11 operating hotels and 1 under construction hotel (Shimla hotel) from LTH to Fleur along-with transfer of Development capability and investment in Arum Hotels Private Limited along with their related undertakings ("Demerger"), and the amendment of the existing hotel operating agreements entered into between Fleur/its subsidiaries and LTH, in relation to operations and management of hotels owned by Fleur, the entering into of new hotel operating agreements between Fleur/its subsidiaries and LTH for the hotels transferred to or demerged in Fleur.

The Scheme will be, inter alia, conditional upon (a) receipt of no-objection or observation letters from SEBI and stock exchanges under Regulation 37 of the Listing Regulations (b) approval of the Scheme by the requisite majority of shareholders and creditors of LTH, the Transferee Company, and the Amalgamating Companies, as applicable, in accordance with the Companies Act and SEBI guidelines, and as directed by the NCLT; (c) sanction of the Scheme by the NCLT under Sections 230 to 232 of the Companies Act; and (f) filing of certified copies of the NCLT order with the Registrar of Companies by each company involved.

The complete details can be accessed at <https://investors.lemontreehotels.com/composite-scheme-of-arrangement.html>

INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

During the year under review, there were no proceedings that were filed by the Company or against the Company, which are pending under the Insolvency and Bankruptcy Code, 2016, as amended, before National Company Law Tribunal or other Courts.

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the year under review, there was no one-time settlement with any Bank or Financial Institution. Hence, no valuation was required to be undertaken.

COMPLIANCE WITH MATERNITY BENEFIT ACT, 1961

During the financial year under review, the Company was in compliance with the applicable provisions of the Maternity Benefit Act, 1961 and the rules framed thereunder. Adequate policies, processes, and internal controls are in place to ensure adherence to statutory requirements relating to maternity benefits for eligible employees. The Company remains committed to upholding high standards of employee welfare and fostering an inclusive workplace environment.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has always believed in providing a safe and harassment-free workplace for every individual working in the Company. The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no complaint was received by the Corporate Ethics Committee (CEC) formed in this regard.

Further, Internal Complaints Committee is also in place at all hotel locations and no complaint has been received during the year under review.

The status of complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, during the year under review, are as follows:

- a. Number of complaints of sexual harassment received in the year: NIL

- b. Number of complaints disposed-off during the year: NIL
- c. Number of cases pending for more than 90 days: NIL
- d. Number of complaints pending as on March 31, 2026: NIL

GREEN INITIATIVE

Pursuant to Section 101 and 136 of the Act read with Companies (Management and Administration) Rules, 2014 and Companies (Accounts) Rules, 2014, the Company can send Notice of Annual General Meeting, financial statements and other communications in electronic form.

The Company shall be sending this Report including the Notice of Annual General Meeting, Audited Financial Statements, Board's Report along with annexures etc. for the Financial Year 2025-26 in the electronic mode to the shareholders who have registered their email ids with the Company and/or their respective Depository participants (DPs). Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses.

Those holding shares in demat form can register their e-mail addresses with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the Company by sending mails to the mail id sectdeptt@lemontreehotels.com or to the Registrar and Share Transfer Agent of the Company, by sending a letter, duly signed by the first/sole holder quoting details of their Folio No.

ACKNOWLEDGEMENT

We thank our customers, business associates, Government Agencies, bankers and other statutory authorities, who have reposed their continued trust and confidence in the Company.

We wish to convey our deep appreciation to the dealers of the Company for their achievements in the area of sales and service, and to suppliers/vendors for their valuable support.

We also place on record our sincere appreciation for the enthusiasm and commitment of the Company's employees for the growth of the Company and look forward to their continued involvement and support.

For & On Behalf of the Board of Directors of
Lemon Tree Hotels Limited

Sd/-

Patanjali Govind Keswani

Date: May 28, 2026
Place: New Delhi

Chairman & Executive Director
DIN: 00002974

Annexure(s) to the Board's Report

Non-Mandatory Committee(s) of the Board of Directors

(a) Finance Committee

During the financial year under review, no meeting of Finance Committee was held.

Name of the Member	Designation
Mr. Praveen Garg*	Chairman & Member
Mr. Patanjali Govind Keswani#	Member
Mr. Neelendra Singh**	Member
Mr. Kapil Sharma**	Member
Mr. Paramartha Saikia	Member
Mr. Willem Albertus Hazeleger#	Member

*Mr. Praveen Garg was appointed as Chairman & Member of the Committee w.e.f. November 12, 2025.

**Mr. Kapil Sharma and Mr. Neelendra Singh were appointed as members w.e.f. November 12, 2025.

#Mr. Patanjali Govind Keswani and Mr. Willem Albertus Hazeleger ceased to be the members of the Committee w.e.f. November 12, 2025.

(b) Share Allotment Committee

During the Financial Year under review, no meeting of Share Allotment Committee was held.

Name of the Member	Designation
Mr. Paramartha Saikia	Chairman & Member
Mr. Patanjali Govind Keswani	Member

(c) General Management Committee

During the Financial Year under review, 12 (Twelve) General Management Committee meetings were held on April 8, 2025, June 02, 2025, July 15, 2025, August 07, 2025, October 01, 2025, November 17, 2025, December 19, 2025, January 9, 2026, February 10, 2026, March 5, 2026, March 11, 2026 and March 25, 2026.

Attendance of Members for the year ended 31st March, 2026:

Name of the Member	Designation	No. of Meetings Attended
Mr. Neelendra Singh*	Chairman & Member	7
Mr. Patanjali Govind Keswani**	Member	5
Mr. Kapil Sharma#	Member	7
Mr. Paramartha Saikia	Member	1
Mr. Aditya Madhav Keswani	Member	12

*Mr. Neelendra Singh was appointed as Chairman & Member of the Committee w.e.f. November 12, 2025.

**Mr. Patanjali Govind Keswani ceased to be the Chairman & Member of the Committee w.e.f. November 12, 2025.

#Mr. Kapil Sharma was appointed as member w.e.f. November 12, 2025.

(d) Sustainability Committee

During the Financial Year under review, no meeting of sustainability committee was held.

Name of the Member	Designation
1. Ms. Freyan Jamshed Desai*	Independent Director
2. Mr. Patanjali Govind Keswani	Chairman and Executive Director
3. Mr. Kapil Sharma	Executive Director and Chief Financial Officer
4. Mr. Jagdish Kumar Chawla*	EVP - Projects & Engineering
5. Ms. Aradhana Lal	Sr. Vice President-Sustainability & ESG

*Mr. Jagdish Kumar Chawla and Ms. Freyan Jamshed Desai ceased to be the members of the Committee w.e.f. June 30, 2025 and March 20, 2026 respectively.

The terms of reference of the Sustainability Committee shall inter alia include the following:

- Identify key performance indicators for Sustainability
- Oversee implementation of ESG Policy and
- Provide necessary direction and guidance w.r.t ESG Policy

(e) Reorganization Committee

During the Financial Year under review, 4 (Four) Reorganization Committee meetings were held on September 17, 2025, November 17, 2025, December 22, 2025 and January 08, 2026.

Attendance of Members for the year ended March 31, 2026:

Name of the Member	Designation	No. of Meetings Attended
Mr. Patanjali Govind Keswani	Chairman & Member	4
Mr. Niten Malhan	Member	4
Mr. Sanjiv Nandan Sahai	Member	4
Mr. Praveen Garg	Member	4
Mr. Neelendra Singh*	Member	2
Mr. Kapil Sharma*	Member	3

*Mr. Neelendra Singh and Mr. Kapil Sharma were inducted as members w.e.f. November 12, 2025.

Nomination and Remuneration Policy

1. Introduction

In terms of Section 178 of the Companies Act, 2013 read with applicable rules and regulations and in pursuance of the policy of Lemon Tree Hotels Limited (‘Company’) to consider its human resources as its invaluable assets, the Nomination and Remuneration Committee of the Company re-constituted on 18th September 2014 has formulated this policy on nomination and remuneration of Directors, Key managerial personnel, senior management personnel and other employees of the Company (hereinafter referred as ‘Policy’) and which has been adopted by Board of Directors of the Company in its meeting on February 19th, 2015.

Policy Objective

The objective of this Policy is to determine the criteria for appointment, removal, evaluation of performance of Directors and remuneration of Directors, key managerial personnel, senior management personnel and other employees.

2. Definitions

In this Policy unless the context otherwise requires:

- (a) “Act” means Companies Act, 2013 including the applicable Rules & regulations;
- (b) “Board of Directors” or “Board”, in relation to the Company, means the collective body of the directors of the Company and includes the committees of the Board;
- (c) “Directors” means Directors of the Company appointed in terms of provisions of the Act;
- (d) “Independent Director” means a Director referred to in Section 149 (6) of the Act;
- (e) “Key Managerial Personnel ”or“KMP” in relation to a company, means:
 - (i) Chief Executive Officer (‘CEO’) or the Managing Director (‘MD’) or the Manager;
 - (ii) Company Secretary;
 - (iii) Whole-time Director (‘WTD’);
 - (iv) Chief Financial Officer; and
 - (v) Such other officer as may be prescribed;
- (f) “NRC” means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board;

- (g) “Rules & regulations” refers to and comprise of Companies Act, 2013, The Companies (Meeting of Board and its Powers) Rules, 2014, The Companies (Appointment and Qualification of Directors) Rules, 2014, The Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014, and such other rules and provisions as applicable to the matters dealt in by this Policy;
- (h) *”Senior Management Personnel” for this purpose shall mean employees of the company who are members of its core management team excluding Board of Directors including CFO and CS. It would comprise of all members of management at Band level 12 & above who are designated at Executive Vice President/ President/ Senior Vice President and are directly reporting to Executive Chairman or Managing Director along with employees of the Company/Group who have been specifically designated as Senior Management due to their role and responsibilities.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Act as may be amended from time to time shall have the meaning respectively assigned to them therein.

**Definition of Senior Management Personnel amended w.e.f. April 1, 2024*

3. Applicability

This Policy is applicable to:

- (i) Directors viz. Executive, Non-executive and Independent
- (ii) Key Managerial Personnel
- (iii) Senior Management Personnel
- (iv) Other Employees of the Company

4. General

This Policy is divided in three parts:

Part-A: covers the matters to be dealt with and recommended by the NRC to the Board within Scope of Policy;

Part-B: covers the appointment and nomination of Directors; and

Part-C: covers remuneration etc. for the Directors, Key Managerial Personnel and other employees.

PART-A

5. Scope

The matters to be dealt by NRC in terms of this Policy are as follows:

- Formulate the criteria for determining qualifications, positive attributes and independence of a Director and identify persons who are qualified to become Directors and persons who may be appointed in Key Managerial and Senior Management Personnel, recommend to Board their appointment and removal;
- Carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel and to provide for reward(s) linked directly to their effort, performance, dedication and achievement relating to the Company's operations;
- Determine remuneration based on the Company's size and financial position and trends and practices for remuneration prevailing in similar companies in the industry;

PART-B

6. Appointment of Directors and Senior Management Personnel

- The NRC shall identify and ascertain the positive attributes, integrity, independence, qualification, expertise and experience of the person for appointment as Directors, or Senior Management Personnel and recommend to the Board his/her appointment.
- A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The NRC has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient for the concerned position.
- A person shall be appointed as Independent Director subject to the compliance of provisions of section 149 of the Companies Act, 2013, read with schedule IV and rules thereunder.
- The Company shall not appoint or continue the employment of any person as MD/WTD/Manager who is below the age of twenty one years or has attained the age of seventy years. Provided that the appointment of a person who has attained the age of seventy years may be appointed with the approval of shareholders by passing a special resolution based on the

explanatory statement annexed to the notice for such motion indicating the justification for appointment of such person.

7. Term/Tenure

a. MD/WTD/Manager

Subject to the applicable provisions of the Act and the Memorandum and Articles of Association of the Company, the Company shall appoint or re-appoint any person as its MD/WTD/Manager for a term of maximum five (5) consecutive years at a time. No re-appointment shall be made earlier than one (1) year before the expiry of term.

b. Independent Director

- Subject to the applicable provisions of the Act, an Independent Director shall hold office for a maximum term of five (5) consecutive years on the Board of the Company with the approval of the shareholders in general meeting and will be eligible for re-appointment on passing of a special resolution by the shareholders of the Company for another term of maximum five (5) years and disclosure of such appointment be made in the Board's report.
- Any Independent Director, who has completed his two consecutive terms, shall be eligible for appointment after expiry of three (3) years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- The Independent Directors shall not be liable to retire by rotation.

8. Disqualifications for Appointment/Re-appointment of Directors

Any person who is disqualified for appointment/re-appointment as a Director in terms of Section 164 of the Act shall not be eligible for appointment/re-appointment, as the case maybe, as a Director of a company.

9. Evaluation

The NRC shall carry out evaluation of performance of every Director and a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors shall be disclosed in the Board Report.

10. Removal

The NRC may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions of the Act.

11. Retirement

The Director, KMP and Senior Management Personnel shall retire/resign as per the applicable provisions of the Act and the prevailing HR policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, subject to compliance of applicable laws, for the benefit of the Company.

PART-C

12. Matters Relating to the Remuneration & Perquisites

- The NRC, while deciding the remuneration/compensation/profit-linked commission for the Directors, Key Managerial Personnel and other employees, to ensure:
 - That the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - That the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
 - That the remuneration to directors, key managerial personnel and other employees including senior management officials involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
- The remuneration/compensation/profit-linked commission, etc. to the MD/WTD/Manager, Directors and Independent Directors and increments there to will be determined by the NRC subject to the approval of the Board, shareholders of the Company and Central Government, wherever required, in accordance with the percentage / slabs / conditions in terms of the applicable provisions of the Act.
- Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief

Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

- Determination of remuneration and increments of KMP, Senior Management officials and other employees shall be effected in terms of the HR policies of the Company.

13. Remuneration to MD/WTD/Manager

a. Remuneration

Subject to Section 197 and Schedule V of the Act, the MD/WTD/Manager will be eligible for remuneration either by way of a monthly payment or at a specified percentage of the net profits of the company or partly by one way and partly by the other with the approval of the Shareholders of the Company on the recommendation of the NRC and the Board. The break-up of the pay scale, performance bonus and quantum of perquisites including, employer's contribution to P.F., pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the NRC and shall be within the overall remuneration approved by the shareholders and Central Government, wherever required in terms of the provisions of the Act.

b. Minimum Remuneration

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its MD/WTD/Manager in accordance with the Act and if it is not able to comply with such provisions, then with the previous approval of the Central Government.

c. Provisions for excess remuneration

If any MD/WTD/Manager draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

14. Remuneration to Non-Executive Independent Director

a. Sitting Fees

The Non-executive Directors of the Company, whether Independent or not, may be paid sitting fees within maximum limit prescribed by the Act from time to time for attending meetings of the Board or Committees thereof. The quantum of sitting fees will be determined as per the recommendation of NRC and approved by the Board of Directors of the Company. The Company may make arrangement or reimburse the expenses incurred by the Non-Executive/ Independent Director(s) for travelling, boarding and lodging for participation in the Board or Committee meetings.

b. Commission

The Board, on recommendation of NRC, may consider the payment of profit based commission to the Non-Executive/Independent Directors and such commission may be paid within the prescribed limits and subject to the Board approvals in terms of the provisions of Act from time to time. The net profits for the purposes of calculation of commission shall be computed in the manner referred to in section198 of Act.

c. Stock Options

Pursuant to the provisions of the Act, an Independent Director shall not be entitled to any stock option of the Company. The officers or other employees of the Company and its subsidiaries will be granted stock options in terms of the Company Employees Stock Option policy subject to special resolution passed by company and such other conditions as may be prescribed by the Act.

15. Remuneration to KMP, Senior Management Personnel and Other Employees

- a. The KMP, Senior Management Personnel and other employees of the Company shall be paid monthly remuneration, salary advance and loans etc. as per the Company's HR policies and / or as approved by the NRC. The break-up of the pay scale and quantum of perquisites including employer's contribution to P.F., pension scheme, medical expenses, club fees, etc. shall be as per the Company's HR policies.
- b. As and when required by the NRC, a presentation shall be given by the HR Head

detailed the performance bonus payouts as well as the proposed increments in any financial year. The NRC shall peruse and give its suggestions, if any, on the process for giving increments and performance bonus payouts for implementation by the Company.

- c. This Policy shall apply to all future/continuing employment/engagement(s) with the Company. In other respects, the Policy shall be of guidance for the Board. Any departure from the Policy shall be recorded and reasoned in the NRC and Board meeting minutes.
- d. The remuneration for KMP and Senior Managerial Personnel of the Company shall be approved by the NRC based on the recommendation of the Chairman & Managing Director and for other employees based on the recommendation of the HR Head in consultation with the Heads of various Department/Hotels of the Company. In case any of the relevant regulations require that remuneration of KMPs or any other officer is to be specifically approved by the NRC and/ or the Board of Directors/Shareholders, then such approval will be accordingly obtained.

16. Dissemination

The key features of the Policy shall be published on Company's website and accordingly will also be disclosed in the Annual Report as part of Board's report therein.

17. Miscellaneous

- a. The NRC or the Board may review the Policy as and when it deems necessary.
- b. The NRC may issue the guidelines, procedures, formats, reporting mechanism for better implementation of this Policy, wherever it thinks necessary.
- c. This Policy may be amended or substituted, in whole or in part, by the NRC or Board.
- d. In case of any statutory change not being consistent with the provisions laid down under this Policy, then such change shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such statutory change to the Act and the Compliance Officer of the Company shall ensure that such amendment is disseminated on the website of the Company, wherever required.

Report On Corporate Social Responsibility (CSR) Activities

1. Brief outline on CSR Policy of the Company:

The CSR policy was formulated in terms of provision of Section 135(4) of the Companies Act, 2013 read with Rule 6 of the Companies (Corporate Social Responsibility Policy) Rules, 2014. As per CSR policy, the Company shall undertake any CSR activities/projects/programs in the areas as specified in Schedule VII of the Act as amended from time to time.

2. Composition of the CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Paramartha Saikia (Chairman & Member)	Non-Executive Independent Director	4	4
2	Mr. Patanjali Govind Keswani (Member)	Chairman and Executive Director	4	4
3	Mr. Aditya Madhav Keswani (Member)	Non-Executive Director	4	4
4	Ms. Freyan Jamshed Desai (Member)*	Non-Executive Independent Director	4	3
5	Mr. Neelendra Singh (Member)^	Managing Director	4	1

*Ms. Freyan Jamshed Desai ceased to be a Member of the Corporate Social Responsibility (CSR) Committee with effect from the close of business hours on March 20, 2026, consequent to her resignation as a Director of the Company.

^Mr. Neelendra Singh, Managing Director of the Company was inducted as a member in the Committee w.e.f. November 12, 2025.

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

The Composition of CSR committee, CSR Policy approved by the board are available in the Investors Relation Section at the Company's website at <https://investors.lemontreehotels.com/corporate-governance-committees.html> https://www.lemontreehotels.com/factsheet/Policies/Corporate_Social_Responsibility_Policy.pdf and <https://www.lemontreehotels.com/factsheet/Policies/CSR-Project-2025-26.pdf> respectively.

4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

For the year under review, the Impact Assessment is not applicable for the Company.

- 5. (a) Average net profit of the company as per sub-section (5) of section 135: ₹ 13,270.39 Lakhs
- (b) Two percent of average net profit of the company as per sub-section (5) of section 135 : ₹ 265.41 Lakhs
- (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: 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)]: ₹ 265.41 Lakhs
- 6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 265.41 Lakhs
- (b) Amount spent in Administrative Overheads : Nil
- (c) Amount spent on Impact Assessment, if applicable : Not Applicable

(d) Total amount spent for the Financial Year [(a)+(b)+(c)] : ₹ 265.41 Lakhs

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (₹ in Lakhs)	Amount Unspent (₹ in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
265.41	Nil	-	-	Nil	-

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

Sl. No.	Particulars	Amount (₹ in Lakhs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	265.41
(ii)	Total amount spent for the Financial Year	265.41
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.00
(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)]	Nil

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: Not Applicable

1	2	3	4	5	6	7	8
Sl. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Balance Amount in Unspent CSR Account under sub- section (6) of Section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any	Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer	
1	FY-1						
2	FY-2				NA		
3	FY-3						

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

If Yes, enter the number of Capital assets created/ acquired:

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

S No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (in ₹)	Details of the entity/ Authority/ beneficiary of the registered owner		
					CSR registration number, if applicable	Name	Registered address
1	2	3	4	5	6		
1	Laptops Address: E-8/14, Vasant Vihar, New Delhi - 110057	110057	19/02/2026 and 12/03/2026	1,74,902	CSR0010089	Woman At Work	E-8/14, Vasant Vihar, New Delhi 110057
2	Smart Board Address: E-8/14, Vasant Vihar, New Delhi - 110057	110057	19/02/2026	81,000	CSR0010089	Woman At Work	E-8/14, Vasant Vihar, New Delhi 110057

S No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (in ₹)	Details of the entity/ Authority/ beneficiary of the registered owner		
					CSR registration number, if applicable	Name	Registered address
1	2	3	4	5	6		
3	Printer Address: E-8/14, Vasant Vihar, New Delhi - 110057	110057	12/03/2026	51,500	CSR0010089	Woman At Work	E-8/14, Vasant Vihar, New Delhi 110057
4	Assistive Devices & Aids (hearing device and ear moulds) Address: 2, Balbir Saxena Marg, Hauz Khas, New Delhi 110016	110016	21/11/2025	59,490	CSR00001949	Action For Ability Development and Inclusion (AADI)	2, Balbir Saxena Marg, Hauz Khas, New Delhi- 110016
5	Assessment Kits (tools for speech, language, self-care, mobility and visual) Address: 2, Balbir Saxena Marg, Hauz Khas, New Delhi-110016, Aadi Centre near St. Stephen's Dispensary, Sunder Nagri, Delhi- 110093 and Aadi Centre, PHC, Dayalpur, Faridabad, Haryana- 121004	110016, 110093 and 121004	25/11/2025	3,09,537	CSR00001949	Action For Ability Development and Inclusion (AADI)	2, Balbir Saxena Marg, Hauz Khas, New Delhi- 110016
6	Wheelchairs and Rollators Address: 2, Balbir Saxena Marg, Hauz Khas, New Delhi-110016, Aadi Centre Near St. Stephen's Dispensary, Sunder Nagri, Delhi- 110093 and Aadi Centre, PHC, Dayalpur, Faridabad, Haryana- 121004	110016, 110093 and 121004	25/11/2025	2,14,725	CSR00001949	Action For Ability Development and Inclusion (AADI)	2, Balbir Saxena Marg, Hauz Khas, New Delhi- 110016
7	Chairs Address: Action for Autism, Pocket 7&8 Jasola Vihar, New Delhi-110025	110025	14/01/2026 and 11/03/2026	61,467	CSR00001344	Action for Autism	Pocket 7 & 8 Jasola Vihar, New Delhi -110025
8	CCTV Cameras Address: Action for Autism, Pocket 7&8 Jasola Vihar, New Delhi-110025	110025	20/01/2026	50,000	CSR00001344	Action for Autism	Pocket 7 & 8 Jasola Vihar, New Delhi -110025
9	Printer Address: Action for Autism, Pocket 7&8 Jasola Vihar, New Delhi-110025	110025	13/02/2026	23,300	CSR00001344	Action for Autism	Pocket 7 & 8 Jasola Vihar, New Delhi -110025

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

For & on behalf of the Board of Directors of
Lemon Tree Hotels Limited

Place: New Delhi
Date: May 28, 2026

Sd/-
Patanjali Govind Keswani
Chairman & Executive Director
DIN: 00002974

Sd/-
Paramartha Saikia
Chairman-CSR Committee
DIN: 07145770

Statement Containing Salient Features of the Financial Statement of Subsidiaries/Associate Companies/Joint Ventures

[Form AOC-1: Pursuant to first proviso to sub-section (3) of Section 129 of Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014]

PART "A": SUBSIDIARIES

(₹ in Lakhs)					
Sl. No.	1	2	3	4	5
Name of the Subsidiary	Fleur Hotels Limited (formerly known as Fleur Hotels Pvt. Ltd.)	Canary Hotels Private Limited	Carnation Hotels Private Limited	Totally Foxed Solutions Private Limited	Lemon Tree Hotel Company Private Limited*
Date since when subsidiary was acquired	25.09.2009	18.05.2012	18.01.2007	11.08.2022	24.01.2007
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	N.A.	N.A	N.A.
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.	N.A.	N.A.	N.A	N.A.
Share Capital#	9,783.15	5,319.45	9.35	801.00	3.50
Reserves & surplus	171,929.97	(1,896.98)	9,369.28	(2,961.41)	(5.25)
Total Assets	280,972.05	4,922.60	9,988.86	5,120.17	0.39
Total Liabilities	99,258.88	1,500.13	610.23	7,280.58	2.14
Investments**	1,897.27	-	102.08	-	-
Turnover	47,966.61	1,601.36	5,025.57	466.48	-
Profit/(Loss) before taxation	9,261.25	(211.71)	4,247.55	(1,757.59)	(0.32)
Provision for taxation	1265.17	-	1080.98	-	-
Profit/(Loss) after taxation	7,996.08	(211.71)	3,166.57	(1,757.59)	(0.32)
Proposed Dividend	-	-	-	-	-
% of shareholding***	58.91%	100%	100%	100%	100%

(₹ in Lakhs)					
Sl. No.	6	7	8	9	10
Name of the Subsidiary	Manakin Resorts Private Limited	Oriole Dr. Fresh Hotels Private Limited	Sukhsagar Complexes Private Limited	Nettle Hotels Private Limited*	Red Fox Hotel Company Private Limited*
Date since when subsidiary was acquired	13.02.2009	10.01.2013	10.01.2013	29.11.2018	10.01.2013
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	N.A.	N.A.	N.A.
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.	N.A.	N.A.	N.A.	N.A.
Share Capital#	571.43	520.00	1276.00	1.00	3.00
Reserves & surplus	569.47	2,059.70	3066.25	(2.14)	(4.99)
Total Assets	1,232.33	4,561.93	4,983.02	0.70	0.25
Total Liabilities	91.43	1,982.23	640.77	1.84	2.24
Investments	-	-	-	-	-
Turnover	332.48	848.85	1,686.87	-	-
Profit/(Loss) before taxation	(223.00)	(266.95)	244.96	(0.74)	(0.40)
Provision for taxation	-	-	-	-	-
Profit/(Loss) after taxation	(223.00)	(266.95)	244.96	(0.74)	(0.40)
Proposed Dividend	-	-	-	-	-
% of shareholding***	100%	100%	100%	58.91%	100%

(₹ in Lakhs)					
Sl. No.	11	12	13	14	15
Name of the Subsidiary	Arum Hotels Private Limited*	Madder Stays Private Limited*	Hamstede Living Private Limited*	Bandhav Resorts Private Limited	Hyacinth Hotels Private Limited
Date since when subsidiary was acquired	28.11.2018	28.11.2018	31.03.2021	13.05.2016	19.07.2007
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	N.A.	N.A.	N.A.
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	N.A.	N.A.	N.A.	N.A.	N.A.
Share Capital [#]	495.99	1.00	2,950.00	131.11	82.10
Reserves & surplus	(12.97)	(2.07)	(2,638.83)	1,285.27	8,569.61
Total Assets	5,371.57	0.76	312.97	1,481.13	25,348.48
Total Liabilities	4,888.55	1.83	1.80	64.75	16,696.77
Investments**	-	-	282.48	-	1,283.27
Turnover	-	-	-	287.51	10,126.86
Profit/(Loss) before taxation	(1.64)	(0.76)	12.45	7.79	2,812.88
Provision for taxation	-	-	-	-	697.99
Profit/(Loss) after taxation	(1.64)	(0.76)	11.82	7.79	2,115.89
Proposed Dividend	-	-	-	-	-
% of shareholding***	100%	58.91%	100%	58.91%	58.91%

(₹ in Lakhs)					
Sl. No.	16	17	18	19	20
Name of the Subsidiary	Ophrys Hotels Private Limited*	Berggruen Hotels Private Limited	Celsia Hotels Private Limited	Inovoa Hotels and Resorts Limited	Iora Hotels Private Limited
Date since when subsidiary was acquired	10.01.2014	01.11.2019	29.03.2012	16.08.2013	14.11.2013
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	N.A.	N.A.	N.A.
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	N.A.	N.A.	N.A.	N.A.	N.A.
Share Capital [#]	2.50	5,455.16	3.53	3,828.00	1,955.80
Reserves & surplus	(5.13)	26,211.27	11,886.35	(905.53)	40,292.74
Total Assets	310.69	48,820.49	14,233.95	5,876.31	95,123.69
Total Liabilities	313.32	17,154.06	2,344.07	2,953.84	52,875.15
Investments**	-	-	811.12	-	1,520.30
Turnover	-	10,522.96	3,791.88	2,278.19	25,478.25
Profit/(Loss) before tax	(0.53)	(361.41)	1,326.08	171.19	5,140.32
Provision for taxation	-	(100.62)	278.66	30.30	1294.47
Profit/(Loss) after tax	(0.53)	(260.81)	1,047.42	140.89	3,845.85
Proposed Dividend	-	-	-	-	-
% of shareholding***	58.91%	58.91%	58.91%	58.91%	58.91%

Notes:

**Subsidiaries which are yet to commence operations.*

***Investments except investments in subsidiaries.*

****% of shareholding covers both direct and indirect shareholding in the subsidiaries.*

[#]Includes only equity share capital

PART “B”: ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint ventures

	(₹ in Lakhs)		
	1	2	3
Name of the Associate/Joint Ventures	Mind Leaders Learning India Private Limited	Pelicaan Facilities Management Private Limited (Formerly Known as Pelican Facilities Management Pvt. Ltd.)	Glendale Marketing Services Private Limited
Last audited Balance Sheet Date	March 31, 2026	March 31, 2026	March 31, 2026
Date on which the Associate or Joint Venture was associated or acquired	06.06.2017	20.06.2017	10.12.2019
Shares of Associate held by the Company at year end: (Number)			
Amount of investment in Associate	₹ 3.40 Lakhs	-	-
Total number of shares	3,40,000 Equity Shares	-	-
Extent of holding %	36.56%	-	
Description of how there is significant influence	Due to percentage of shareholding	Being 100% subsidiary of our associate Mind Leaders Learning India Pvt. Ltd.	Being 100% subsidiary of our associate Pelicaan Facilities Management Pvt. Ltd. (Formerly Known as Pelican Facilities Management Pvt. Ltd.)
Reason why the associate/joint venture is not consolidated		N.A.	N.A.
Net worth attributable to shareholding as per latest audited balance sheet	1,102.33	-	-
Profit for the year (Consolidated)			
Considered in consolidation	(94.59)	N.A.	N.A.
Not considered in consolidation	N.A.	N.A.	N.A.

For & on behalf of the Board of Directors of
Lemon Tree Hotels Limited

	Sd/- Patanjali Govind Keswani Chairman & Executive Director DIN:00002974	Sd/- Neelendra Singh Managing Director DIN: 08491872
Date: May 28, 2026 Place: New Delhi	Sd/- Kapil Sharma Executive Director & Chief Financial Officer DIN:00352890	Sd/- Pawan Kumar Kumawat Company Secretary Mem. no.- A25377

‘Annexure-5’

Corporate Governance Report

Introduction

The Company believes in good corporate governance practices. In compliance with Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the report containing the details of Corporate Governance of the Company is as follows:

Company’s Philosophy on Corporate Governance

The Company’s corporate governance philosophy resolves around fair and transparent governance and disclosure practices in line with the Principles of Good Corporate Governance. This philosophy is backed by principles of concerns, commitment, ethics, excellence and learning in all its acts and relationships with stakeholders, clients, associates and the community at Large. The Company believes that good Corporate Governance is a continuous process and strives to improve its Corporate Governance practices to meet shareholder’s expectations. The business is governed

and supervised by a strong Board of Directors and together with the management, they are committed to uphold the principles of excellence across all activities.

The Company is compliant with the latest provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR) Regulations”) as amended from time to time.

Composition of the Board

The Company is managed and controlled by the Board of Directors which comprises of a combination of Executive and Non-Executive Directors (including Independent Non-Executive Directors) headed by the Executive Chairman. As on March 31, 2026, the Board consisted of 10 Directors, 5 (50%) of whom were Independent Non-Executive Directors (including One Woman Director) and 2 were Non-Executive Non-Independent Directors. It further consisted of 1 Executive Chairman & Director, 1 Managing Director and 1 Executive Director & Chief Financial Officer.

The composition of the Board satisfies the conditions of the SEBI (LODR) Regulations.

S. No.	Name of Directors	Designation
1	Mr. Patanjali Govind Keswani*	Chairman and Executive Director
2	Mr. Niten Malhan#	Vice Chairman & Lead Independent Director (Non-Executive)
3	Mr. Neelendra Singh*	Managing Director
4	Mr. Kapil Sharma^	Executive Director and Chief Financial Officer
5	Mr. Willem Albertus Hazeleger	Non-Executive Director
6	Mr. Aditya Madhav Keswani	Non-Executive Director
7	Mr. Paramartha Saikia	Non-Executive Independent Director
8	Mr. Praveen Garg	Non-Executive Independent Director
9	Mr. Sanjiv Nandan Sahai	Non-Executive Independent Director
10	Ms. Smita Anand	Non-Executive Independent Director

*Mr. Patanjali Govind Keswani was appointed as Chairman and Executive Director for a period of eighteen months with effect from October 01, 2025. His appointment has been approved by the members of the Company through an Ordinary Resolution passed in the Annual General Meeting of the Company held on September 25, 2025.

#Mr. Niten Malhan was re-appointed as Independent Director for a period of five years with effect from November 06, 2025 upto November 05, 2030. His re-appointment has been approved by the members of the Company through a Special Resolution passed in the Annual General Meeting of the Company held on September 25, 2025.

*Mr. Neelendra Singh was appointed as the Managing Director for a period of five years with effect from October 01, 2025. His appointment has been approved by the members of the Company through an Ordinary Resolution passed in the Annual General Meeting of the Company held on September 25, 2025.

^Mr. Kapil Sharma was appointed as Executive Director and Chief Financial Officer for a period of five years with effect from October 01, 2025. His appointment has been approved by the members of the Company through an Ordinary Resolution passed in the Annual General Meeting of the Company held on September 25, 2025.

Notes:

- During the Financial year under review, Ms. Freyan Jamshed Desai ceased to be an Independent Director of the Company w.e.f. March 20, 2026.

2. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2026, have been made by the Directors.
3. None of the Directors are related to other Directors and the Key Managerial Personnel of the Company except Mr. Patanjali Govind Keswani and Mr. Aditya Madhav Keswani as father and son.

Board Meetings

During the Financial Year under review, the Board met Seven (7) times on May 29, 2025, August 08, 2025, September 17, 2025, November 12, 2025, December 29, 2025, January 09, 2026 and February 6, 2026. The maximum gap between any two Board meetings was less than one hundred and twenty (120) days. All Board meetings during the Financial Year under review were held either in person or through Video Conferencing (VC) and deemed venue of the meetings held through

VC was the Corporate Office of the Company at Asset No. 6, Aerocity Hospitality District, New Delhi-110037, India. The necessary quorum was present for all the meetings.

The agenda papers and detailed notes are circulated to the Board well in advance of every meeting. Where it is not practicable to attach any document to the agenda, then the same is placed before the Board at the meeting and in special circumstances additional items on the agenda are taken up at the meeting. The conduct of the Board meetings is in compliance with the applicable provisions of the Companies Act, 2013 (“the Act”) and the Secretarial Standard on meetings of the Board of Directors issued by the Institute of Company Secretaries of India. In case of business exigencies or urgency of matters, resolutions are passed by circulation and same is placed before the Board in the next meeting.

Directors’ Attendance Record and Directorships/ Committee Memberships

Details of other Directorships and Chairmanships /Memberships of Committees of each Director and Attendance of Directors at Board Meetings and the last Annual General Meeting is as below:

Name of the Director	Category	No. of Board Level Committee Memberships / Chairmanships In other Indian Public Companies (3), (5) & (7)		Attendance Particulars			No of Directorships (1)	Name of other Listed Entities in which they are director/ Independent Director (ID)
		Member	Chairman	No. of Board Meetings		Attendance at last AGM		
				Held/ entitled to attend	Attended	Attended		
Mr. Patanjali Govind Keswani	Promoter/ Chairman and Executive Director	1	0	7	7	Yes	4	-
Mr. Neelendra Singh	Managing Director	1	0	4	4	No	1	-
Mr. Kapil Sharma	Executive Director and Chief Financial Officer	1	0	4	4	Yes	4	-
Mr. Aditya Madhav Keswani	Promoter/ Non-Executive Director	0	0	7	7	Yes	3	-
Mr. Willem Albertus Hazeleger	Non-Executive Director	0	0	7	7	Yes	1	-
Mr. Niten Malhan	Vice Chairman and Lead Independent Non-Executive Director	2	1	7	5	Yes	6	1. Max India Limited (Independent Director) 2. Max Estates Limited (Independent Director)

Name of the Director	Category	No. of Board Level Committee Memberships / Chairmanships In other Indian Public Companies (3), (5) & (7)		Attendance Particulars			No of Directorships (1)	Name of other Listed Entities in which they are director/ Independent Director (ID)
		Member	Chairman	No. of Board Meetings		Attendance at last AGM		
				Held/ entitled to attend	Attended	Attended		
Mr. Paramartha Saikia	Non-Executive Independent Director	2	0	7	7	Yes	2	Salora International Limited (Independent Director)
Ms. Smita Anand	Non- Executive Independent Director	2	0	7	7	Yes	3	1. Butterfly Gandhimathi Appliances Limited (Independent Director) 2. Crompton Greaves Consumer Electricals Limited (Independent Director)
Mr. Sanjiv Nandan Sahai	Non- Executive Independent Director	4	0	7	7	Yes	4	Bajaj Finserv Limited (Independent Director)
Mr. Praveen Garg	Non- Executive Independent Director	0	3	7	7	Yes	4	Ambuja Cements Limited (Independent Director)

Notes:

- (1) The Directorships held by Directors as mentioned above (includes Lemon Tree Hotels Limited) does not include alternate directorships and directorships in foreign companies, companies registered under Section 8 of the Companies Act, 2013 and Private Limited Companies.
- (2) None of the Directors of the Company hold Directorships in more than 20 (Twenty) Companies or more than 10 (Ten) public companies whether listed or not. Necessary disclosures regarding Directorship positions in other companies as on March 31, 2026 have been made by the Directors.
- (3) None of the Directors on the Board is a member of more than 10 (Ten) committees or Chairman of more than 5 (Five) committees (as specified in Regulation 26 of the SEBI (LODR) Regulations across all public limited companies, whether listed or not, in which he is a director.
- (4) The Independence of a Director is determined by the criteria stipulated under Regulation 16(1)(b) of SEBI(LODR) Regulations, Section 149(6) of the Companies Act, 2013 and rules made thereunder.
- (5) In accordance with the SEBI (LODR) Regulations, Memberships / Chairmanships of only Audit Committee and Stakeholders Relationship Committee/Shareholders’/Investors’ Grievance Committee of all public limited Companies (including Lemon Tree Hotels Limited) have been considered.
- (6) Includes attendance, if any, through Video Conferencing facilities, provided to the directors to facilitate participation in the meetings.
- (7) Memberships and Chairmanships are disclosed separately under “No. of Board Level Committee Memberships/ Chairmanships in other Indian Public Companies,” with each position reported independently.

Independent Directors

Mr. Niten Malhan, Mr. Paramartha Saikia, Ms. Smita Anand, Mr. Sanjiv Nandan Sahai and Mr. Praveen Garg were the Independent Directors of the Company as on March 31, 2026.

Terms and conditions of appointment of Independent Directors have been disclosed on the website of the Company at https://www.lemontreehotels.com/factsheet/Policies/Terms_and_Condition_for_Appointment_of_Independent_Directors.pdf

Independent Directors neither serve in more than 7 (seven) listed companies nor any Independent Director who is a Whole Time Director in any other Company serves as Independent Director in more than 3 (three) listed companies.

All the Independent Directors have given necessary declarations in terms of Section 149(7) of the Act and SEBI (LODR) Regulations that they meet the criteria of independence as laid down under Section 149(6) of the Act and SEBI (LODR) Regulations and the Board hereby confirms that the Independent Directors fulfill the conditions specified in these regulations and are independent of the management.

Independent Directors’ Meeting

One separate meeting of the Independent Directors was held on December 24, 2025 without the presence of Executive Directors or non-independent Directors and members of the management.

The Independent Directors in the said meetings had, inter-alia:

- i. reviewed the performance of non-independent directors and the Board as a whole;
- ii. reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;

Matrix Setting Out the Skills/Expertise/Competence of the Board of Directors

The Board of Directors has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Business	Understanding of business dynamics, across various geographical markets, industry verticals and regulatory jurisdictions.
Leadership	Extended Leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning and risk management. Demonstrated strengths in developing talent, planning succession and driving change and long term growth.
Strategy and Planning	Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.
Governance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long term effective stakeholder engagements and driving corporate ethics and values.

- iii. assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Company does not have any pecuniary relationship with any Non-Executive or Independent Director except for payment of sitting fees to Independent Director’s for attending the Board and committee meetings.

Familiarization Programme(s) for Independent Directors

Orientation and familiarization programmes are conducted from time to time through reports/internal policies/presentations to enable them to understand their roles and responsibilities, nature of the industry in which the Company operated, business model of the Company, its strategic and operating plans. The Code of conduct for the Directors, the Code of Conduct to Regulate, Monitor and Report trading by insiders, the Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information and various other policies are also shared with them, from time to time. Further, during the year, presentations were also made from time to time at the Board and its committee meetings, on regular intervals, covering the business and financial performance of the Company, business outlook and budget, expansion plans, succession plans etc.

The details of the familiarization programme for the Independent Directors are available on the website of the Company at

https://www.lemontreehotels.com/factsheet/Policies/Familiarization_Programme_for_Independent_Directors.pdf

Financial	Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation and financial reporting processes or experience in actively supervising a principle financial officer, principle accounting officer, controller, public accountant, auditor or person performing similar function.
Sales & Marketing	Experience in developing strategies to grow sales and market share, build awareness and equity and enhance enterprise reputation.

In terms of requirement of Listing Regulations, the Board has identified the following core skills / expertise / competencies of the Directors in the context of the Company’s business for effective functioning as given below:

Name of the Director	Business	Leadership	Strategy and Planning	Governance	Financial	Sales & Marketing
Mr. Patanjali Govind Keswani	✓	✓	✓	✓	✓	✓
Mr. Neelendra Singh	✓	✓	✓	✓	✓	✓
Mr. Kapil Sharma	✓	✓	✓	✓	✓	
Mr. Aditya Madhav Keswani	✓	✓	✓	✓		
Mr. Willem Albertus Hazeleger	✓	✓	✓	✓	✓	
Mr. Paramartha Saikia	✓	✓		✓		✓
Mr. Niten Malhan	✓	✓	✓	✓	✓	
Ms. Smita Anand		✓	✓	✓		✓
Mr. Praveen Garg	✓	✓	✓	✓	✓	
Mr. Sanjiv Nandan Sahai	✓	✓	✓	✓	✓	

Shares and Convertible Instruments held by Non-Executive Directors

The shareholding of Non-Executive Directors as on March 31, 2026 is as follows:

Name of the Director	Designation	No. of Equity Shares Held (face value of ₹10 each)
Mr. Niten Malhan	Vice Chairman and Lead Independent Non-Executive Director	-
Mr. Paramartha Saikia	Independent Non-Executive Director	51,590
Ms. Smita Anand	Independent Non-Executive Director	-
Mr. Praveen Garg	Independent Non-Executive Director	-
Mr. Sanjiv Nandan Sahai*	Independent Non-Executive Director	70,722
Mr. Willem Albertus Hazeleger	Non-Executive Director	-
Mr. Aditya Madhav Keswani	Non-Executive Director	15,500

*Includes shares held jointly with his daughter.

As on March 31, 2026, the Company does not have any convertible instruments.

Committees of Board of Directors

The mandatory Committees constituted by the Board of Directors of the Company are as under:

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholder’s Relationship Committee
- Risk Management Committee

The composition of all the mandatory Committees meets the requirements of the Act and the SEBI (LODR) Regulations.

The details of the role and composition of the Committees of the Board including the number of meetings held during the Financial Year under review and attendance thereat are provided below.

Audit Committee

Brief Terms of reference:

The terms of reference of the Audit Committee satisfy the requirement of Section 177 of the Act read with Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of SEBI (LODR) Regulations.

The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting,

auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Chairman of the Committee is financially literate and all other members of the Audit Committee have accounting or related financial management expertise.

The Audit Committee of the Company, inter alia, performs the following functions:

- a. Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- b. Recommending to the Board, the appointment, reappointment, terms of appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- c. Approving payment to statutory auditors for any other services rendered by the statutory auditors.
- d. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (c) of Sub-Section(3) of Section 134 of the Companies Act 2013;
 - ii) Changes, if any, in accounting policies, practices and reasons for the same;
 - iii) Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv) Significant adjustments made in the financial statements arising out of audit findings;
 - v) Compliance with listing and other legal requirements relating to financial statements;
 - vi) Disclosure of any related party transactions; and
 - vii) Qualifications in the draft audit report.
- e. Reviewing the financial statements with respect to its unlisted Subsidiary(ies), in particular investments made by such Subsidiary(ies).
- f. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- g. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring

agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter.

- h. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- i. Approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed.
- j. Scrutiny of inter-corporate loans and investments.
- k. Valuation of undertakings or assets of the listed entity, wherever it is necessary.
- l. Evaluation of internal financial controls and risk management systems.
- m. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- n. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- o. Discussing with internal auditors of any significant findings and follow up there on.
- p. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- q. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- r. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- s. Recommending to the Board of Directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services.
- t. To review the functioning of the whistle blower mechanism.
- u. Approval of appointment of Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.



- v. Oversee the vigil mechanism established by the Company and the chairman of audit committee shall directly hear grievances of victimization of employees and directors, who use vigil mechanism to report genuine concerns in appropriate and exceptional cases.
- w. Mandatorily review the following:
 - management discussion and analysis of financial condition and results of operations;
 - management letters / letters of internal control weaknesses issued by the statutory auditors;
 - internal audit reports relating to internal control weaknesses;
 - the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and
 - statement of deviations;
 - quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of SEBI Listing Regulations;
 - annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of SEBI Listing Regulations.
- x. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- y. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders
- z. Any other matter as may be prescribed, from time to time, to be referred to the Audit Committee in terms of the Companies Act 2013/ SEBI (LODR) Regulations and the applicable rules, regulations thereto.

Composition, Meetings and Attendance of the Audit Committee

The Audit Committee constituted is in compliance with the provisions of Section 177 of the Act and Regulation 18 of the SEBI (LODR) Regulations.

During the Financial Year under review, the Audit Committee met Six (6) times on May 28, 2025, August 08, 2025, November 12, 2025, December 29, 2025,

January 09, 2026 and February 06, 2026 with the necessary quorum being present at each meeting.

Name of the Members	Category	No. of Meetings attended
Mr. Praveen Garg (Chairperson)	Independent Non-Executive Director	6
Ms. Freyan Jamshed Desai*	Independent Non-Executive Director	3
Mr. Sanjiv Nandan Sahai	Independent Non-Executive Director	6

*Ms. Freyan Jamshed Desai ceased to be a member w.e.f. March 20, 2026.

The Company Secretary of the Company acts as the Secretary for the Audit Committee.

Nomination and Remuneration Committee

The terms of reference of the Nomination and Remuneration Committee satisfy the requirement of Section 178 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 19 of the SEBI (LODR) Regulations and the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The Committee also acts as Compensation Committee and is responsible for administering the Employee Stock Option Plan of the Company and determining eligibility of employees for stock options.

The Nomination and Remuneration Committee of the Company, inter alia, performs the following functions:

- a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees.
- b. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - i. use the services of an external agencies, if required;
 - ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - iii. consider the time commitments of the candidates

- c. Formulation of criteria for evaluation of performance of independent directors and the Board.
- d. Devising a policy on diversity of the Board.
- e. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommending to the Board their appointment and removal.
- f. Extension or continuance of the terms of appointment of the independent directors, on the basis of the report of performance evaluation of independent directors.
- g. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the board of directors their appointment and removal and carry out evaluation of every director’s performance (including that of independent directors).
- h. recommend to the board, all remuneration, in whatever form, payable to senior management
- i. Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act 2013 or by the SEBI (LODR) Regulations or by any other applicable law or regulatory authority.

Composition, Meetings and Attendance of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee constituted is in compliance with the provisions of Section 178 of the Companies Act, 2013 [‘Act’] and Regulation 19 of the SEBI (LODR) Regulations.

During the Financial under review, the Nomination and Remuneration Committee met Four (4) times on May 29, 2025, August 08, 2025, November 12, 2025 and February 06, 2026 with the necessary quorum being present at each meeting:

Name of the Members	Category	No. of Meetings attended
Ms. Smita Anand (Chairperson)	Independent Non-Executive Director	4
Mr. Paramartha Saikia	Independent Non-Executive Director	4
Ms. Freyan Jamshed Desai*	Independent Non-Executive Director	3
Mr. Willem Albertus Hazeleger	Non-Executive Director	4
Mr. Sanjiv Nandan Sahai	Independent Non-Executive Director	4

*Ms. Freyan Jamshed Desai ceased to be a member w.e.f. March 20, 2026.

The Company Secretary of the Company acts as the Secretary for the Nomination and Remuneration Committee.

Performance Evaluation Criteria for Directors

Pursuant to the provisions of Section 134(3)(p) of the Companies Act, 2013 read with the SEBI (LODR) Regulations, the Nomination and Remuneration Committee carried out the annual performance evaluation of the Directors individually including the Chairman and the Board evaluated the overall effectiveness of the Board of Directors including its Committees based on the ratings given by the Nomination and Remuneration Committee of the Company.

The performance evaluation of the Independent Non-Executive Directors was carried out by the entire Board on the criteria and framework adopted by Board (the concerned Director being evaluated did not participate). On the basis of ranking filled in the evaluation questionnaire and discussion of the Board, the Directors have expressed their satisfaction on the performance of the Independent Non-Executive Directors.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of the Board was constituted to oversee the CSR Policy and recommend and monitor the amount of expenditure to be incurred on the activities mentioned in Schedule VII of the Companies Act, 2013.

The terms of reference of the Corporate Social Responsibility Committee inter alia includes the following:

- a) To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act 2013 and make any revisions therein as and when decided by the Board.
- b) To recommend the amount of expenditure to be incurred on the activities referred to in (a).
- c) To monitor the Corporate Social Responsibility Policy of the company from time to time.
- d) To do such other acts, deeds and things as may be required to comply with the applicable laws.
- e) To perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 or by the SEBI (LODR) Regulations or statutorily prescribed under any other law or by any other regulatory authority.

Composition, Meetings and Attendance of the Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee has been constituted with the following members in compliance with the provisions of Section 135 of the Act.

During the Financial Year under review, Four (4) meetings of the Corporate Social Responsibility Committee has been held on May 29, 2025, August 08, 2025, November 12, 2025 and February 06, 2026 with the necessary quorum being present at the meeting.

Name of the Members	Category	No. of Meetings attended
Mr. Paramartha Saikia (Chairperson)	Non-Executive Independent Director	4
Mr. Patanjali Govind Keswani	Chairman & Executive Director	4
Mr. Aditya Madhav Keswani	Non- Executive Director	4
Ms. Freyan Jamshed Desai*	Non- Executive Independent Director	3
Mr. Neelendra Singh [§]	Managing Director	1

*Ms. Freyan Jamshed Desai ceased to be a member w.e.f. March 20, 2026.

[§]Mr. Neelendra Singh has been inducted as the member w.e.f. November 12, 2025.

Note: The Company Secretary of the Company acts as the Secretary for the Corporate Social Responsibility Committee.

The CSR policy adopted by the company is uploaded on the website of the company at https://www.lemontreehotels.com/factsheet/Policies/Corporate_Social_Responsibility_Policy.pdf

Stakeholders’ Relationship Committee

The Stakeholder’s Relationship Committee has been constituted in terms of Section 178 of the Act and Regulation 20 of the SEBI (LODR) Regulations, for redressal of investor complaints, shareholders related issues, transmission of securities etc.

The terms of reference of the Stakeholders Relationship Committee inter-alia includes the following:

- a. Monitoring the grievance and redressal of all security holders’ grievances such as complaints related to non-receipt of allotment/refund, review of cases for refusal of transmission of shares, including non-receipt of share certificates, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc. and assisting with quarterly reporting of such complaints.

- b. Allotting of equity shares, giving effect to all transfer/ transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, splitting and issuing of duplicate/ consolidated share certificates, complying with all the requirements related to shares, debentures and other securities from time to time.
- c. Reviewing statutory compliances pertaining to share/security capital, processes, shareholders and depositories (NSDL/CDSL).
- d. Oversee the performance of the registrars and transfer agents of our Company and to recommend measures for overall improvement in the quality of investor services.
- e. Review of measures taken for effective exercise of voting rights by shareholders.
- f. Review of the adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar and Share Transfer Agent.
- g. Review of the various measured and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- h. Resolving grievances of debenture holders related to creation of charge, payment of interest/ principal, maintenance of security cover and any other covenants.
- i. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/ amendment or modification as may be applicable.

Composition, Meetings and Attendance of the Stakeholder’s Relationship Committee

The Stakeholder’s Relationship Committee constituted is in compliance with the provisions of Section 178 (5) of the Act and the SEBI (LODR) Regulations.

During the Financial Year under review, one (1) meeting of the Stakeholder’s Relationship Committee has been held on May 29, 2025 with necessary quorum being present at the meeting:

Name of the Members	Category	No. of Meetings attended
Ms. Freyan Jamshed Desai (Chairperson)*	Independent Non-Executive Director	1
Mr. Paramartha Saikia	Independent Non-Executive Director	1
Mr. Patanjali Govind Keswani	Chairman & Executive Director	1

Name of the Members	Category	No. of Meetings attended
Mr. Neelendra Singh [‡]	Managing Director	N.A.
Mr. Kapil Sharma [‡]	Executive Director and Chief Financial Officer	N.A.

**Ms. Freyan Jamshed Desai ceased to be the Chairperson and member w.e.f. March 20, 2026.*

[‡]Mr. Neelendra Singh and Mr. Kapil Sharma have been inducted as the members w.e.f. November 12, 2025.

The Company Secretary of the Company acts as the Secretary for the Stakeholder’s Relationship Committee.

Name and Designation of Compliance Officer:

Mr. Pawan Kumar Kumawat
Company Secretary & Compliance Officer

Investor Grievances/Complaints

The details of the investor complaints received and resolved during the Financial Year 2025-26 are as follows:

Number of Investor Complaints received so far	1
Number of complaints resolved	1
Number of complaints not solved to the satisfaction of shareholders	0
Number of pending complaints	0
Closing Balance	0

Risk Management Committee

The Risk Management Committee has been constituted in terms of Regulation 21 of the SEBI (LODR) Regulations and the terms of reference of the Risk Management Committee inter alia includes the following:

- (1) To formulate a detailed risk management policy which shall include:
- a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

b) Measures for risk mitigation including systems and processes for internal control of identified risks.

c) Business continuity plan.

- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

Composition, Meetings and Attendance of the Risk Management Committee

The Risk Management Committee with the following members is in compliance with the provisions of Regulation 21 of SEBI (LODR) Regulations.

During the Financial Year under review, Two (2) meetings of the Risk Management Committee have been held on August 08, 2025 and February 06, 2026 with the necessary quorum being present at the meeting:

Name of the Members	Category	No. of Meetings attended
Mr. Praveen Garg (Chairperson)*	Independent Non-Executive Director	2
Mr. Willem Albertus Hazeleger	Non-Executive Director	2
Mr. Patanjali Govind Keswani	Chairman & Executive Director	2
Mr. Niten Malhan	Independent Non-Executive Director	1
Mr. Aditya Madhav Keswani	Non-Executive Director	2
Mr. Neelendra Singh [‡]	Managing Director	1
Mr. Kapil Sharma [‡]	Executive Director and Chief Financial Officer	1

**Mr. Praveen Garg was designated as Chairperson w.e.f. November 12, 2025.*

[‡]Mr. Neelendra Singh and Mr. Kapil Sharma have been inducted as the members w.e.f. November 12, 2025.

Particulars of Senior Management and Changes therein, since the close of the Previous Financial Year

Name of the Senior Management Personnel ('SMP')	Designation	Changes if any, since the close of Previous Financial year (Yes/No)	Nature of Change and effective date
Mr. Davander Tomar	EVP- Corporate Affairs	No	-
Mr. Kapil Sharma	Executive Director and Chief Financial Officer (CFO)	Yes	Appointed as Executive Director and CFO w.e.f. October 1, 2025
Mr. Jagdish Kumar Chawla	EVP- Projects & Engineering	Yes	Ceased to be SMP w.e.f. June 30, 2025
Mr. Rajesh Kumar	Senior VP- HR	Yes	Ceased to be SMP w.e.f. June 30, 2025
Ms. Ritu Ranjan	Senior VP –Aesthetics & Design	No	-
Mr. Vilas Pawar	CEO- Managed and Franchised Division	Yes	Ceased to be SMP due to Superannuation w.e.f. March 31, 2026
Ms. Aradhana Lal	Senior VP – Sustainability & ESG	No	-
Mr. Sumant Jaidka	Senior VP – Ops & COO	Yes	Ceased to be SMP w.e.f. June 30, 2025
Mr. Pawan Kumar Kumawat	Company Secretary & Compliance Officer	Yes	Appointed w.e.f. May 29, 2025
Mr. Vishvapreet Singh Cheema	President	Yes	Appointed w.e.f. June 09, 2025
Mr. Saurabh Shatdal	MD & CEO - Fleur Hotels Limited	Yes	Appointed as SMP w.e.f. August 01, 2025
Mr. Vivek Jhawar	Senior Vice President – Business Development	Yes	Appointed w.e.f. January 23, 2026

Remuneration of Directors

Details of Remuneration paid or payable to Directors for the year ended March 31, 2026:

Name of the Director [^]	Category	Salary including Perquisite & PF (₹ in Lakhs)	Commission ^{^^} (₹ In Lakhs)	Sitting Fees ^{^^^} (₹ In Lakhs)	Tenure Up to	Notice Period	Total (₹ in Lakhs)	SAR units Granted
Mr. Patanjali Govind Keswani [‡]	Chairman and Executive Director	689.34 [#]	NA	N.A.	31.03.2027	N.A.	689.34	N.A.
Mr. Niten Malhan	Vice Chairman and Lead Independent Non-Executive Director	Nil	11.17	4.25	05.11.2030	N.A.	15.42	N.A.
Mr. Neelendra Singh*	Managing Director	155.55	NA	NA	30.09.2030	6 months	155.55	30 Lakh
Mr. Kapil Sharma ^{**}	Executive Director and Chief Financial Officer	209.40 [#]	NA	NA	30.09.2030	2 months	209.40	15 Lakh
Mr. Aditya Madhav Keswani	Non-Executive Director	Nil	8.93	N.A.	N.A.	N.A.	8.93	N.A.
Mr. Willem Albertus Hazeleger	Non-Executive Director	Nil	8.93	7.45	N.A.	N.A.	16.38	N.A.

Name of the Director^	Category	Salary including Perquisite & PF (₹ in Lakhs)	Commission^^ (₹ In Lakhs)	Sitting Fees ^^^ (₹ In Lakhs)	Tenure Up to	Notice Period	Total (₹ in Lakhs)	SAR units Granted
Ms. Freyan Jamshed Desai***	Non-Executive Independent Director	Nil	8.93	6.40	14.06.2027	N.A.	15.33	N.A.
Mr. Paramartha Saikia	Independent Non-Executive Director	Nil	8.93	7.75	14.06.2027	N.A.	16.68	N.A.
Ms. Smita Anand	Independent Non-Executive Director	Nil	11.17	7.25	08.11.2028	N.A.	18.42	N.A.
Mr. Praveen Garg	Independent Non-Executive Director	Nil	11.17	8.85	08.11.2028	N.A.	20.02	N.A.
Mr. Sanjiv Nandan Sahai	Independent Non-Executive Director	Nil	8.93	10.65	08.11.2028	N.A.	19.58	N.A.

⁴Mr. Patanjali Govind Keswani was appointed as Chairman and Executive Director w.e.f. October 01, 2025

⁵Mr. Neelendra Singh was appointed as Managing Director w.e.f. October 01, 2025.

⁶Mr. Kapil Sharma was appointed as Executive Director and Chief Financial Officer w.e.f. October 01, 2025.

⁷Ms. Freyan Jamshed Desai ceased to be an Independent Director of the Company w.e.f. March 20, 2026.

⁸There are no severance fees payable to any of the Directors.

⁹Non-Executive Directors of the Company were paid Commission for the FY 2025-26.

¹⁰Non-Executive Directors (except Mr. Aditya Madhav Keswani) were paid sitting fees of ₹ 75,000/- for attending each meeting of the Board and ₹ 50,000/- for each Audit and Nomination & Remuneration Committee meetings and ₹ 10,000/- for each other Committee meetings.

¹¹The remuneration also includes the one time ex-gratia amount

Criteria for making payments to Non-Executive Directors including all pecuniary relationship or transactions of Non-Executive Directors

Non-Executive Directors were not paid any remuneration other than sitting fees and commission for FY 2025–26. Mr. Aditya Madhav Keswani, although a Non-Executive Director, was not paid any sitting fees; however, he received commission for FY 2025–26.

There has been no pecuniary relationship or transaction of the Non-Executive Director vis-a-vis the Company during the year except sitting fees and commission paid to them as detailed above.

General Body Meeting

The date, time and venue of the last three Annual General Meeting are given below.

Financial Year	Date	Time	Venue	Special Resolution Passed
2024-25	25.09.2025	01:00 P.M.	Meeting was held through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) facility. Deemed Venue - Regd. Office: Lemon Tree Hotels Limited, Asset No. 6, Aerocity Hospitality District, New Delhi- 110037 (Now Corporate Office)	Yes
2023-24	26.09.2024	10:30 A.M.	Meeting was held through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) facility. Deemed Venue - Regd. Office: Lemon Tree Hotels Limited, Asset No. 6, Aerocity Hospitality District, New Delhi- 110037 (Now Corporate Office)	Yes
2022-23	27.09.2023	03.00 P.M.	Meeting was held through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) facility. Deemed Venue - Regd. Office: Lemon Tree Hotels Limited, Asset No. 6, Aerocity Hospitality District, New Delhi- 110037 (Now Corporate Office)	Yes

Postal Ballot

During the Financial Year 2025-26 the Company has send the Notice of Postal ballot dated 17.09.2025 to the shareholders of the Company on 26.09.2025 for passing of the resolution as Special Resolution. The result of the Postal Ballot was declared on 28.10.2025 as follows:

Sr. No.	Particulars of the Resolution	Total number of votes cast	No. of votes cast as assent	% of votes cast as assent	No. of votes cast as dissent	% of votes cast as dissent
1.	Shifting of registered office of the Company from “Union Territory of Delhi” to the “State of Haryana”	57,93,39,751	57,93,17,766	99.9962	21,985	0.0038

Procedure for Postal Ballot

- During the Financial Year 2025-26, the Postal Ballot was conducted in compliance with the Regulation 44 of the SEBI Listing Regulations, Section 108, 110 and other applicable provisions of the Act, read with the Companies (Management and Administration) Rules, 2014 read with applicable general circulars issued by the Ministry of Corporate Affairs.
- The Postal Ballot Notice was sent only via email to those members whose e-mail IDs were registered with the Depository Participants or with Kfin Technologies Limited, the Company’s Registrar and Share Transfer Agent (“RTA”). In accordance with the MCA circulars, physical copies of the Notice, Postal Ballot Form and pre-paid business reply envelope was not required to be sent to the members.
- The Company also published a notice in newspapers providing the requisite details as prescribed under the Act and applicable rules.
- The Company engaged the services of National Securities Depository Limited (‘NSDL’) to provide the e-voting facility to all its members. Voting rights were proportionate to the shares held by members whose names appeared in the Register of Members/ List of Beneficial Owners in the total paid-up equity share capital of Company as on the cut-off date. The detailed procedure on voting through e-voting was provided in the Notice of Postal Ballot which is available at https://www.lemontreehotels.com/factsheet/Policies/Lemon_Tree_Postal_Ballot_Notice_26_09.pdf
- Mr. Prakash Verma (COP No. 11671), proprietor of M/s. Prakash Verma & Associates, Practicing Company Secretary, was appointed as scrutiniser for conducting the Postal Ballot/ e-voting process in a fair and transparent manner.
- The scrutinizer completed the scrutiny and submitted the report to the Chairman. Subsequently, the consolidated results of the voting were announced by the Chairman. The results of the postal ballot,

- along with the Scrutiniser’s report, were displayed at the registered office of the Company, hosted at <https://www.lemontreehotels.com/factsheet/Policies/Voting-Result-Postal-Ballot-26.10.2025.pdf>, published on the NSDL’s website and communicated to the stock exchanges.
- The results of the above Postal Ballot activity was submitted to the Stock Exchanges upon receipt of the report issued by Mr. Prakash Verma (COP No. 11671), proprietor of M/s. Prakash Verma & Associates, Practicing Company Secretary and acting as Scrutinizer for the Postal Ballot.
 - None of the businesses proposed to be transacted at the ensuing AGM require passing of a resolution through postal ballot.

Means of Communication

Information like Quarterly/Half yearly/Annual Financial Results and press releases on significant developments in the Company that have been made available from time to time have been submitted to the Stock Exchanges to enable them to put on their websites and communicated to their members. The same is also available to the Investors or to the Analysts, if any and are also hosted on the Company Website at www.lemontreehotels.com The Quarterly/Half yearly/Annual Financial Results are published in English and Hindi language newspapers normally in Financial Express and Jansatta. Moreover, a report on Management discussion and Analysis as well as Business Responsibility & Sustainability Report also forms part of the Board’s Report. The Company is electronically filing all report/ information including quarterly results, shareholding pattern and Corporate Governance Report / Integrated Governance Report and so on, on NSE website www.nseindia.com and on BSE website www.bseindia.com

The Company also ensures that the details of its business, financial information, investor presentations, shareholding pattern, compliance with corporate governance, policies, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances including

all other mandatory disclosures are promptly and prominently displayed on the website of the Company at www.lemontreehotels.com

Prohibition of Insider Trading

During the Financial Year under review, the Company has in place a Code of Conduct for Prohibition of Insider Trading under the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“SEBI (PIT) Regulations”) and the same is uploaded on the website of the Company at https://www.lemontreehotels.com/factsheet/Policies/Code_of_Conduct_for_Regulation_Monitoring_and_Reportings.pdf The Company is also maintaining Structural Digital Database as required under SEBI (PIT) Regulations.

General Shareholder Information

A. Annual General Meeting:

The date of the Annual General Meeting for the Financial Year under review will be scheduled in due course of time. The date/cut-off date for the purpose of remote e-voting shall be communicated to shareholders through Notice of Annual General Meeting. The meeting shall be held through video conferencing in compliance with the provisions of the Act/ SEBI (LODR) Regulations.

B. Financial Year

The Financial Year of the Company starts from 1st day of April and ends on 31st day of March of next year.

Financial Calendar 2026 (tentative)

First Quarter Results: First/ Second week of August, 2026

Second Quarter Results: First/ Second week of November, 2026

Third Quarter Results: First/ Second week of February, 2027

Audited Annual Results for the year ending on March 31, 2027: Third/ Fourth week of May, 2027

C. Dividend Payment Date

The Directors of the Company have not recommended any dividend for the Financial Year under review.

D. Name and Address of Stock Exchange and Date of Listing

S. No.	Name and address of the Stock Exchange	Date	Stock Code
1	National Stock Exchange of India Limited C-1, Block G, Bandra Kurla Complex Bandra (East), Mumbai 400 051	April 9, 2018	LEMONTREE
2	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	April 9, 2018	541233

Annual Listing fees for the Financial Year 2026-27 have been paid by the Company to BSE Limited and National Stock Exchange of India Limited.

E. Share Transfer Agent

All the work related to the shares held in physical form as well as shares held in electronic (dematerialised) form is being done at a single point and for this purpose a SEBI registered category I Registrar and Share Transfer Agent has been appointed, whose details are given below.

KFin Technologies Limited
(Formerly known as “KFin Technologies Private Limited”)
“Selenium Building, Tower B”, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Rangareddi, Hyderabad, Telangana - 500032
Toll free number - 1800-309-4001
E-mail: einward.ris@kfintech.com
Website: www.kfintech.com

F. Share Transfer System

Pursuant to the amendments in SEBI Listing Regulations, the Company is not processing any requests for transfer of securities in physical form. Further, all requests for transmission, transposition, issue of duplicate share certificate, claim from unclaimed suspense account, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate and consolidation of securities certificates / folios are being processed only in demat form. In such cases, the Company issues a letter of confirmation, which needs to be submitted by the shareholder to the Depository Participant to get credit of these securities in his / her demat account.



G. Distribution of Shareholding

The shareholding distribution of equity shares as on March 31, 2026 is given hereunder:

Number of Equity Shares Held	Number of shareholders	% of total shareholders	Number of shares held	% Shareholding
1-5000	3,94,774	98.93	9,31,88,869	11.76
5001-10000	2,268	0.57	1,65,44,716	2.09
10001-20000	1,017	0.25	1,45,35,080	1.83
20001-30000	306	0.08	76,73,192	0.97
30001-40000	142	0.04	49,96,180	0.63
40001-50000	100	0.03	46,47,384	0.59
50001-100000	165	0.04	1,18,06,823	1.49
100001-Above	262	0.07	63,88,54,220	80.64
Total	3,99,034	100.00	79,22,46,464	100.00

H. Category Wise Shareholding

S. No.	Description	Total no of Equity Shares held as on March 31, 2026	% Equity
1	Promoter & Promoter Group-Individual	26,54,792	0.34
2	Promoter & Promoter Group- Body Corporate	17,41,36,646	21.98
3	Mutual Funds	11,80,94,841	14.91
4	Alternative Investment Fund	22,77,318	0.29
5	Banks	2,25,000	0.03
6	Qualified institutional buyer	34,77,059	0.44
7	NBFC	35,800	0.00
8	Foreign Portfolio Investors	1	0.00
9	Foreign Portfolio - Corp	17,10,87,428	21.60
10	Key Management Personnel	10,37,886	0.13
11	Employees	28,17,614	0.36
12	Resident Individuals	15,94,48,611	20.13
13	Non-Resident Indian Non Repatriable	56,16,019	0.71
14	Non-Resident Indians	50,15,496	0.63
15	Foreign Nationals	1,500	0.00
16	Foreign Bodies Corporates	11,98,97,329	15.13
17	Bodies Corporates	2,19,59,625	2.76
18	Clearing Members	464	0.00
19	HUF	39,94,431	0.50
20	Trusts	69,763	0.01
21	ESOP Trust	3,98,841	0.05
Total		79,22,46,464	100.00

I. Dematerialization of Shares

As on March 31, 2026, 99.79% of the total equity shares were held in dematerialized form.

J. Outstanding Depository Receipts or Convertible Instruments

The Company doesn't have any Depository Receipts or Outstanding Convertible Instruments having any impact on the equity.

K. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company has not undertaken any forex or hedging transactions during the year under review.

L. Hotel Location

The hotel location has been provided in the corporate overview section of the Integrated Report and also available at www.lemontreehotels.com

M. Address for Correspondence

The investors may address their queries to the Company at the address mentioned herein below:

Mr. Pawan Kumar Kumawat
Company Secretary & Compliance Officer
Asset No. 6, Aerocity Hospitality District,
New Delhi 110037, India
Tel: +91 11 4605 0172
Facsimile: +91 11 4605 0110
E-mail: sectdeptt@lemontreehotels.com

N. The securities of the Company were never suspended from trading on Stock Exchanges during the year.

O. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad

This is not applicable during the Financial Year under review.

Other Disclosures

Related Party Transactions

The Company has formulated a policy on materiality of Related Party Transactions and dealing with Related Party Transactions and the same has been disclosed on the Company’s website at the following link: <https://www.lemontreehotels.com/factsheet/Policies/Related%20Party%20Transaction%20Policy.pdf>.

All related party transactions including transactions of repetitive in nature requiring omnibus approval are placed before the Audit Committee for approval.

The details of related party transactions entered into by the Company pursuant to each Omnibus approval given, are reviewed by the Audit Committee. There were no materially significant related party transactions in the Company in the year that have any potential conflict with the interests of the Company.

Related Party Disclosures as required under the SEBI (LODR) Regulations are given in the notes to the Financial Statements.

Statutory Compliances/Penalty

There are no penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets during last three years.

Vigil Mechanism and Whistle Blower Policy

With a view to adopting the highest ethical standards in the course of business, the Company has a Whistle

Blower Policy in place for reporting instances of conduct which are not in conformity with the policy. Directors, employees, vendors, or any person having dealings with the Company may report non-compliance to the Chairman of the Audit Committee, who reviews the report. Confidentiality is maintained of such reporting, and it is ensured that any whistle blower is not subjected to any discrimination.

No person was denied access to the Audit Committee. The said policy is also uploaded on the website of the Company at:

<https://www.lemontreehotels.com/factsheet/Policies/lth-vigil-mechanism-whistle-blowers-policy.pdf>

Compliance with Mandatory and Non-Mandatory Requirements under Chapter IV of SEBI (LODR) Regulations

The Company is regularly complying with the SEBI (LODR) Regulations as stipulated therein. Information, certificates and returns as required under the provisions of SEBI (LODR) Regulations are sent to the stock exchanges on which the Company’s shares are listed within the prescribed time.

The Company has also complied with all the mandatory requirement of SEBI (LODR) Regulations.

The status of compliance with the non-mandatory requirements is as under:

1. The Board
- The Chairman of the Company is an Executive Chairman. All requirements of the Board during the year have been complied with.
2. Shareholders Rights
- Quarterly and Half Yearly financial results are furnished to the stock exchanges on which the Company’s shares are listed, published in a prescribed newspaper and also uploaded on the website of the Company at <https://investors.lemontreehotels.com/>. The same are not separately sent to each of the shareholders. Significant events are posted on the Company’s website from time to time.
3. Modified Opinion(s) in Audit Report
- There are no modified opinion(s) on the financial statements for the Financial Year 2025-26.
4. Reporting of Internal Auditor
- The Internal Auditor reports to the Audit Committee.

Disclosure of commodity price risks and commodity hedging activities

This is not applicable as the Company does not trade in commodity price risk and commodity hedging activities



Policy for Determining Material Subsidiaries and Dealing with Related Party Transactions

The Board has formulated a policy for determining material subsidiaries pursuant to the provisions of the SEBI (LODR) Regulations which is available on the website of the Company at <https://www.lemontreehotels.com/factsheet/Policies/Determination of Material Subsidiary Policy.pdf>

One (1) of the Independent Non-Executive Director- of the Company are also on the Board of material subsidiaries viz. Fleur Hotels Limited (Formerly known as Fleur Hotels Private Limited), Berggruen Hotels Private Limited and Iora Hotels Private Limited.

Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

The Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) during the Financial Year 2025-26.

A certificate from a company secretary in practice that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority

The Company has obtained a certificate from a practicing company secretary that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of Company by the Board/ Ministry of Corporate Affairs or any such statutory authority which forms part

Material Unlisted Subsidiary of the Company

The disclosure requirements as prescribed under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to the material unlisted subsidiaries of Lemon Tree Hotels Limited as on March 31, 2026 are as follows:

S. No	Name of the Material Subsidiary	Date of Incorporation	Place of Incorporation	Name of Statutory Auditor	Date of Appointment of Statutory Auditor
1	Fleur Hotels Limited (Formerly known as Fleur Hotels Private Limited)	09.07.2003	New Delhi, India	Deloitte Haskins & Sells LLP	13.09.2022
2	Berggruen Hotels Private Limited	12.09.2006	Mumbai, India	Nangia & Co. LLP	15.09.2025
3.	Iora Hotels Private Limited	07.08.2009	New Delhi, India	Deloitte Haskins & Sells LLP	13.09.2022

of the Corporate Governance Report attached to this Board Report as ‘Annexure – 5A’.

Non-acceptance of any recommendation of any Committee of the Board which was mandatorily required:

During the year, the Board has accepted all recommendations received from all its Committees.

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part

The total fees paid to M/s Deloitte Haskins & Sells LLP, Statutory Auditor, by the Company and its subsidiaries on a consolidated basis for the Financial Year under review is ₹ 248.85 Lakhs.

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

During the Financial Year ended March 31, 2026, the Company has not received any complaint in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Number of Complaints filed during the financial year under review	0
Number of complaints disposed of during the financial year under review	0
Number of complaints pending as on the end of financial year	0

Loans and Advances

The details of the loans and advances which are in the nature of loans to firms/companies in which directors are interested are asserted in the Board’s Report.

Compliance with Corporate Governance Norms

The Company has complied with the requisite provisions of Sub Para 2 to 10 of Schedule V to the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015.

Scores

The Company has registered itself for SEBI Complaints Redress System (SCORES), a centralized web based complaints redress system with 24 x 7 access. It allows online lodging of complaints at anytime from anywhere.

An automated email acknowledging the receipt of the complaint and allotting a unique complaint registration number is generated for future reference and tracking.

The Company has also registered itself in Online Dispute Resolution platform at <https://smartodr.in>

Equity Shares in the Suspense Account

The Company in accordance with the procedure laid down in Schedule IV of SEBI (LODR) Regulations has a dematerialization account namely ‘Lemon Tree Hotels Ltd. Unclaimed Suspense Demat Account’ however, no shares have been transferred till March 31, 2026.

Reconciliation of Share Capital Audit

Audits were carried out by the practicing Company Secretary to reconcile the total admitted capital with NSDL and CDSL. The reports for the same were submitted to BSE and NSE. The audit confirms that the total issued/paid up and listed capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).

Information on Deviation from Accounting Standards, if any.

The Company has adopted Indian Accounting Standards (Ind AS) in preparation of annual accounts for the FY 2026.

Disclosure of Compliance with the Corporate Governance Requirements Specified in Regulation 17 to 27 and Regulation 46 of SEBI (LODR) Regulations

The Company has complied with the applicable provisions of the SEBI (LODR) Regulations including Regulation 17 to 27 and Regulation 46 of the SEBI (LODR) Regulations.

Quarterly reports on compliance with Corporate Governance/ Integrated Filing (Governance) as per Listing Regulations and applicable SEBI circulars were duly filed with the stock exchanges within the stipulated

time and same are also available on website of the Company at <https://investors.lemontreehotels.com>. The Company has complied with all the requirements of Corporate Governance Report as specified under the Listing Regulations.

A Certificate from M/s DPV & Associates LLP, Practicing Company Secretary confirming compliance with the conditions of the Corporate Governance as stipulated under the SEBI (LODR) Regulations, is forming part of this Report as ‘Annexure-5B’.

Disclosure of certain types of agreements binding listed entities under Clause 5A to Para A of Part A of Schedule III of the Listing Regulations

The Company is fully compliant with the applicable mandatory requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has not made any disclosures under clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations.

CEO/CFO certification

To comply with Regulation 17(8) of the SEBI (LODR) Regulations, Managing Director and Chief Financial Officer have certified that the financial statements present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards. The same is attached as ‘Annexure-5C’.

Code of Conduct

The Board of Directors of the Company has adopted the Code of Conduct for Directors and Code of Conduct for Senior Management and Employees. The Code of Conduct is applicable to Executive and Non-Executive Directors as well as Senior Management Personnel and employees. As per the SEBI (LODR) Regulations, the duties of Independent Non-Executive Directors have been suitably incorporated in the said Code as laid down in the Act.

Code of Conduct for Directors

A copy of the Code of Conduct is available on the Company’s website <https://www.lemontreehotels.com/factsheet/Policies/lth-code-of-conduct-for-directors.pdf>

Code of Conduct for Senior Management and Employees

<https://www.lemontreehotels.com/factsheet/Policies/lth-code-of-conduct-for-senior-management-and-employees.pdf>



A declaration signed by the Chairman & Executive Director is given below:

I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management Personnel, an affirmation that they have complied with the Code of Conduct for Directors and Senior Management Personnel in respect of the Financial Year ended March 31, 2026.

For and on behalf of the Board of Directors of
Lemon Tree Hotels Limited

Sd/-

Patanjali Govind Keswani

Chairman and Executive Director

DIN: 00002974

Place: New Delhi

Date: May 28, 2026

‘Annexure-5A’

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
LEMON TREE HOTELS LIMITED
(CIN: L74899HR1992PLC140546)
Lemon Tree Corporate Park, Urban Complex,
Ullahawas, Sector-60, Gurgaon -122011

1. That the equity shares of **Lemon Tree Hotels Limited** (the “**Company**”) are listed on BSE Limited and National Stock Exchange of India Limited.
2. We have examined the relevant disclosures received from the Directors as well as the registers, records, forms, and returns maintained by the Company and produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. In our opinion and to the best of our information and according to the verifications and examination of the disclosures under Section 184/189, 170, 164, 149 of the Companies Act, 2013 (the Act) and DIN status at the portal, www.mca.gov.in, as considered necessary and explanations furnished to us by the Company and its officers, we certify that none of the below named Directors on the Board of the Company as on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such Statutory Authority:

S. No.	Name of Director	DIN	Date of Appointment
1.	Mr. Patanjali Govind Keswani	00002974	07-10-2002
2.	Mr. Aditya Madhav Keswani	07208901	17-06-2015
3.	Mr. Paramartha Saikia	07145770	15-06-2017
4.	Mr. Willem Albertus Hazeleger	07902239	09-08-2017
5.	Mr. Niten Malhan	00614624	06-11-2020
6.	Mr. Praveen Garg	00208604	09-11-2023
7.	Mr. Sanjiv Nandan Sahai	00860449	09-11-2023
8.	Ms. Smita Anand	00059228	09-11-2023
9.	Mr. Neelendra Singh	08491872	01-10-2025
10.	Mr. Kapil Sharma	00352890	01-10-2025

4. Ensuring the eligibility of 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 the eligibility of Directors based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
5. This certificate is based on the information and records available up to this date and we have no responsibility to update this certificate for the events and circumstances occurring after the date of the certificate.

For DPV & Associates LLP
Company Secretaries
Firm Reg. No.: L2021HR009500
Peer Review Certificate No. 6189/2024

Sd/-
Devesh Kumar Vasisht
Managing Partner
CP No.:13700 / Mem. No. F8488
UDIN: F008488H000531331

Date: May 28, 2026
Place: Faridabad

‘Annexure-5B’

Certificate Regarding Compliance of Conditions of
Corporate Governance

To,
The Members
LEMON TREE HOTELS LIMITED
(CIN: L74899HR1992PLC140546)
Lemon Tree Corporate Park, Urban Complex,
Ullahawas, Sector-60, Gurgaon -122011

1. We have examined the compliance of conditions of Corporate Governance by **LEMON TREE HOTELS LIMITED** (herein after referred as the Company) for the year ended on March 31, 2026, as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and paragraph C, D and E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”).

Management’s Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated under the provisions of the LODR Regulations.

Auditors’ Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

Opinion

5. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance to the extent applicable as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and paragraph C, D and E of Schedule V to the LODR Regulations during the year ended March 31, 2026.
6. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For DPV & Associates LLP
Company Secretaries
Firm Reg. No.: L2021HR009500
Peer Review Certificate No. 6189/2024

Sd/-
Devesh Kumar Vasisht
Managing Partner
CP No.:13700 / Mem. No. F8488
UDIN: F008488H000531274

Date: May 28, 2026
Place: Faridabad

Certification by Managing Director and
Chief Financial Officer of the Company
Pursuant to Regulation 17(8) of Securities Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to certify that:

- a. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2026 of Lemon Tree Hotels Limited (the Company) and that to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) 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 which 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 in the Company and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. 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 Audit Committee
- (i) Significant changes in internal control over financial reporting during the year;
- (ii) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
- (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control system over financial reporting.

For Lemon Tree Hotels Limited

Place: New Delhi
Date: May 28, 2026

Sd/-
Kapil Sharma
Executive Director and CFO
DIN: 00352890

Sd/-
Neelendra Singh
Managing Director
DIN: 08491872

REMUNERATION TO DIRECTORS AND EMPLOYEES
[Pursuant to Section 197(12) of the Act read with Rule 5(2) & 5(3) of the Companies
(Appointment & Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Description	Directors		Employee	Director	Employee
a.	Name of the Employee	Mr. Patanjali Govind Keswani (1)	Mr. Kapil Sharma (2)	Mr. Davander Tomar (3)	Mr. Neelendra Singh (4)	Mr. Vishvapreet Singh Cheema (5)
b.	Designation of the employee	Chairman & Executive Director	Executive Director and Chief Financial Officer	Executive Vice President- Corporate Affairs	Managing Director	President
c.	*Remuneration Received (₹ In Lakhs)	**683.23	**284.23	**214.98	168.84	123.40
d.	Nature of Employment, whether contractual or not	Contractual	Contractual	Non-contractual	Contractual	Non-contractual
e.	Qualifications and experience of the employee	B. Tech in Electrical Engineering from IIT Delhi and PGDBM from IIM Calcutta. He has an experience of over 38 years	B.Com. and Chartered Accountant. He has an experience of over 28 years	M.A & LLB from Delhi University and has a total experience of over 41 years.	B.Sc. (Hons) in Chemistry and MBA from IMT, Ghaziabad.	Hotel management graduate from the IHM, Lucknow and Post Graduate Diploma in Hotel Management from Oberoi Center for Learning & Development. He has an extensive experience of over 29 years in hospitality sector.
f.	Date of commencement of employment with company	01.09.2002	01.12.2004	25.09.2002	01.10.2025	09.06.2025
g.	The age of such employee	67 years	57 years	65 years	49 Years	49 years
h.	The last employment held by such employee before joining the Company	Senior Partner A.T. Kearney Inc., India	Head-Finance and Accounts, Leroy Somer& Controls India Private Limited	Area Security Manager-Taj Group of Hotels	Managing Director - Adidas India	Director of Operations -IHG Hotels and Resorts (South West Asia)
i.	The percentage of equity shares held by the employee in the Company within the meaning of Clause(iii) of sub-rule (2) above	0.00	0.13	Nil	Nil	Nil
j.	Whether any such employee is a relative of any director or manager of the Company and if so, the name of such director or manager	Mr. Aditya Madhav Keswani, Director	N.A.	N.A.	N.A.	N.A.

*Gross remuneration includes basic salary, allowances, taxable value of perquisites and the Company’s contribution to Provident Fund, but excludes provision for retiring gratuity and leave benefits.

**The remuneration also includes the one time ex-gratia amount (non-voluntary pay-cuts imposed during COVID-19 period, i.e. FY 2020-21 and 2021-22).

REMUNERATION TO EMPLOYEES

[Pursuant to Section 197(12) of the Act read with Rule 5(2) & 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Description	Employees				
a.	Name of the Employee	Ms. Ritu Ranjan (6)	Ms. Sareena Kochhar (7)	Mr. Ajai Kumar (8)	Mr. Jagdish Kumar Chawla (9)^	Mr. Rajeev Janveja (10)#
b.	Designation of the employee	Sr. Vice President –Aesthetics & Design	Sr. Vice President – Housekeeping	Sr. VP and Chief Information Officer	Executive Vice President-Projects & Engineering	Sr. VP and Corporate Chef
c.	*Remuneration Received (₹ In lakhs)	**115.10	**106.38	**102.85	97.07	**96.93
d.	Nature of Employment, whether contractual or not	Non-contractual	Non-contractual	Non-contractual	Non-contractual	Non-contractual
e.	Qualifications and experience of the Employee	B.A (Honors) in Philosophy from Delhi University in the year 1987 and having 13 years of experience	B.Sc (Home Science) and Diploma in Hotel Management with over 36 years of experience in Hospitality	He has over 32 years of experience in IT Strategy, Digital Enablement, Technology Management and Operations.	Diploma Degree in Electrical Engineering from Pusa Polytechnic, Pusa, New Delhi and has a total experience of over 45 years in the field of engineering, construction and operations	Hotel Management from IHM Lucknow and has a total experience of over 42 years
f.	Date of commencement of employment with company	01.04.2014	15.07.2006	15-10-2010	01.11.2002	01.08.2013
g.	The age of such employee	60 years	61 years	57 years	69 years	63 years
h.	The last employment held by such employee before joining the Company	Self employed	Corporate Executive Housekeeper with VLCC Health Care.	He has previously worked with Bax Global Pvt. Ltd., Gati Ltd. and Blue Dart Express Ltd.	Taj Group of Hotels	Taj Group of Hotels & some other leading retail food business
i.	The percentage of equity shares held by the employee in the Company within the meaning of Clause(iii) of sub-rule (2) above	0.01	0.03	0.00	0.07	0.01
j.	Whether any such employee is a relative of any director or manager of the Company and if so, the name of such director or manager	N.A.	N.A.	N.A.	N.A.	N.A.

*Gross remuneration includes basic salary, allowances, taxable value of perquisites and the Company’s contribution to Provident Fund, but excludes provision for retiring gratuity and leave benefits.

**The remuneration also includes the one time ex-gratia amount (non-voluntary pay-cuts imposed during COVID-19 period, i.e. FY 2020-21 and 2021-22).

^Resigned w.e.f. closing hours of June 30, 2025.

#Superannuated from the services w.e.f. closing hours of March 31, 2026.

For Lemon Tree Hotels Limited

Sd/-

Patanjali Govind Keswani

Chairman & Executive Director

DIN: 00002974

Place: New Delhi

Date: May 28, 2026

Details pertaining to remuneration as required u/s 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year, the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:-

Name	Designation	Ratio of remuneration of each Director to the median remuneration of employees	Percentage increase in remuneration
Mr. Patanjali Govind Keswani^	Chairman and Executive Director	73	-
Mr. Neelendra Singh*	Managing Director	N.A.	Not Comparable
Mr. Kapil Sharma#	Executive Director and Chief Financial Officer	N.A.	Not Comparable
Mr. Pawan Kumar Kumawat*	Company Secretary & Compliance Officer	N.A.	Not Comparable

^appointed as Chairman and Executive Director w.e.f. October 01, 2025

*appointed as Managing Director w.e.f. October 01, 2025

#appointed as Executive Director and Chief Financial Officer w.e.f. October 01, 2025

\$appointed as Company Secretary and Compliance Officer w.e.f. May 29, 2025

No other Directors were paid remuneration except Sitting Fees and Commission during the Financial Year ended March 31, 2026.

2. The percentage increase in the median remuneration of employees in the financial year.

Median remuneration of employees decreases by 2% during the financial year.

3. The number of permanent employees on the rolls of the Company.

The number of permanent employees on the rolls of the Company as on March 31, 2026, is 975 across all the locations globally.

4. Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

During Financial Year 2025-26, the average percentage increase in salary of the Company’s employees, excluding Key Managerial Personnel (‘KMP’) was 2.82%.

– During Financial Year 2025-26, the average percentage increase in salary of the KMP* was 59%.

*During the Financial Year 2025-26, Mr. Kapil Sharma was appointed as Executive Director and Chief Financial Officer with effect from October 1, 2025 and he was also paid a one-time ex-gratia amount during the year. The said ex-gratia amount has not been considered while calculating the average percentage increase in salary of the KMP.

5. It is hereby affirmed that the remuneration paid during the Financial Year ended March 31, 2026, is as per the Nomination and Remuneration Policy of the Company.

For Lemon Tree Hotels Limited

Sd/-

Patanjali Govind Keswani

Chairman & Executive Director

DIN: 00002974

Place: New Delhi

Date: May 28, 2026

‘Annexure-8’

MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 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
LEMON TREE HOTELS LIMITED
(CIN: L74899HR1992PLC140546)
Lemon Tree Corporate Park, Urban Complex,
Ullahawas, Sector-60, Gurgaon -122011

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Lemon Tree Hotels Limited** (hereinafter called the “**Company**”). The Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minutes 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 the secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2026 (“**Audit Period**”) complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Audit Period according to the provisions of:

- (i) The Companies Act, 2013 and the rules made thereunder (the “**Act**”);
- (ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder (“**SCRA**”);
- (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, Overseas Direct Investment and External Commercial Borrowings, wherever applicable;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“**SEBI Act**”):
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during the Audit Period)
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the Audit Period)
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Company during the Audit Period); and
 - (i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period).
- (vi) We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis,

the Company has complied with the following laws applicable specifically to the Company:

- (a) The Legal Metrology Act, 2009 & rules made thereunder;
- (b) The Food Safety and Standards Act, 2006 read with the Food Safety and Standards Rules, 2011 with allied rules and regulations.

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors and on General Meetings issued by the Institute of Company Secretaries of India, with which the Company has generally complied with.

We report that the Company has complied with the provisions of the Act, Rules, Regulations, Standards and Guidelines, to the extent applicable, as mentioned above during the Audit Period.

We further report that the Board of Directors of the Company is duly constituted with an optimum combination of Executive and Non-Executive Directors, Women Director, and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board/ Committee Meetings. The agenda and detailed notes on agenda were sent at least 7 days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board meetings and Committee meetings were carried out with the requisite majority as recorded in the minutes of the meetings of the Board or Committee of the Board, as the case may be.

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

We report further that during the period under review:

- The members of the Company at the Annual General Meeting held on September 25, 2025 approved the amendment in LTHL Stock Appreciation Rights Scheme- 2024
- The members of the Company through Postal Ballot resolution dated October 26, 2025 approved shifting of the registered office from the NCT of Delhi to the State of Haryana and the Regional Director (NR) vide its order dated December 23, 2025 approved the shifting which was made effective from December 31, 2025.
- The Board of Directors of the Company in their meeting held on January 09, 2026 approved a Composite Scheme of Arrangement involving the Company, Fleur Hotels Limited (“Transferee Company”) a material subsidiary of the Company, Carnation Hotels Private Limited (“Transferor Company 1”), Hamstede Living Private Limited (“Transferor Company 2”), Oriole Dr. Fresh Hotels Private Limited (“Transferor Company 3”), Canary Hotels Private Limited (“Transferor Company 4”), Sukhsagar Complexes Private Limited (“Transferor Company 5”), Manakin Resorts Private Limited (“Transferor Company 6”) and their respective shareholders and creditors under Sections 230-232 and other applicable provisions of the Companies Act, 2013.

For DPV & Associates LLP

Company Secretaries
Firm Reg. No.: L2021HR009500
Peer Review Certificate No. 6189/2024

Sd/-

Devesh Kumar Vasisht

Date: May 28, 2026
Place: Faridabad
Managing Partner
CP No.:13700 / Mem. No. F8488
UDIN: F008488H000531441

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

Annexure to the Secretarial Audit Report

To,
The Members
LEMON TREE HOTELS LIMITED
(CIN: L74899HR1992PLC140546)
Lemon Tree Corporate Park, Urban Complex,
Ullahawas, Sector-60, Gurgaon -122011

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

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

For DPV & Associates LLP
Company Secretaries
Firm Reg. No.: L2021HR009500
Peer Review Certificate No. 6189/2024

Sd/-
Devesh Kumar Vasisht
Managing Partner
CP No.:13700 / Mem. No. F8488
UDIN: F008488H000531441

Date: May 28, 2026
Place: Faridabad

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 No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Fleur Hotels Limited
(Formerly known as Fleur Hotels Private Limited)
CIN: U55101HR2003PLC140540
Address: Lemon Tree Hotel, Urban Complex, Ullahawas,
Sector-60, Gurgaon - 122011, Haryana, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Fleur Hotels Limited** (Formerly known as Fleur Hotels Private Limited) (hereinafter called ‘the Company’), which is an unlisted subsidiary of Lemon Tree Hotels Limited. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records as maintained and provided to us by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026 (‘**Audit Period**’) generally complied with the statutory provisions listed hereunder. Further, the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the Audit Period according to the provisions of:

- (i) The Companies Act, 2013 (‘the Act’) and the rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **to the extent applicable.**
- (iii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder; **Not Applicable.**

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **to the extent applicable.**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’); **Not Applicable**
 - 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;
 - 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;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; and
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

The Company is engaged in the Hotel Business and operating various Hotels. As informed and certified by the management, the Food Safety and Standard

Act, 2006 and rules made thereunder are specifically applicable to the Company. On the basis of management representation and our check on test basis, we are of the view that the Company has generally ensured the compliances of law and filings at hotel/ unit level as specifically applicable to it.

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

- a) Secretarial Standard on Meetings of the Board of Directors (including resolutions passed by circulation) and on General Meetings issued by the Institute of Company Secretaries of India, which is generally complied with.
- b) The listing Agreements entered with Stock Exchange(s) pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirement) Regulations 2015, as amended; **Not Applicable**

We report that, the Company has generally complied with the provisions of the Act, Rules, Regulations and Guidelines, to the extent applicable, as mentioned above, during the Audit Period.

We further report that,

- The Board of Directors of the Company was constituted with proper balance of Executive, Non-Executive and Independent Director(s) during the audit period. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.
- All the board meetings during the audit period were held by giving adequate notice to all Directors in compliance with the provisions of the Act. Agenda and detailed notes on agenda were sent within the prescribed time period/at shorter notice, and a system/process exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.
- All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that, the Board of Directors & committees thereof, at their various meetings passed following significant resolution(s) apart from other resolution(s)–

- Approval for extension of term of Subscription and Shareholders Agreement.
- Appointment of Mr. Saurabh Shatdal as Chief Executive Officer w.e.f. August 01, 2025.
- Appointment of Mr. Patanjali Govind Keswani as Executive Director & Chairman w.e.f. October 1, 2025, and cessation from the current position of Managing Director w.e.f. September 30, 2025.
- Appointment of Mr. Saurabh Shatdal as the Managing Director and Chief Executive Officer of the Company w.e.f. October 01, 2025.
- Approval for shifting of registered office of Company from one State to another i.e., NCT of Delhi to Gurugram, Haryana and consequent amendment in Clause II of the Memorandum of Association of the Company.
- Approved the Audited Special Purpose Interim standalone and consolidated financial statement for the half yearly ended September 30, 2025.
- Approved constitution of Re-organisation Committee and further approved the composite scheme of arrangement between Lemon Tree Hotels Limited, Fleur Hotels Limited, Carnation Hotels Private Limited, Hamstede Living Private Limited, Oriole Dr. Fresh Hotels Private Limited, Canary Hotels Private Limited, Sukhsagar Complexes Private Limited and Manakin Resorts Private Limited and their respective shareholders and creditors under Section 230-232 & other applicable provisions of the Companies Act, 2013.
- Change of address for keeping books of accounts of Company at a place other than the registered office.
- Authorization for execution, performance and delivery of the transaction documents and consummation of the proposed transaction of entering into share purchase agreement for sale of 4,02,00,525 equity shares, constituting 41.09 % of equity share capital of the Company from APG Strategic Real Estate Pool N.V. to Coastal Cedar Investments B.V., a Company incorporated under laws of Netherlands.
- Approval of payment of commission to Non-Executive Directors of Company for the financial year 2025-26.



- Take note of resignation of Ms. Freyan Jamshed Desai, Independent Director of the Company w.e.f. March 20, 2026.

We further report that members of the Company at its extra-ordinary general meeting held on September 22, 2025, passed the following special resolution –

- Shifting of Registered Office of the Company from the National Capital Territory (NCT) of Delhi to the State of Haryana and consequential amendment in Memorandum of Association.

We further report that members of the Company at its 22nd Annual General Meeting held on September 15, 2025, passed the following ordinary or special resolution(s), apart from the ordinary business(es), as applicable –

- Appointment of Mr. Mohit Gujral as a Non-Executive Independent Director of the Company.
- Approval for renewal of Subscription and Shareholders Agreement.
- Appointment of Mr. Patanjali Govind Keswani as Executive Director.
- Approve payment of remuneration to Mr. Patanjali Govind Keswani as Executive Director.
- Appointment of Mr. Saurabh Shatdal as the Managing Director and Chief Executive Officer of the Company.

- Approve payment of remuneration to Mr. Saurabh Shatdal, as the Managing Director and Chief Executive Officer.
- Payment of Commission to the Non-Executive Directors.

For and on behalf of
M/s. Prakash Verma & Associates
(Company Secretaries in Practice)
ICSI Unique Code – S2013DE203700
Peer Review Certificate No. 7205/2025

Sd/-
CS Prakash Verma
FCS No.: 9553
COP No.:11671
UDIN: F009553H000486469

Place: Ghaziabad
Date: 28/05/2026

Note:

- (i) *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.*
- (ii) *This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report which have been complied by the Company up to the date of this Report pertaining to the financial year ended March 31, 2026.*

‘Annexure-A’

To,
The Members,
Fleur Hotels Limited
(Formerly known as Fleur Hotels Private Limited)
CIN: U55101HR2003PLC140540
Address: Lemon Tree Hotel, Urban Complex, Ullahawas,
Sector-60, Gurgaon - 122011, Haryana, India

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 (“CSAS/Standards”) prescribed by the Institute of Company Secretaries of India (“ICSI”). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records. Our Secretarial Audit Report for the financial year ended March 31, 2026, of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts, maintenance of audit trail of the Company.
4. Due to inherent limitations of an audit including internal, financials and operating controls, maintenance of audit trail, discrepancy in records and filings, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit was properly planned and performed in accordance with the Standards, in accordance with the records and data as provided to us.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
7. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of
M/s. Prakash Verma & Associates
(Company Secretaries in Practice)
ICSI Unique Code – S2013DE203700
Peer Review Certificate No. 7205/2025

Place: Ghaziabad
Date: 28/05/2026

Sd/-
CS Prakash Verma
FCS No.: 9553
COP No.:11671
UDIN: F009553H000486469



FORM NO. MR. 3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Iora Hotels Private Limited
(CIN: U55101DL2009PTC192981)
Asset No. 6, Aerocity Hospitality District
New Delhi-110037

Sir,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Iora Hotels Private Limited** (hereinafter called the Company). 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 **Iora Hotels Private Limited’s** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 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, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **March 31, 2026** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
- (iii) Other laws as applicable specifically to the Company:
 - The Legal Metrology Act, 2009 and rules made thereunder;
 - Food Safety and Standards Act, 2006 and rules made thereunder;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India as notified by Ministry of Corporate Affairs on the Board and General Meetings of the Company.

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:

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (except in cases where the meeting is held on shorter notice) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Board decisions are carried out with unanimous consent and therefore no dissenting member’s views were required to be captured and recorded as part of the minutes.

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

We further report that during the audit period, the Company has:

- Regularization of Mr. Rajesh Kumar (DIN: 05251730) as Director of the company with effect from September 12, 2025.
- Passing of Special resolutions in the Extra-Ordinary General Meeting held on March 27, 2026 pursuant to:

- (i)

Approval for grant of unsecured loan to Berggruen Hotels Private Limited under Section 185 of Companies Act, 2013; and
- (ii)

Approval for granting loan, guarantee, or providing security or investing in securities of other body corporates under Section 186 of Companies Act, 2013
- Cessation of Mr. Paramartha Saikia (DIN 07145770) from the post of Independent Director of the Company due to completion of his term with effect from the close of the working hours of March 30, 2026.

•

Appointment of Mr. Sanjeev Kumar Jain (DIN 07477679) as Additional Director designated as Managing Director with effect from March 30, 2026.

•

Cessation of Mr. Gaurav Goyal (DIN: 10454883) as Whole-Time Director of the Company with effect from the close of the working hours of March 31, 2026.
- We further Report that except for what is stated above the Company has not undertaken any specific events / actions having a major bearing on the Company’s affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards.
- For D.S. Associates
Company Secretaries
- Sd/-
Dhawal Kant Singh
- Partner
M. No.: F8687/C P No.: 7347
Peer Review No. 1724/2022
Unique Code: P2007DE086800
UDIN: F008687H000474671
- Place: New Delhi
Date: May 27, 2026
- Note: This report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this report.
- 206 Integrated Annual Report 2025-26
- ≡
- Corporate Overview
- Statutory Reports
- Financial Statements
- ‘Annexure 1’
- To,
The Members,
Iora Hotels Private Limited
(CIN: U55101DL2009PTC192981)
Asset No. 6, Aerocity Hospitality District
New Delhi-110037
- Re: Secretarial Audit Report of even date is to be read along with this letter.
- (a)

Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

(b)

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

(c)

We have not verified the correctness and appropriateness of the financial statements of the Company.

(d)

Wherever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.

(e)

The compliance of the provisions of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

(f)

The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
- For D.S. Associates
Company Secretaries
- Sd/-
Dhawal Kant Singh
- Partner
M. No.: F8687/C P No.: 7347
Peer Review No. 1724/2022
Unique Code: P2007DE086800
UDIN: F008687H000474671
- Place: New Delhi
Date: May 27, 2026
- 207

FORM NO. MR. 3

‘Annexure 1’

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Berggruen Hotels Private Limited
(CIN: U55101MH2006PTC164475)
Lemon Tree Premier, Opp. Mittal Industrial Estate,
Andheri Kurla Road, Mumbai-400059 (M.H.), India

Sir,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Berggruen Hotels Private Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing us opinion thereon.

Based on our verification of the **Berggruen Hotels Private Limited’s** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 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, papers, minute books, forms and returns filed and other records maintained by the **Company** for the financial year ended on **March 31, 2026** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
- (iii) Other laws as applicable specifically to the Company:
 - The Legal Metrology Act, 2009 and rules made thereunder;
 - Food Safety and Standards Act, 2006 and rules made thereunder;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India as notified by Ministry of Corporate Affairs.

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:

The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (except in cases where the meeting is held on shorter notice) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out with unanimous consent and therefore no dissenting member’s views were required to be captured and recorded as part of the minutes.

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

During the audit period, there were no specific events/ actions to report.

For D.S. Associates
Company Secretaries

Sd/-
Dhawal Kant Singh
Partner

M. No.: F8687
C P No.: 7347
Unique Code: P2007DE086800
Place: New Delhi
Date: May 27, 2026
Peer Review No.: 1724/2022
UDIN: F008687H000474735

Note: This report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this report.

To,
The Members,
Berggruen Hotels Private Limited
(CIN: U55101MH2006PTC164475)
Lemon Tree Premier, Opp. Mittal Industrial Estate,
Andheri Kurla Road, Mumbai-400059 (M.H.), India

Re: Secretarial Audit Report of even date is to be read along with this letter.

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

For D.S. Associates
Company Secretaries

Sd/-
Dhawal Kant Singh
Partner
M. No.: F8687, C P No.: 7347
Peer Review No. 1724/2022
Unique Code: P2007DE086800
UDIN: F008687H000474735

Place: New Delhi
Date: May 27, 2026

Business Responsibility and Sustainability Report

Section A: General Disclosures

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L74899HR1992PLC140546
2	Name of the Listed Entity	Lemon Tree Hotels Limited
3	Year of incorporation	1992
4	Registered office address	Lemon Tree Corporate Park, Urban Complex, Ullahawas, Sector 60, Gurugram, Haryana-122011
5	Corporate address	Asset No. 6, Aerocity Hospitality District, New Delhi-110037
6	E-mail	Sectdeptt@Lemontreehotels.com
7	Telephone	+911146050101
8	Website	http://www.lemontreehotels.com
9	Financial year for which reporting is being done	1 April 2025 to 31 March 2026
10	Name of the Stock Exchange(s) where shares are listed	BSE Ltd. and National Stock Exchange of India Ltd.
11	Paid-up Capital	₹ 7,92,24,64,640
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Aradhana Lal, Senior Vice President - Sustainability & ESG Telephone: +911146050101 E-mail: svp_sustainability@lemontreehotels.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Consolidated, except paid up share capital
14	Name of assurance provider	JDP & Associates
15	Type of assurance obtained	Limited Assurance

II. Products/services

16 Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Operating Hotels	Hotel service including accommodation/ rooms, dining, bar, banquets, conference, meeting rooms, spa, fitness center, swimming pool, etc.	98.16%

17 Products/Services sold by the entity (accounting for 90% of the entity’s Turnover)

S. No.	Product/Service	NIC Code	% of total Turnover
1	Hotel service including accommodation/rooms, dining, bar, banquets, conference, meeting rooms, spa, fitness center, swimming pool, etc.	55101	98.16%

III. Operations

18 Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	126	1	127
International	5	0	5

41 owned hotels (Corporate Office based in 1 hotel itself), 90 managed and franchised hotels. As Lemon Tree is a hotel company we have given the count of hotels and not plants.

19 Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	29
International (No. of Countries)	3

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

0.2134%

This is the management fees earned from our hotels in Nepal, Bhutan and Dubai.

c. A brief on types of customers

Lemon Tree caters to a diverse clientele, including business and leisure travellers, families, tourists, event attendees, wedding guests, food and beverage patrons and long-stay guests. Our hotels are strategically located with high-quality amenities, efficient services and a focus on comfort and convenience. Whether it’s for business or leisure, we ensure our guests have a memorable experience during their stay with us.

IV. Employees

20 Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Employees and Workers*						
S. No.	Particulars	Male			Female	
		Total (A)	No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1	Permanent (D)	3,488	3,052	87%	436	13%
2	Other than Permanent (E)	289	237	82%	52	18%
3	Total Employees (D + E)	3,777	3,289	87%	488	13%
Workers						
4	Permanent (F)	N.A.	N.A.	N.A.	N.A.	N.A.
5	Other than Permanent (G)	N.A.	N.A.	N.A.	N.A.	N.A.
6	Total Workers (F + G)	N.A.	N.A.	N.A.	N.A.	N.A.

* This data does not include apprentices

b. Differently abled Employees and workers:

S. No.	Particulars	Male			Female	
		Total (A)	No. (B)	% (B/A)	No. (C)	% (C/A)
Differently Abled Employees*						
1	Permanent (D)	210	195	93%	15	7%
2	Other than Permanent (E)	11	11	100%	0	0%
3	Total Employees (D + E)	221	206	93%	15	7%

S. No.	Particulars	Male			Female	
		Total (A)	No. (B)	% (B/A)	No. (C)	% (C/A)
Differently Abled Workers						
4	Permanent (F)	N.A.	N.A.	N.A.	N.A.	N.A.
5	Other than Permanent (G)	N.A.	N.A.	N.A.	N.A.	N.A.
6	Total Workers (F + G)	N.A.	N.A.	N.A.	N.A.	N.A.

* This data does not include apprentices

21 Participation/Inclusion/Representation of women

Particulars	No. and percentage of Females		
	Total (A)	No. (B)	% (B/A)
Board of Directors	10	1	10%
Key Management Personnel	3	0	0

22 Turnover rate for permanent employees and workers

Particulars	Turnover rate in current FY 2025-26*			Turnover rate in FY 2024-25*			Turnover rate in FY 2023-24*		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	40.37%	51.61%	41.77%	37%	55%	39%	35%	7%	41%
Permanent Workers	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

* This data does not include apprentices

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23 Names of holding/subsidiary/associate companies/joint ventures

S. no	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/Subsidiary/Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Canary Hotels Private Limited	Subsidiary	100	Yes
2	Sukhsagar Complexes Private Limited	Subsidiary	100	Yes
3	Oriole Dr. Fresh Hotels Private Limited	Subsidiary	100	Yes
4	Manakin Resorts Private Limited	Subsidiary	100	Yes
5	Carnation Hotels Private Limited	Subsidiary	100	Yes*
6	Lemon Tree Hotel Company Private Limited	Subsidiary	100	No
7	Red Fox Hotel Company Private Limited	Subsidiary	100	No
8	Hamstede Living Private Limited Subsidiary	Subsidiary	100	No
9	Arum Hotels Private Limited (formerly known as Jessamine Stays Private Limited)	Subsidiary	100	Yes

S. no	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/Subsidiary/Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
10	Totally Foxed Solutions Private Limited	Subsidiary	100	Yes
11	Fleur Hotels Limited (Formerly known as Fleur Hotels Private Limited)	Subsidiary	58.91	Yes
12	Nettle Hotels Private Limited (formerly known as Poplar Homestead Holdings Private Limited)	Subsidiary	58.91	No
13	Madder Stays Private Limited	Subsidiary	58.91	No
14	Celsia Hotels Private Limited	Subsidiary	58.91	Yes
15	Iora Hotels Private Limited	Subsidiary	58.91	Yes
16	Inovoa Hotels and Resorts Limited	Subsidiary	58.91	Yes
17	Berggruen Hotels Private Limited	Subsidiary	58.91	Yes
18	Hyacinth Hotels Private Limited	Subsidiary	58.91	Yes
19	Bandhav Resorts Private Limited	Subsidiary	58.91	Yes
20	Ophrys Hotels Private Limited	Subsidiary	58.91	No
21	Mind Leaders Learning India Private Limited	Associate	36.56	No
22	Pelicaan Facilities Management Private Limited	Associate	36.56**	No
23	Glendale Marketing Services Private Limited	Associate	36.56**	No

* All third party hotels managed hotel under Carnation Hotels Private Limited, which is WOS are participating in Lemon Tree Hotels’ business responsibility initiatives.

** These companies are wholly owned subsidiaries of Mind Leaders Learning India Private Limited.

VI. CSR Details

24 (i). Whether CSR is applicable as per section 135 of Companies Act, 2013:

Yes

(ii). Turnover (in ₹)

₹ 144,450.33 Lakhs

₹ 145,266.61 Lakhs (including Other Income)

(iii). Net worth (in ₹)

₹ 207,917.87 Lakhs

VII. Transparency and Disclosures Compliances

25 Complaints/Grievances on any of the Principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, All relevant policies of the Company are available at https://investors.lemontreehotels.com/#	0	0	---	0	0	---
Investors (other than Shareholders)		1	0	---	0	0	---
Shareholders		0	0	---	0	0	---
Employees and Workers		0	0	---	0	0	---
Customers		0	0	---	0	0	---
Value Chain Partners		0	0	---	0	0	---
Other (please specify)		0	0	---	0	0	---

26 Overview of the entity’s material responsible business conduct issues

S. no	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Health and Well Being	Opportunity	Lemon Tree can help employees maintain balance and good health	----	Positive
2	Regulatory Compliance	Risk	Deviation from a compliance is possible in a growing network	An internal audit system and software (Legatrix) is in place to monitor all compliances for all hotels	Negative
3	Customer Delight	Opportunity	By providing refreshing service and unbeatable VFM, Lemon Tree can deepen customer loyalty	----	Positive
4	Brand and Reputation Management	Opportunity	Lemon Tree's focus on ESG and talent and innovative products/ services for guests is an opportunity to strengthen the brand	----	Positive



S. no	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Diversity and Inclusion	Opportunity	Over ~2 decades, Lemon Tree has built a strong diversity initiative. We can keep widening and deepening it	----	Positive
6	Commitment to Human Rights	Opportunity	An opportunity to carry Lemon Tree's human rights approach to partners, suppliers and more	----	Positive
7	Water Management	Risk	Precious resource with scarcity in every destination that Lemon Tree is present in	Lemon Tree actively pursues initiatives that improve the efficiency of water consumption; recycling and reuse of all water used in the hotel; and rainwater harvesting	Negative
8	Ethics and Transparency	Risk	Deviation from ethical/ transparent practices is possible in a growing network	Lemon Tree has instituted dual/multiple sign off process, especially for big ticket items; an active whistle blower policy; a strong ombudsman policy and handling mechanism	Negative
9	Data Privacy	Risk	Growing loyalty consumer database at Lemon Tree accompanied by innovation in hacking/ breaching of data protection systems	Lemon Tree has defined a new data privacy policy in FY22 that follows global standards and Indian standards. Done in consultation with a Big 4 company	Negative



S. no	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
10	Economic Performance	Opportunity	Lemon Tree business model ensures the stability and growth of revenues during both peaks and troughs in the business cycle	----	Positive
11	Talent Management	Opportunity	Build a leadership bench within	----	Positive
12	Waste Management	Opportunity	Segregate better and reduce, reuse, recycle and dispose waste safely	----	Positive
13	Energy Management	Opportunity	Build greater energy efficiency. Transition to renewable energy and reduction in carbon footprint. Pathway to Net Zero	----	Positive
14	Sustainable Supply Chain	Opportunity	Integrate Lemon Tree's ESG focus backwards into the supply chain	----	Positive
15	Local Community Development	Opportunity	Harness the skills and abilities of the community. Provide sustainable jobs to marginalised communities	----	Positive
16	Biodiversity Protection	Opportunity	(For the limited biodiverse locations of Lemon Tree) Protect and preserve flora and fauna	----	Positive
17	Climate Change	Risk	Hospitality industry inherently has a high carbon footprint	Building a strong pathway to Net Zero	Negative

Section B: Management and Process Disclosures

S. no	Disclosure Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) b. Has the policy been approved by the Board? (Yes/No) c. Web Link of the Policies, if available	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Code of Conduct; UN Sustainable Development Goals; Principle of Corporate Governance; GRI Standard	UN Sustainable Development Goals; GRI Standard	Universal Declaration of Human Rights of the United Nations; UN Guiding Principles on Business and Human Rights; UN Sustainable Development Goals; GRI Standard	UN Sustainable Development Goals; GRI Standard	Universal Declaration of Human Rights of the United Nations; UN Sustainable Development Goals; GRI Standard	Indian Green Building Council (IGBC); UN Sustainable Development Goals; GRI Standard	Universal Declaration of Human Rights of the United Nations; UN Sustainable Development Goals; GRI Standard	Disclosures pursuant to Section 135 of the Companies Act 2013; UN Sustainable Development Goals; GRI Standard	UN Sustainable Development Goals; GRI Standard



S. no	Disclosure Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	----	----	----	----		*1 and refer page 56 to 58 in the FY26 Integrated Annual Report (as per IIRC framework)	----	*2 and refer page 58 to 59 in the FY26 Integrated Annual Report (as per IIRC framework)	----
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	----	----	----	----		LTHL Integrated Annual Report 2025-26	----	LTHL Integrated Annual Report 2025-26	----

- *1
- 1

15% reduction in **Energy Consumption (intensity based) by FY26** over the FY19 baseline
- 2

50% **Renewable Energy (RE)** usage, out of total energy consumption, by FY26
- 3

40% reduction in **GHG Emissions (intensity based)** by FY26 over the FY19 baseline
- 4

10% reduction in **Water Consumption (intensity based)** by FY26 over the FY19 baseline
- 5

100% Certified Green Buildings (hotels) by FY26
- *2
- 6

20% **Opportunity Deprived Indians (ODIs)** in the workforce by FY26
- 7

15% **Women** across the workforce by FY26
- *3
- 1

Behind target: 4.47% increase in **Energy Consumption (intensity based)** in FY26 over the FY19 baseline
- 2

On target: 39.38% **Renewable Energy (RE)** usage, out of total energy consumption, in FY26. However, the **exit rate in March 2026** has reached the target at **50.66%**.

- 3

Behind target: 35.74% reduction in **GHG Emissions (intensity based)** in FY26 over FY19 baseline.
- 4

On target: 9.77% reduction in **Water Consumption (intensity based)** in FY26 over the FY19 baseline
- 5

On target: 100% **Certified Green Buildings** (hotels) in FY26
- Note
- The FY19 data for Red Fox Hotel, Dehradun is from October 2018 to March 2019 i.e. 6 months only as the hotel opened in October and the data for Lemon Tree Premier, Pune is from January 2019 to March 2019 i.e. 3 months only as the hotel opened in January. This impacts the comparison of FY26 to FY19
- In the GHG calculations of FY19, we have not included emissions from refrigerants as well as the consumption of petrol, HSD and CNG of owned cars, as this data was not available in FY19
- *4
- 6

Behind target: 16% **Opportunity Deprived Individuals (ODIs)** in the workforce in FY26
- 7

Behind target: 13% **Women** across the workforce in FY26

Governance, Leadership and Oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

Rooted in the spirit of Indian hospitality and innovation, Lemon Tree Hotels (LTH) has been on the path of responsible growth for approximately two decades now, harnessing our nation’s dynamic energy and fulfilling the needs of an emerging class of aspirational consumers. Along the way, we have expanded our horizons to reach the length and breadth of India, while creating a sense of belonging and community for every guest. As India emerges as a prominent player on the global stage, it presents us with the opportunity to accelerate responsible growth, even beyond borders, while staying true to our ethos of responsibility and sustainability at every step. Reimagining the future of hospitality, with sustainability at the foundation of our brand, we are committed to blending the richness of India, our innovative spirit and passion for positive impact to deliver extraordinary guest experiences.

FY26 Targets

- 15% reduction in Energy Consumption (intensity based) by FY26 over the FY19 baseline | FY26 performance -4.47%
- 50% Renewable Energy (RE) usage, out of Total Energy Consumption, by FY26 | FY26 performance 50.66% (exit rate)
- 40% reduction in GHG Emissions (intensity based) by FY26 over the FY19 baseline | FY26 performance 35.74%
- 10% reduction in Water Consumption (intensity based) by FY26 over the FY19 baseline | FY26 performance 9.77%
- 100% Certified Green Buildings (hotels) by FY26 | FY26 performance 100%
- 20% Opportunity Deprived Individuals (ODIs) in the workforce by FY26 | FY26 performance 16%
- 15% Women across the workforce by FY26 | FY26 performance 13%

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).

Name of highest authority	Mr. Patanjali Govind Keswani
Designation	Chairman & Executive Director
DIN	DIN: 00002974
Category	Executive Director

9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details

Yes

There are two committees in the Board of Directors i.e. Corporate Social Responsibility committee and Sustainaibility committee responsible for sustainability related issues. In addition, there is an ESG Task Force in the management team that works closely on all future Sustainability and ESG initiatives.

10 Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action									
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances									
Frequency (Annually/Half yearly/Quarterly/Any other – please specify)									
Performance against above policies and follow up action					Yearly				
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances					Quarterly				
Director Committee of the Board									

11 Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

No

Note: Internal audits of all hotels are done half yearly and discussed with the leadership teams. Corrective actions are taken where necessary.

12 If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified Principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									N.A.
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Table 1: Web link of the policies

Principles	Details	Link
Principle 1	Code of Conduct for Directors	 LTH Code of Conduct for Directors
	Code of Conduct for Senior Management and Employees	 LTH Code of Conduct for Senior Management and Employees
	Vigil Mechanism -Whistle Blowers Policy	 LTH Vigil Mechanism -Whistle Blowers Policy
	Anti Bribery and Anti Corruption Policy	 Anti Bribery and Anti Corruption Policy
	Policy on Board Diversity	 Policy on Board Diversity
Principle 2	Supplier Code of Conduct	 Supplier Code of Conduct
	Stakeholder Relations Policy	 Stakeholder Relations Policy
Principle 3	Health and Safety Policy	 Health and Safety Policy
	Stakeholder Relations Policy	 Stakeholder Relations Policy
Principle 4	Stakeholder Relations Policy	 Stakeholder Relations Policy
Principle 5	Human Rights Policy	 Human Rights Policy
Principle 6	Waste Management Policy	 Waste Management Policy
	Environment Policy	 Environment Policy
	Climate Change Policy	 Climate Change Policy
Principle 7	Anti Bribery and Anti Corruption Policy	 Anti Bribery and Anti Corruption Policy
Principle 8	Corporate Social Responsibility Policy	 CSR policy
Principle 9	Stakeholder Relations Policy	 Stakeholder Relations Policy

Table 2: National and international Codes/certifications/labels/standards

Certifications	Links
Indian Green Building Council	For 41 hotels

Table 3: Goals, targets and performance against respective goals.

Sl. No.	Details of Targets	Performance against Targets
Goal 1: Energy reduction		
1	15% reduction in Energy Consumption (intensity based) by FY26 over the FY19 baseline	4.47% (increase)
Goal 2: % of Renewable Energy (RE)		
2	50% Renewable Energy (RE) usage, out of total energy consumption, by FY26	50.66% (exit rate)
Goal 3: Reduction of GHG Emissions		
3	40% reduction in GHG Emissions (intensity based) by FY26 over the FY19 baseline	35.74%
Goal 4: Reduction of Water		
4	10% reduction in Water Consumption (intensity based) by FY26 over the FY19 baseline	9.77%
Goal 5: Green Building Certification		
5	100% Certified Green Buildings (hotels) by FY26	100%
Goal 6: % of Opportunity Deprived Indians (ODIs)		
6	20% Opportunity Deprived Individuals (ODIs) in the workforce by FY26	16%
Goal 7: % of Women		
7	15% Women across the workforce by FY26	13%

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.



Essential Indicators

1 Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	Overview of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Policy formulation, CSR and sustainability related matters, changes in the regulatory scenario, SDD, SEBI (Prohibition of Insider Trading) Regulations, various policies etc.	100%
Key Managerial Personnel	4	Overview of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Policy formulation, CSR and sustainability related matters, changes in the regulatory scenario, SDD, SEBI (Prohibition of Insider Trading) Regulations, various policies etc.	100%
Employees other than BoD and KMPs	3,750	Induction of new joiners, sensitization session, functional & behavioral training, Environment, Safety & Governance and health & fire safety	100%
Workers	N.A.	N.A.	N.A.

2 Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	-	Nil	Nil	Nil	N.A.
Settlement	-	Nil	Nil	Nil	N.A.
Compounding fee	-	Nil	Nil	Nil	N.A.

Non-Monetary				
NGRBC Principle		Name of the regulatory/enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	Nil	Nil	N.A.
Punishment	-	Nil	Nil	N.A.
Note: During the financial year, based on materiality test, no payment of penalty/fines/punishment/award/settlement was qualified for reporting under regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.				

3 Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/judicial institutions			
N.A.	N.A.			
N.A.	N.A.			
N.A.	N.A.			

4 Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. We have a strong commitment to upholding the highest standards of ethical conduct and integrity in all our operations. We adopt a zero-tolerance stance towards bribery and corruption, ensuring that we conduct ourselves professionally, fairly and with integrity in all our business dealings and relationships. This policy applies to all individuals associated with Lemon Tree, including directors, employees, officers, contractors, consultants, trainees, seconded staff, casual workers, volunteers, interns, agents, or any other person connected to our organisation.

Web Link: [Anti Bribery and Anti Corruption Policy](#)

5 Number of Directors/KMPs/Employees/Workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

Particulars	FY 2025-26	FY 2024-25
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6 Details of complaints with regard to conflict of interest:

Particulars	FY 2025-26		FY 2024-25	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	-	0	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	-	0	-

7 Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest

N.A.

8 Number of days of accounts payables ((Accounts payable *365)/Cost of goods/services procured) in the following format:

Particulars	FY 2025-26	FY 2024-25
Number of days of account payables	40	43

*calculation includes Trade Payable & Payable to Employees

9 Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	13.08%	15.09%
	b. Number of trading houses where purchases are made from	42	40
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	52.44	43.01
Concentration of Sales*	a. Sales to dealers/distributors as % of total sales (Dealer/Distributors means Travel Agent)	9.42%	6.84%
	b. Number of dealers/distributors to whom sales are made (Dealer/Distributors means Travel Agent)	2025	2434
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors (Dealer/Distributors means Travel Agent)	37.27%	18.73%
Share of RPTs *1	a. Purchases (Purchases with Related Parties/ Total Purchases)	1.67%	2.01%
	b. Sales (Sales to Related Parties/Total Sales)	21.87%	23.24%
	c. Loans & Advances (Loans & Advances given to Related Parties/Total Loans & Advances)	94.38%	93.01%
	d. Investments (Investments in Related Parties/ Total Investments made)	98.95%	99.69%

*Travel Agents (TAs) and Online Travel Agents (OTAs) taken together:

- a. Sales to dealers/distributors as % of total sales- 40.87% (2025-2026), 20.6% (2024-25)
- b. Number of dealers/distributors to whom sales are made- 2044 (2025-2026), 3002 (2024-25)
- c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors – 71.39% (2025-2026), 70.1% (2024-25)

- *1 i) Related Party Transactions are on a standalone basis
- ii) Purchases with Related Parties = Training Fees (13 hotels in LTHL)+ lease rental (1 hotel in LTHL)+ Automation Fees (13 hotels in LTHL) on a standalone basis
- iii) Total Purchases = Total Expenses (including lease rentals)

Leadership Indicators

1 Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
0	N.A.	N.A.

2 Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes

The company receives periodic/ongoing declarations from its Board Members regarding the entities they have an interest in and then ensures requisite approvals (as required under the statute as well as aligned to the company policy). Prior approval of the Audit Committee is mandatory for all transactions with Related Parties and for Material Related Party Transactions Shareholders approval is also taken. In cases where our members of the Board have an interest or a conflict of interest, the concerned director abstains from participating in the discussion during the Board Meeting.



PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe



Essential Indicators

1 Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2025-26	FY 2024-25	Details of improvements in environmental and social impacts
R&D	0%	0%	---
Capex	7.13%	0.68%	Initiatives that have impacted our energy efficiency, emissions and overall building management outcomes include: • Installation of AHU Units for HVAC - 5 • AQI Device - 19 • DG Sets - 6 • Solar Plant - 12

2 Details on Sustainable Sourcing

a. Does the entity have procedures in place for sustainable sourcing?

Yes

b. If yes, what percentage of inputs were sourced sustainably?

We have established a robust procedure for sustainable sourcing. We actively promote our Supplier Code of Conduct and encourage all our suppliers to accept and adhere to its terms and conditions. We place a strong emphasis on suppliers and vendors adopting sound labour practices and treating their workers fairly in accordance with local laws. Currently, we have not calculated the percentage of inputs sourced sustainably, but we remain committed to continually improving our sustainable sourcing efforts.

3 Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for

(a) Plastics (including packaging)	As a hospitality service provider, we do not engage in the manufacturing or selling of products. Nevertheless, we have implemented comprehensive waste management policies and practices for our own operations. For more details, please refer to Principle 6, Essential Indicator, Question 9.
(b) E-waste	
(c) Hazardous waste	
(d) Other waste.	

4 Whether Extended Producer Responsibility (EPR) is applicable to the entity’s activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not Applicable

Leadership Indicators

1 Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
			Not Applicable		

2 If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/ Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same

Name of Product/Service	Description of the risk/concern	Action Taken
	Not Applicable	

3 Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

		Recycled or re-used input material to total material	
Indicate input material		FY 2025-26	FY 2024-25
Recycled paper for straws and visiting cards as a % of total materials used in the hotel (NOT including food and beverages)		1%	1%
Flyash (recycled material) as a % of cement and bricks used in the construction of hotel		0%	0%

4 Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Particulars	FY2025-26			FY2024-25		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	0.0	17.7	104.9	0.00	0	0.26
E-waste	0.0	8.0	42.7	0.00	1.34	30.54
Hazardous waste	0.0	3.4	3.5	0.00	1.27	3.39
Other waste	0.0	92.9	1,631.7	0.00	155.52	111.85

5 Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	Not Applicable

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains



Essential Indicators

1 a. Details of measures for the well-being of employees:

% of employees covered by*											
Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	3,052	3,052	100%	3,052	100%	0	0%	0	0%	3,052	100%
Female	436	436	100%	436	100%	436	100%	0	0%	436	100%
Total	3,488	3,488	100%	3,488	100%	436	13%	0	0%	3,488	100%
Other than Permanent Employees											
Male	237	237	100%	237	100%	0	0%	0	0%	237	100%
Female	52	52	100%	52	100%	52	100%	0	0%	52	100%
Total	289	289	100%	289	100%	52	18%	0	0%	289	100%

*This data does not include apprentices

b. Details of measures for the well-being of workers:

% of workers covered by											
Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Not Applicable											
Other than Permanent Workers											
Not Applicable											

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

Category	FY 2025-26	FY 2024-25
Cost incurred on wellbeing measures as a % of total revenue of the company	0.79%	0.95%

2 Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY2025-26			FY2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	99%	N.A.	Yes	97%	N.A.	Yes
Gratuity	92%	N.A.	Yes	80%	N.A.	Yes
ESI	47%	N.A.	Yes	49%	N.A.	Yes
Others – please specify	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

3 Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

We take pride in designing all our hotels with universal access in mind. Our goal is to create barrier-free environments that cater to guests of all abilities, mobility levels and ages. By providing accessible public bathrooms and restaurants, we ensure that guests with disabilities feel welcome and included in our local community.

For our specially-abled guests, we offer well-designed rooms equipped with various features for their comfort and convenience. Starting from the entrance ramp that provides easy access to the lobby, our hotels are designed to be hassle-free for physically challenged guests. The lobby area seamlessly connects to elevators, specially designed public toilets and the coffee shop.

Our specially-abled rooms are thoughtfully equipped with features such as user-friendly elevators, close proximity to elevators (often on the first floor), wider main doors (1,000 mm) for wheelchair passage, a lower "magic eye" on the main door, lower luggage rack/table (below 450 mm), writing table at least 750 mm in height, bed height at 500 mm, no mini bar adjacent to the bed, key card fixture at a lower height, cordless phone, lower-fixed mirrors, audio-visual fire alarms, and direct emergency call bells at the Front Desk.

In the bathrooms, we ensure wash basins with adjustable heights, WC at 475 mm, shower seats at 475 mm width, knob-type shower mixer handles, hand showers without buckets or spouts, and stainless steel support railings for ease of movement. Additionally, we provide convex mirrors at lower levels and handicapped toilets in public areas with similar facilities.

4 Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes

https://www.lemontreehotels.com/factsheet/Policies/LTH_Human_Rights_Policy_October_2021.pdf

Further Details:

We are deeply committed to promoting diversity and gender equality within our organisation, recognising the value it brings in tapping into often overlooked talent pools. As an equal-opportunity employer, we prioritise building a diverse, safe, and inclusive work environment. Embracing individual differences and empowering every employee to reach their full potential is central to fostering innovation, employee satisfaction, and unique ideas.

Our efforts towards inclusivity are focused on creating a workplace where everyone, regardless of their background, can work collaboratively towards shared goals. We understand that equitable employment generation is essential for driving sustainable socio-economic development in our nation. To promote diversity and inclusion, we actively hire Opportunity Deprived Individuals (ODIs), encompassing Employees with Disability (EwD) and those from Economically and Socially Marginalised backgrounds (EcoSoc).

Employees with Disability (EwD)

We began our journey of hiring employees with special needs in 2007. Over the years, we have been strongly committed towards hiring individuals with special needs and creating an accessible and growth-oriented work environment for them. This includes individuals with:

- Physical disabilities: Speech and Hearing Impaired (SHI), Orthopedically Handicapped (OH), Acid Survivors, Low Vision
- Intellectual and Developmental Disability (IDD): Down Syndrome, Slow Learner, Mild MR, IDD and Autism

Across all our hotels, we have a significant presence of SHIs, followed by OH. Through our strategic partnerships with NGOs that focus on training of individuals with Intellectual and Developmental needs, we plan to continuously enhance and expand our traineeship model.

Economically and Socially Marginalised segment (EcoSoc)

We have focused on hiring people who belong to socially and economically weaker sections of society since 2016. This includes individuals who fall below the poverty line, widowed or destitute women, orphans/abandoned girls, transgender persons and those from select states that rank low on education and employment opportunities. By generating employment for these people, we effectively contribute towards poverty alleviation and social justice.

5 Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	N.A.	N.A.	N.A.	N.A.
Female	20%	50%	N.A.	N.A.
Total	20%	50%	N.A.	N.A.

6 Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No	(If Yes, then give details of the mechanism in brief)
Permanent Workers	N.A.	N.A.
Other than Permanent Worker	N.A.	N.A.
Permanent Employees	Yes	We have implemented a stringent Sexual Harassment Policy, overseen by the Ombudsman, to ensure a safe and respectful workplace for all. Each of our hotels and the Corporate Office has a dedicated POSH committee in place at every location. Additionally, we have well-defined policies for Vigilance/Whistleblower, Prevention of Corrupt Practices and a comprehensive Code of Conduct. Upholding the utmost priority, we maintain anonymity for individuals raising complaints, ensuring their protection and confidentiality throughout the process.
Other than Permanent Employees	Yes	We have an open door policy where employees can discuss issues with any unit or corporate function head. We also conduct regular "Engagement Chat" at hotels so that employees can share their feedback, issues and grievances and ideas for improvement with their General Managers.

7 Membership of employees and worker in association(s) or unions recognised by the listed entity:

Category	FY 2025-26 Current Financial Year			FY 2024-25 Financial Year		
	Total employees/ workers in respective category (A)*	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (A)*	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)
Total Permanent Employees	3,488	108	3.10%	2,952	108	3.66%
Male	3,052	97	3.18%	2,606	93	3.57%
Female	436	11	2.52%	346	12	3.47%
Total Permanent Workers	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Male	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Female	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

* This data does not include apprentices

8 Details of training given to employees and workers:

	FY 2025-26					FY 2024-25				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	3,290	792	24%	5,539	168%	3,214	1,526	47%	6,343	197%
Female	488	179	37%	1,655	339%	463	374	81%	1,466	317%
Total	3,778	971	26%	7,194	190%	3,677	1,900	52%	7,809	212%
Workers										
Male	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Female	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Total	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

9 Details of performance and career development reviews of employees and worker:

	FY 2025-26 Current Financial Year			FY 2024-25 Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees*						
Male	3,290	1,644	50%	3,214	1,688	53%
Female	488	203	42%	463	194	42%
Total	3,778	1,847	49%	3,677	1,882	51%
Workers						
Male	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Female	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Total	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

*This data does not include apprentices

10 Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such system?

Yes

We have an occupational health and management system in place that encompasses all our employees and hotels.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Yes, We have an Incident Tracking System that we use to identify work-related hazards and assess risks on both routine and non-routine bases.

This system is implemented by our entity to ensure the safety and security of our operations and employees

- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

We have an Incident Tracking System in place for our employees and workers to report any work-related hazards promptly. This system enables us to take precautionary actions to avoid potential risks.

- d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes, we provide health/personal accident and life insurance coverage for all our employees. We have established grievance committees, including the Ombudsman, to address any concerns or issues that may arise. We conduct health camps and workshops at the hotel level, creating awareness and supporting our employees’ overall well-being to promote a healthy work-life balance. Our hotel designs also incorporate health and safety measures, benefiting both guests and employees. These measures include fire safety equipment and evacuation procedures, daylighting to enhance natural lighting and sandwich walls to minimise the building’s heat envelope, ensuring a safe and comfortable environment for all.

11 Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees Workers	N.A. ---	N.A. ----
Total recordable work-related injuries	Employees Workers	19 ---	22 ----
No. of fatalities	Employees Workers	1 ---	0 ----
High consequence work-related injury or ill-health (excluding fatalities)	Employees Workers	2 ---	1 ----

12 Describe the measures taken by the entity to ensure a safe and healthy work place.

We have implemented various measures to ensure a safe and healthy workplace. For a detailed insight into our safety practices, please refer to Principle 3, Essential Indicator, Question 10.

13 Number of Complaints on the following made by employees and workers:

FY 2025-26			FY 2024-25		
Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
0	0	--	0	0	----
0	0	--	0	0	----

14 Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and Safety Practices	100%
Working Conditions	100%

15 Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

We ensure that all employees are regularly trained on safety/security protocol across all units

Leadership Indicators

1 Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Employees	Yes
Workers	N.A.

2 Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Lemon Tree makes sure that all the relevant clauses dealing with statutory compliance are validated and honoured by both sides.

3 Provide the number of employees/workers having suffered high consequence work-related injury/ill-health/fatalities (as Data Needed in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ worker		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26 Current Financial Year	FY 2024-25	FY 2025-26 Current Financial Year	FY 2024-25
Employees	3	1	3	1
Workers	----	----	----	----

4 Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?

Yes. We re-employ recommended employees who have superannuated and who wish to continue working with us on a merit basis.

5 Details on assessment of value chain partners

	% of value chain partners (by value of business done with such partners) that were assessed
Health and Safety Practices	None
Working Conditions	None

6 Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

N.A.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders



Essential Indicators

1 Describe the processes for identifying key stakeholder groups of the entity.

Engaging with our stakeholders is vital as it enables us to comprehend and align with their expectations, ultimately leading to better satisfaction. Their diverse needs serve as valuable inputs that shape our goals and strategic decisions. We have identified twelve (12) distinct stakeholder groups, and we maintain clear commitments to each of them, ensuring we address their specific requirements effectively.

Stakeholder Category	Why we need to engage	How we engage
Employees	Our employees create guest experiences and ensure that their expectations are met and even exceeded. We rely on the service delivery of our employees to enhance our brand image through exceptional service.	We regularly engage with our employees through internal town halls and other mechanisms. Frequent team-building exercises foster harmony and bring synergy to our team. We also rely on forums including new employee “fresh-eyes” discussions and weekly engagement chats between hotel managers and employees on a one-on-one basis to assess their needs.
Customers	Our customers are key stakeholders who experience our service delivery. Our revenues are directly linked with the trust and relationships that we nurture with our customers. Their feedback is critical to our financial success. Our brand standards too evolve based on this ongoing feedback.	We invite direct feedback from our customers prior to departure from our hotels. We also track their comments on our services after they have left our premises i.e. through Online Relationship Management (ORM) platforms. We monitor our social media engagement to understand the live feedback of our customers. We update our customers about hotel launches, new services, and/or periodic offers, through our loyalty program (Lemon Tree Smiles) via emailers, newsletters, etc.
Regulatory Bodies and Government	Ongoing engagement with regulatory bodies and the federal/state/local governments. We seek their support in complying with applicable laws and regulations.	They issue operating licenses and permits, which are critical for us to conduct our business.
Investors and Shareholders	Our investors and shareholders are interested in the success and sustainability of our business. They have provided the foundation, by providing capital, for our business to grow. The motivation to meet/exceed the expectations of our investors inspires us to continuously improve and, in that process, also deliver better value to other stakeholders.	Our quarterly presentations and annual meetings serve as an opportunity to engage with investors and shareholders regarding our performance and get their feedback. We also invite their feedback on our annual disclosures.

Stakeholder Category	Why we need to engage	How we engage
Owners and Partners	Owners/partners who own managed hotels (run by Lemon Tree Hotels) are also responsible for maintaining our brand standards. This asset-light growth model is critical to our business success as it ensures quick geographic spread and penetration, and offers our customers a wide choice across the country.	Our business development team and marketing team engages with owners and partners to ensure they have the necessary tools and support to uphold and enhance our brand’s reputation. We also have regular discussions through bilateral meetings with owners and partners.
Suppliers and Vendors	Engaging regularly with our suppliers and vendors is critical for our business, to ensure that the products and services they deliver to us meet our brand standards.	We engage with them frequently through informal interactions and periodical reviews. We discuss product quality, product specifications, timely supply, pricing and payment terms along with ethical and responsible sourcing.
Contractors	We are also supported by an outsourced workforce in providing quality services to our customers. This makes it critical for us to engage with our contractors who ensure the availability of trained staff who can deliver on our standards.	We engage with them frequently through informal interactions, meetings and periodical reviews to discuss matters pertaining to the well-being and engagement levels of our outsourced workforce.
Online Travel Agencies/Portals	Online Travel Agencies support us in customer acquisition along with providing us insights into customer behavior and decision-making criteria. Reviewing customer feedback on their platforms is an important aspect of our business.	We maintain an open dialogue and conduct frequent meetings to stay connected with them.
NGOs	NGOs help us deliver on our commitment to being an equal opportunity employer by supporting us in selecting and training candidates with disability and candidates from economically/socially marginalised backgrounds (together called Opportunity Deprived Individuals (ODIs)). Moving forward, they will play a pivotal role in supporting the design and implementation of our CSR initiatives.	Our annual reports help our NGO partners assess our priorities and we engage with them regarding further opportunities for collaboration through regular meetings and specific engagement events.

Stakeholder Category	Why we need to engage	How we engage
Local Communities	We engage with local communities to understand their needs which helps us deliver greater impact through curated social welfare programs.	We engage with them through our NGO partners and/or local hotel teams.
Industry Associations	Industry associations serve as a platform for us to understand business trends and opportunities and collaborate with our peers in the travel and tourism industry.	We engage in multilateral meetings and events through industry associations and utilise these platforms to communicate our initiatives and learn about the initiatives of others.
Media	We leverage our relationship with media for brand building, engagement with local communities on different initiatives as well as release press notes on hotel launches, special promotions and offers.	We engage with media agencies and personnel regularly through press releases, press notes and briefings. The intent is to publicise our new hotel openings and initiatives. We curate news briefs exclusively for our media partners to keep them apprised of relevant updates about our operations.

2 List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/Half yearly/Quarterly/others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	Yes, employees who are Opportunity Deprived Individuals (including Employees with Disability and Employees from Economically/ Socially Marginalised segments	• Town halls meetings • Team-building exercises • Fresh-eyes discussion • Weekly engagement chats	• Weekly • Monthly • Quarterly • Annually	• Health, Safety and Well-Being • Talent Management and Retention • Diversity and Inclusion • Ethics and Transparency • Energy Management • Water Management • Waste Management • Climate Change



Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/Half yearly/Quarterly/others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	- Direct feedback from our customers, hi@lemontreehotels.com - Online Relationship Management (ORM) platforms including Tripadvisor, makemytrip.com, booking.com - Social media engagement - E-mailers and newsletters	- Daily - Need based	- Health, Safety and Well-Being - Data Privacy - Diversity and Inclusion - Ethics and Transparency - Climate Change
Regulatory Bodies and Government	No	- One-on-one meetings - Government portals and emails	Quarterly	Regulatory compliance
Investors and Shareholders	No	- Quarterly presentations - Annual meetings - Feedback on annual disclosures	- Quarterly - Need based	- Economic Performance - Diversity and Inclusion - Energy Management - Water Management - Waste Management - Climate Change - Customer Satisfaction - Ethics and Transparency

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/Half yearly/Quarterly/others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Owners and Partners	No	- Regular engagement - Bilateral meetings	- Need based - Quarterly - Annually	- Economic Performance - Regulatory Compliance - Ethics and Transparency - Diversity and Inclusion - Energy Management - Water Management - Biodiversity Protection - Waste Management - Climate Change
Suppliers and Vendors	No	- Informal interactions - Periodic reviews - Annual supplier audits	- Annually - Need based	- Sustainable Supply Chain - Commitment to Human Rights - Customer Satisfaction
Contractors	No	- Informal interactions - Periodic reviews - Annual supplier audits	- Annually - Need based	- Sustainable Supply Chain - Commitment to Human Rights - Customer Satisfaction
Online Travel Agencies/Portals	No	- Online access to feedback from travellers/guests - One-on-one meetings with the management of OTA	- Daily - Need based	- Customer Satisfaction - Ethics and Transparency
NGOs	Yes	- Regular meetings - Specific engagement events - Annual reports	- Annually - Need based	- Diversity and Inclusion - Local Community Development - Climate Change

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other)	Frequency of engagement (Annually/Half yearly/Quarterly/others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Local Communities	Yes, some sections	Engagement through NGO partners	- Quarterly - Annually	- Diversity and Inclusion - Skilling/ Training (Talent Management) - Local Community Development - Climate Change
Industry Associations	No	Multilateral meetings	- Annually - Need based	- Ethics and Transparency - Regulatory Compliance - Energy Management - Water Management - Diversity and Inclusion - Skilling/ Training (Talent Management)
Media	No	- Press releases - Press notes and briefings	- Quarterly - Annually - Need based	- Footprint Growth - Customer Satisfaction - Regulatory Compliance - Energy Management - Water Management - Diversity and Inclusion

Leadership Indicators

1 Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

We have set up various committees on economic and ESG governance and performance monitoring. These committees are Finance Committee, Nomination and Remuneration Committee, Share Allotment Committee, Audit Committee, Stakeholders’ Relationship Committee, Corporate Social Responsibility Committee, Sustainability Committee, Reorganisation Committee, General Management Committee and Risk Management Committee. These committees are constituted by the Board and are respectively chaired by an Independent Director. As per their respective terms of reference, the various Committees (statutory as well as internal) meet periodically to review the performance of the Company across various areas. A quarterly performance update and review is conducted by each committee (on the respective area) and consolidated reports/follow throughs are presented to the Board in the quarterly meeting. Also, the Company conducts the stakeholder engagement exercise on ESG topics from time to time.

2 Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

The outcomes of the materiality assessment/stakeholder engagement exercise help the company identify material topics in the area of sustainability/ESG. Based on key material topics, the company’s policy setting and strategic approach are developed and implemented. Where required, goals are defined along with monitoring mechanisms and responsibility (for results) is assigned to members of the leadership team. As illustrations:

- Energy Management:** We endeavour to monitor and reduce our energy consumption on an ongoing basis. We have implemented several initiatives including the use of renewable energy (RE) as well as adopting energy efficient systems across operations
- Water Management:** We acknowledge the need to ensure the most efficient use of water. We have implemented several initiatives to reduce our overall water consumption as well as adopt systems to effectively manage our water footprint
- Customer Satisfaction:** Our customer-centric approach enables us to provide curated and customised experiences to our guests and cater to their requirements. We regularly conduct satisfaction surveys to obtain feedback on our services
- Ethics and Transparency:** We ensure that we conduct our business in an ethical and transparent manner. This includes following a code of conduct as well as ensuring that we are guided by our Anti-Bribery and Anti-Corruption Policy, Whistleblower Policy and Vigil Mechanism

3 Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

Vulnerable Group	Concerns	Action Taken
ODI Employees	- Integration in the team - Training in a manner that they can understand/ receive the training content - Supervision and guidance in the early stages	- All our hotel teams are regularly sensitised about disability and inclusion/diversity. All employees learn Indian Sign Language at Lemon Tree and their knowledge of the language is tested as well - Training for Employees With Disability (EWD) is conducted in a manner that is suitable for that disability i.e. deaf colleagues are trained in an integrated session where there is a ‘speaking’ trainer and an ISL interpreter who translates alongside; low vision colleagues are given content that is inclusive and accessible; employees with intellectual/developmental disability or autism are not taught in a classroom and are trained through a 6 month+ internship - All supervisors and managers are trained to guide new EWD team members and to be patient with them for the first 6 months+ on the job

Vulnerable Group	Concerns	Action Taken
NGOs (in the disability sector)	- Absence of an inclusive culture in society and the corporate sector - Companies who are willing to hire Persons With Disability (PWD) - Possibility of sustainable employment solutions	- Our hotels share extensive best practices with other companies in hospitality, restaurants, airlines, retail, BFSI, manufacturing, IT/ITES and more. These sessions take place in-person and virtually within India and abroad (in-person in the UK (Glasgow), Singapore and Switzerland and virtual in the UK, Japan, Europe, Israel and more). - We are an active employer of PWD and act as a strategic partner to NGOs working in the disability space. This is done across its 131 hotels in India located in 83 destinations. The inclusion initiative was started in 2007 and has continued through these 19 years (despite the pandemic) making it a highly sustainable endeavour.
Communities (segment of PWD)	- Absence of an inclusive culture in society and the corporate sector - Skilling and training to make PWD candidates employable - Companies who are willing to hire Persons With Disability (PWD)	Similar to the above plus - The Chairman & Executive Director of Lemon Tree was the founding Chairperson of Skill Council for Persons with Disability (SCPWD) and served 2 terms over 5 years. SCPWD is a part of the National Skill Development Council (NSDC) and focussed on making training inclusive and implementable for PWD with different types of disability including deaf, visually impaired, orthopaedically handicapped, down syndrome, autism, etc. - Lemon Tree has engaged regularly with the Ministry of Social Justice (MSJE) with the Department of PWD (DePWD) w.r.t. skilling methodology, making companies inclusive and more.

PRINCIPLE 5 Businesses should respect and promote human rights



Essential Indicators

1 Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	3,488	855	25%	2,952	1,613	55%
Other than Permanent	289	116	40%	725	287	40%
Total Employees	3,777	971	26%	3,677	1,900	52%
Workers						
Permanent	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Other than Permanent	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Total Workers	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

2 Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
	Employees*									
	Permanent									
Male	3,052	272	9%	2,780	91%	2,606	880	34%	1,726	66%
Female	436	65	15%	371	85%	346	147	42%	199	58%
	Other than Permanent									
Male	237	71	30%	166	70%	608	533	88%	75	12%
Female	52	23	44%	29	56%	117	96	82%	21	18%
	Workers									
	Permanent									
Male	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Female	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	Other than Permanent									
Male	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Female	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

*This data does not include apprentices

3 Details of remuneration/salary/wages, in the following format:

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors (BoD)*	9	19,58,000	1	18,42,000
Key Managerial Personnel (KMP)**	3	1,68,83,983	0	-
Employees other than BoD and KMP	3,285	2,91,132	488	2,79,510
Workers	N.A.	N.A.	N.A.	N.A.

*The remuneration data includes salary, sitting fees and commission.

**MD and Executive Director & CFO are considered under both BoD and KMP.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Category	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	11.89%	12.46%

4 Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. The implementation of our Human Rights policy is jointly handled by Corporate HR and the ESG Task Force. This is done through all initiatives around recruitment, training, sensitisation and diversity/inclusion.

5 Describe the internal mechanisms in place to redress grievances related to human rights issues.

All grievances are addressed as and when received by the respective Hotel General Managers/Executive Assistant Managers/Assistant Hotel Managers/Department Heads in coordination with HR and the Corporate Office team (HR, ESG, and relevant Corporate Function Head). All the grievances received are duly investigated and appropriate actions are taken to resolve the matter. Whenever required, disciplinary action is taken to ensure such inappropriate behaviour is not repeated by any employee. For example:

- Our Code of Conduct known as the 'LTH Code', acts as an important guiding force for ensuring that we all work collectively to function as a responsible and ethical organisation. Acting with integrity is key to our organisational growth as well as our future prospects. This code, applicable to all employees of the company, including members of the Board and Senior Management, outlines our commitment to upholding the core values of Lemon Tree including acting with integrity and transparency within the organisation. The Code is supported by a policy on the Prevention of Sexual Harassment (POSH) at the workplace. Any POSH-related complaints are handled by the Internal Complaints Committee.
- Our Whistleblower Policy encourages our employees and others to report violations or suspected violations of the LTH Code and/or any instances of misconduct. This policy provides a robust mechanism for investigating and resolving whistleblower complaints in a time-bound manner while ensuring that our employees are able to raise their concerns without any fear of victimisation and discrimination. We have an open-door policy in order to enable our employees to share their grievances with any member of the management team, apart from their direct supervisor.

6 Number of Complaints on the following made by employees and workers:

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	No case filed	0	0	No case filed
Discrimination at workplace	0	0	No case filed	0	0	No case filed
Child Labour	0	0	No case filed	0	0	No case filed
Forced Labour/ Involuntary Labour	0	0	No case filed	0	0	No case filed
Wages	0	0	No case filed	0	0	No case filed
Other human rights related issues	0	0	No case filed	0	0	No case filed

7 Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Category	FY 2025-26	FY 2024-25
Total Complaints Data Needed under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees/workers	0%	0%
Complaints on POSH upheld	0	0

8 Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

We have a stringent Sexual Harassment Policy in place, managed by the Ombudsman. Each of our hotels and the Corporate Office has a dedicated POSH committee. Additionally, we have policies for Vigilance/Whistleblower, Prevention of Corrupt Practices and a comprehensive Code of Conduct. Ensuring a safe and transparent environment, we prioritise all complaints and maintain complete anonymity for the individuals who raise them.

9 Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. Lemon Tree believes in the principles of the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights and the International Labor Organisation (ILO) Core Conventions on Labor Standards, all of which include human rights clauses. These clauses are part of the agreements/contracts with suppliers, partners, and NGOs. They are now being extended across the supply chain in the form of the Supplier Code of Conduct.

10 Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	0%
Forced/involuntary labour	0%
Sexual harassment	0%
Discrimination at workplace	0%
Wages	0%
Others – please specify	0%

11 Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 10 above.

Not applicable since we have no reported cases.

Leadership Indicators

1 Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

No complaints were received for FY26 for Human Rights violations. Therefore, there were no modifications or introductions made to our business practices as a result of addressing human rights grievances or complaints. Our Human Rights policy is accessible on our brand website.

2 Details of the scope and coverage of any Human rights due-diligence conducted.

We adhere to the principles of the United Nations Global Compact (UNGC), which includes Human Rights clauses. These clauses are an integral part of our Company’s contracts, such as the Supplier/Vendor Code of Conduct. We foster a culture of caring and trust, which is deeply embedded in our policies, including the Environment, Health & Safety Policy, Whistle-Blower policy and Code of Conduct (in the GSRR). We have established a comprehensive Code of Conduct applicable to both senior management and employees, with the objective of promoting ethical business conduct and instilling a strong sense of ownership within our team.

3 Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

All Lemon Tree hotels are designed for universal access. Our approach is centred around creating barrier free environments that cater to guests of all abilities, mobility levels and ages. By ensuring accessibility in our public bathrooms and restaurants, we warmly welcome guests with disabilities into our local community. Moreover, our in-house specially-abled guests also enjoy the convenience and comfort of well-designed rooms tailored to their needs. For the majority of our hotels, the guest experience begins with a ramp at the entrance, providing easy access to the lobby and reception. The lobby area seamlessly connects to elevators, a specially designed public toilet for physically challenged guests and the coffee shop. We prioritise accessibility to ensure a hassle-free and enjoyable stay for all our valued guests.

4 Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Child labour	0
Forced/involuntary labour	0
Sexual harassment	0
Discrimination at workplace	0
Wages	0
Others – please specify	0

5 Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 4 above.

N.A.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment



Essential Indicators

1 Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2025-26	FY 2024-25
From renewable sources		
Total electricity consumption (A) in GJ	85,336.89	36,258.06
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	85,336.89	36,258.06
From non-renewable sources		
Total electricity consumption (D) in GJ	1,31,363.00	1,77,175.24
Total fuel consumption (E) in GJ	94,217.49	80,331.90
Energy consumption through other sources (F) in GJ	0.00	0.00
Total energy consumed from non-renewable sources (D+E+F) in GJ	2,25,580.49	2,57,507.14
Total energy consumed (A+B+C+D+E+F) in GJ	3,10,917.3796	2,93,765.2094
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations including Other income) GJ/INR *1	0.000021	0.000023
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations including Other income adjusted for PPP) GJ/INR	0.000021	0.000023
Energy intensity in terms of physical output GJ/Total Rooms Sold	0.1402	0.1417
Energy intensity (optional) – GJ/M2	0.4950	0.4875
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency	Yes, the BRSR data is assured by JDP & Associates.	Yes, the BRSR data is assured as part of the Integrated Annual Report by M/s Felix Advisory Pvt. Ltd.

*1 In the FY25 BRSR, we provided this no. in KWH/INR (0.006350). In the FY26 BRSR, we are amending the FY25 no. to GJ/INR (0.000023)

2 Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any

No

3 Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	2,66,544	2,80,936
(iii) Third party water	6,51,549	5,96,913
(iv) Seawater/desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	9,18,092	8,77,849
Total volume of water consumption (in kilolitres)	9,18,092	8,77,849
Water intensity per rupee of turnover (Water consumed/Revenue from operations including Other income) KL/INR	0.000063201	0.000068258
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/Revenue from operations including Other income adjusted for PPP) KL/INR	0.000063201	0.000068258
Water intensity in terms of physical output KL/Total Rooms Sold	0.59	0.58
Water intensity (optional) – the relevant metric may be selected by the entity KL/M2	2.10	2.01
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency	Yes, the BRSR data is assured by JDP & Associates.	Yes, the BRSR data is assured as part of the Integrated Annual Report by M/s Felix Advisory Pvt. Ltd.

4 Provide the following details related to water discharged:

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iii) To Seawater		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties		
No treatment	0	0
With treatment – please specify level of treatment	0	85,440
(v) Others		
No treatment	0	0
With treatment – please specify level of treatment	3,09,586	0
Total water discharged (in kilolitres)	3,09,586	85,440
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency	Yes, the BRSR data is assured by JDP & Associates.	Yes, the BRSR data is assured as part of the Integrated Annual Report by M/s Felix Advisory Pvt. Ltd.

5 Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes or No.

No

6 Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2025-26	FY 2024-25
NOx	Units	Currently, we do not have a monitoring system in place to track air pollutants other than greenhouse gases (GHGs). However, we are planning to implement one in the coming years.	
SOx	Units		
Particulate matter (PM)	Units		
Persistent organic pollutants (POP)	Units		
Volatile organic compounds (VOC)	Units		
Hazardous air pollutants (HAP)	Units		
Others – please specify	Units		
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.			

7 Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Please specify unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	8,582.68	9,485.86
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)		25,596.21	34,744.00
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations including Other income) TCO ₂ /INR	Units	0.0000023528	0.0000034391
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations including Other income adjusted for PPP) TCO ₂ /INR	Units	0.0000023528	0.0000034391
Total Scope 1 and Scope 2 emission intensity in terms of physical output TCO ₂ /Total room sold	Units	0.02	0.03
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity TCO/M2	Units	0.08	0.10
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		Yes, the BRSR data is assured by JDP & Associates.	Yes, the BRSR data is assured as part of the Integrated Annual Report by M/s Felix Advisory Pvt. Ltd.

8 Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes. We are measuring and monitoring our carbon emissions – Scope 1 and Scope 2, from energy consumption at our hotels and have explored ways to reduce our GHG impact through the following measures:

- Increasing share of renewable energy
- Use of energy efficient equipment
- Action plan to use EV vehicles in hotels
- Use of cleaner fuels (LPG, CNG)
- Phasing out of equipment using Chlorofluorocarbons (CFCs) from our operations
- Planting trees in the neighborhood or on our premises across India
- Using low GHG emission refrigerant-based HVAC equipment: Replacing old AC units with new ones that use low Global Warming Potential (GWP) and Ozone Depletion Potential (ODP) refrigerants like R32 or R410 can significantly reduce environmental impact.
- RECD (Retro Emission Control Device): The primary purpose of RECDs is to enhance air quality by controlling the emission of hydrocarbons and carbon monoxide from diesel generators. RECDs are installed on generators and can control and reduce harmful emissions. The device, essentially a stainless steel box, is mounted on the generator’s exhaust system. It operates on filter-less technology and captures and reduces specific particles from emissions. It captures carbon matter with an efficiency of more than 90%, significantly reducing the environmental impact of these generators.
- DF Kit (Dual Fuel Kit): Dual Fuel kits are designed to enhance the efficiency and versatility of diesel generators. They allow a diesel generator to run on a combination of two fuels, typically diesel and a gaseous fuel like natural gas or propane. They serve two purposed (1) reduce operating costs (gaseous fuels cost less than diesel). (2) reduces the environmental impact/emits fewer pollutants.
- Exploring the possibility of going for carbon offsets to further mitigate the adverse effects of emissions from our operations.
- Bottling plant installed for drinking water to remove single-use plastic packaged water
- 10-11% reduction in expenditure on packaged water
- Reduction of plastic footprint
- The process incorporates all required cleaning, sanitizing, filling and packaging (date sticker) SOPs
- We have used new technology called CDI (Capacitive De-Ionization) which saves energy and water both. Capacitive De-Ionization (CDI) technology based water purifier and softener has high water recovery of up to 90%, TDS reduction of up to 90% and low electricity consumption of only 30% as compared to existing Reverse Osmosis (RO) technology.

Biogas Plant (Aurika, Mumbai Skycity) - Biogas plants simultaneously take care of waste management and act as a source of energy. It uses anaerobic digestion, a process where organic waste is broken down by bacteria in the absence of oxygen, thereby producing biogas. Benefits include: renewable energy source (zero emissions), reduce waste disposal costs, contribution to the circular economy.

9 Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	122.54	0.26
E-waste (B)	47.42	31.88
Bio-medical waste (C)	0.12	1.60
Construction and demolition waste (D)	0.00	64.99
Battery waste (E)	3.23	8.46
Radioactive waste (F)	0.00	0.00

Parameter	FY 2025-26	FY 2024-25
Other Hazardous waste. Please specify, if any. (G)	6.79	22.28
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	1,724.57	267.38
Total (A + B + C + D + E + F + G + H)	1,904.66	396.86
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations including Other income) MT/INR	0.00000013112	0.00000003086
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/Revenue from operations including Other income adjusted for PPP) MT/INR	0.00000013112	0.00000003086
Waste intensity in terms of physical output MT/Total Rooms Sold	0.0012325	0.0002635
Waste intensity (optional) – the relevant metric may be selected by the entity MT/M2	0.0043505	0.0009065
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	121.91	----
(ii) Re-used	0.00	----
(iii) Other recovery operations	----	----
Total	121.91	----
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	----	----
(ii) Landfilling	----	----
(iii) Other disposal operations	----	----
Total	----	----
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	Yes, the BRSR data is assured by JDP & Associates.	Yes, the BRSR data is assured as part of the Integrated Annual Report by M/s Felix Advisory Pvt. Ltd.

10 Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Through our Waste Management policy, we intend to achieve the following objectives:

- Deploy best-in-class practices for waste reduction, segregation and management of waste
- Identify, classify and measure the amount of waste generated throughout the LTH portfolio of owned and managed hotels
- Reduce, reuse and recycle various types of waste produced throughout the hotel premises across various areas of operations, guestrooms, restaurants, public areas and back-of-the-house operations
- Ensure all existing and new hotels are compliant with the environmental laws as outlined by the Ministry of Environment, Forest and Climate Change (MOEF&CC)
- Through training and support, ensure that all employees are aware of their responsibilities as per company ESG policy, Waste Management policy and local laws (where applicable)
- Achieve an optimal waste reduction and diversion rate to measure the performance of our waste management processes

Hazardous waste:

- Used lube oil from DG sets/blowers, etc. – Engineering department
- Used edible oils from kitchens – F&B Production department

11 If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

S. No	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
1	Bandhavgarh, Madhya Pradesh	Hotel	Yes, Forest NOC
2	Kochi, Kerala	Hotel	Yes, Coastal Regulation Zone
3	Muhhamma (Alleppey) Kerala	Hotel	Yes, Coastal Regulation Zone
4	Candolim, Goa	Hotel	Yes, Coastal Regulation Zone

12 Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
N.A., as no Environmental Impact Assessment was undertaken during the reporting period.				

13 Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes

Leadership Indicators

1 Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility/plant located in areas of water stress, provide the following information:

(i) Name of the area

Gurugram, Goa, Indore, Kaushambi/Ghaziabad, Aurangabad, Muhamma (Kerala), Ahmedabad, Chennai, Bengaluru, Jaipur, Delhi, Hyderabad, Chandigarh, Bandhavgarh, Dehradun, Pune, Mumbai, Kolkata, Udaipur, Thiruvananthapuram, Kochi, Ludhiana, Vishakhapatnam

(ii) Nature of operations

Hotel/Service Industry

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	2,66,544	2,80,936
(iii) Third party water	6,51,549	5,96,913
(iv) Seawater/desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	9,18,092	8,77,849
Total volume of water consumption (in kilolitres)	9,18,092	8,77,849
Water intensity per rupee of turnover (Water consumed/turnover including Other income) KL/INR	0.0000632	0.0000683
Water intensity (optional) – the relevant metric may be selected by the entity KL/M2	2.097	2.005

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(ii) To Groundwater		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iii) To Seawater		
No treatment	0	0
With treatment – please specify level of treatment	0	0
(iv) Sent to third-parties		
No treatment	0	0
With treatment – please specify level of treatment	0	85,440
(v) Others		
No treatment	0	0
With treatment – please specify level of treatment	3,09,586	0
Total water discharged (in kilolitres)	3,09,586	85,440
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency	Yes, the BRSR data is assured by JDP & Associates.	Yes, the BRSR data is assured as part of the Integrated Annual Report by M/s Felix Advisory Pvt. Ltd.

2 Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	N.A.	N.A.
Total Scope 3 emissions per rupee of turnover	Units	N.A.	N.A.
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	Units	N.A.	N.A.
Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency		N.A.	N.A.

3 With respect to the ecologically sensitive areas Data Needed at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Lemon Tree’s property in Bandhavgarh is located near a forest and the properties in Kochi, Muhamma/Alleppey and Candolim, Goa are located in coastal regulation zones.

We recognise the impact of the development and operations of our hotels and accept our responsibility towards the surrounding environment, natural resources and biodiversity of the locations where we have our properties. We try to ensure that none of our operations lie within the boundaries of designated protected areas, such as national parks and wildlife reserves. Further, we shall strive to integrate our commitment to conserving biodiversity and habitat into our development/acquisitions and operations strategy.

For example at Bandhavgarh, some of the measures taken by us to minimise our environmental footprint include:

- **Waste Management:** We have discontinued the use of packaged drinking water, plastic cutlery, miniature toiletries and single-use plastic. We have also selected a local partner to process and manage our kitchen waste and the compost generated through this is used in and around the reserve.
- **Water Management:** The water we use at the resort is treated at the Sewage Treatment Plant and reused to maintain the gardens at our hotel while ensuring no harmful water discharge in and around the resort.
- **Supporting Local Flora and Fauna:** We recognise our role in supporting the local forest division in managing forest fires near the resort. Furthermore, we regularly plant trees within our premises to maintain the greenery of the surrounding areas.

These initiatives have helped us in ensuring that our operations are not in conflict with nature.

4 **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	LED Bulbs	Energy-efficient, long-lasting, eco-friendly lighting solution with versatile applications	80% Energy savings on lighting load, cost reduction, environmental benefits, improved lighting quality
2	Dual Flush	Water conservation, reduced utility bills, sustainable bathroom solution, environmental impact.	Reduced water usage by using 60% less water per flush, lower utility bills, environmental sustainability
3	VFD	Energy efficiency, precise motor control, cost savings, reduced environmental impact	10% Energy savings in the equipment VFD is installed, reduced electricity costs, improved process control, enhanced efficiency
4	Water Fixtures	Water Conservation, reduced water usage, cost savings, sustainable water management	Water outlets can be customised without diminishing guest experience, lower water bills, reduced strain on water resources
5	Bottling Plant	Sustainable packaging, controlled production, job creation, efficiency, Efficient production, safe distribution of bottled beverages	Ensuring water quality, Reduction in drinking water cost per litre, Reduced plastic waste, improved packaging, efficient production, economic opportunities
6	Heat Pump	Energy-efficient heating and cooling, reduced utility costs, environmental sustainability	Low payback period, Lower energy consumption, reduced carbon emissions, cost savings, enhanced comfort, By product is cool air which can be used at designated areas.
7	Solar Thermal	Renewable energy, reduced carbon footprint, cost savings, sustainable heating solution	Enhanced performance of Hot Water Generator, Clean energy, reduced reliance on fossil fuels, cost savings, environmental sustainability

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
8	RE On-site	Energy independence, sustainability, cost savings, reduced carbon footprint, environmental stewardship.	Clean energy, reduced reliance on fossil fuels, cost savings, environmental sustainability
9	RE Off-site	Expanded renewable energy access, reduced grid dependency, carbon reduction, sustainability, supporting remote communities, environmental stewardship, innovation	Increased renewable energy generation, reduced carbon emissions, enhanced grid resilience, sustainable development
10	STP	Protects water resources, prevents pollution, ensures public health, promotes environmental sustainability, wastewater management, community well-being.	Saves domestic water usage by using the treated water for secondary systems and applications viz.gardening/flushing. Cleaner water bodies, reduced pollution, improved public health, environmental protection
11	RECD (Retro Emission Control Device)	The primary purpose of RECDs is to enhance air quality by controlling the emission of hydrocarbons and carbon monoxide from diesel generators. RECDs are installed on generators and can control and reduce harmful emissions. The device, essentially a stainless steel box, is mounted on the generator’s exhaust system. It operates on filter-less technology and captures and reduces specific particles from emissions. It captures carbon matter with an efficiency of more than 90%, significantly reducing the environmental impact of these generators.	
12	DF Kit (Dual Fuel Kit)	Dual Fuel kits are designed to enhance the efficiency and versatility of diesel generators. They allow a diesel generator to run on a combination of two fuels, typically diesel and a gaseous fuel like natural gas or propane. They serve two purposes (1) reduce operating costs (gaseous fuels cost less than diesel). (2) reduces the environmental impact/emits fewer pollutants.	
13	Biogas Plant	Biogas plants simultaneously take care of waste management and act as a source of energy. It uses anaerobic digestion, a process where organic waste is broken down by bacteria in the absence of oxygen, thereby producing biogas. Benefits include: renewable energy source (zero emissions), reduce waste disposal costs, contribution to the circular economy.	

S. Initiative No undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
14 Bottling Plant	Lemon Tree installs water bottling plant (for drinking water) to remove single-use plastic packaged water and reduce our plastic footprint. We also see a benefit of 10-11% reduction in expenditure on packaged water. The plant's SOPs incorporate all required cleaning, sanitizing, filling and packaging (date stickers used). At Aurika, Mumbai Skycity, we have used a new technology called CDI (Capacitive De-Ionization) which saves energy and water both. The CDI based water purification process has a high water recovery of up to 90%, as well as a TDS reduction of up to 90% and low electricity consumption of only 30% as compared to the current Reverse Osmosis (RO) technology.	
5	Does the entity have a business continuity and disaster management plan? Give details in 100 words/web link. Lemon Tree Hotels maintains a comprehensive business continuity and disaster management plan to ensure the safety and well-being of our guests and staff in unforeseen circumstances. Our plan encompasses protocols for natural disasters, emergencies and other disruptions to operations. It includes measures for guest evacuation, staff training, communication channels and backup systems for essential services like power and water supply. Regular drills and updates are conducted to ensure readiness. https://www.lemontreehotels.com/factsheet/Policies/Risk_Management_Policy.pdf	
6	Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard. No significant adverse impact has been reported by any value chain partner.	
7	Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts. 0% of Value chain partners were assessed for environmental impacts	
8.	How many Green Credits have been generated or procured a. By the listed entity: During the reporting year there were no green credits generated or procured by LTHL. b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners: During the reporting year there were no green credits generated or procured by the top 10 value chain partners of LTHL.	

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent



Essential Indicators

- 1
- a.

Number of affiliations with trade and industry chambers/associations

6
- b.

List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.

S. No	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	Federation of Hotel & Restaurant Associations of India (FHRAI)	National
3	Hotel Association of India (HAI)	National
4	Hotel and Restaurant Association of Northern India (HRANI)	State
5	Hotel and Restaurant Association of Western India (HRAWI)	State
6	South India Hotels and Restaurants Association (SIHRA)	State

- 2
- Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

N.A. as there were no instances of non-compliance reported during FY26

Leadership Indicators

- 1
- Details of public policy positions advocated by the entity:

S. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/ Others – please specify)	Web Link, if available
	Given our expertise in hospitality, inclusion/diversity and sustainability/ESG, we regularly engage with various stakeholders, including government and regulators, associations and industry chambers. We actively provide our inputs on various areas, such as hotel construction and design, hotel services, inclusion/diversity, skilling of individuals with special needs, renewable energy and more. Over the last two decades, our leadership team has played a pivotal role in shaping public policy and has been invited to participate in numerous committees and task forces. We are committed to contributing to this process responsibly and ethically, ensuring a positive and meaningful impact.				

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development



Essential Indicators

1 Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year 2025-26

Name and brief details of project	SIA Notification No	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link	Relevant Web link
N.A.						

2 Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in ₹)
Not applicable. No rehabilitation and resettlement were undertaken by the company.					

3 Describe the mechanisms to receive and redress grievances of the community.

At our Company’s hotel construction sites, we collect public complaints through mail/email. The projects team handles these complaints or grievances, with assistance from the Corporate Office when necessary. Additionally, any community member can send their complaint to hi@lemontreehotels.com and we direct the matter to the appropriate Corporate Function Head for investigation and resolution.

4 Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/small producers	69.84%	57.71%
Sourced directly from within the district and neighbouring districts	86.92%	81.58%

5 Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost

Location	FY 2025-26	FY 2024-25
Rural	0.33%	0.33%
Semi-urban	N.A.	N.A.
Urban	15.49%	16.19%
Metropolitan	84.18%	83.48%

(Place to be categorized as per RBI Classification System - rural/semi-urban/urban/metropolitan)

Leadership Indicators

1 Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
N.A.	

2 Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No	State	Aspirational District	Amount spent (in ₹)
This information is not currently available			

3 a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups? (Yes/No)

No

(b) From which marginalized/vulnerable groups do you procure?

No

(c) What percentage of total procurement (by value) does it constitute?

N.A.

4 Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
1	Aurika Hotels and Resorts	No	No	-
2	Lemon Tree Premier	Yes, owned	Yes	0.25% - 1.50% of Gross Revenue
3	Lemon Tree Hotels	Yes, owned	Yes	0.25%- 0.50% of Gross Revenue
4	Red Fox by Lemon Tree Hotels	No	No	-
5	Keys by Lemon Tree Hotels (Prima, Select, Lite)	Yes, Acquired	Yes	0.25% - 2.50% of Gross Revenue

5 Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
N.A.	N.A.	N.A.

6 Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1	Action For Autism (skilling of PWD)	26	100%
2	Action for Ability Development and Inclusion (AADI) (skilling of PWD)	358	100%
3	Aasra Trust (skilling of PWD)	730	100%
4	Noida Deaf Society (skilling of PWD)	328	100%

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized group
5	Sai Swayam Society (skilling of PWD)	270	100%
6	Sarthak Educational Trust (skilling of PWD)	421	100%
7	Akshaya Patra Foundation (Distribution of mid-day meals to schools for EWS children)	18,552	100%
8	Woman at Work (Evoluer Solutions) (skilling of PWD)	40	100%
9	Goonj (Family Kits of day-to-day essentials)	2,380	100%
10	Handimachal (Therapies/treatment of PWD)	578	100%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner



Essential Indicators

1 Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

We place significant emphasis on customer feedback and Online Reputation Management (ORM). A dedicated team focuses on this aspect across the group, aiming to promptly address any service errors or shortcomings through a well-organised process involving the Hotel Operations Team and the ORM team. We actively encourage our guests to provide feedback through various channels, viz. email us at hi@lemontreehotels.com; online platforms like our social media channels and Tripadvisor; OTAs, including booking.com, makemytrip.com, etc. By valuing and attentively addressing their comments, we continually enhance our services and ensure that our guests’ are content.

2 Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

As a percentage to total turnover	
Environmental and social parameters relevant to the product	Not applicable as Lemon Tree does not have specific consumer products. We offer our guests a combination of products (hotel room, food, etc.) and services (check-in, dining, gym, spa, swimming pool). All ESG efforts by the Company get included in any service that we provide.
Safe and responsible usage	
Recycling and/or safe disposal	

3 Number of consumer complaints in respect of the following:

	FY 2025-26			FY 2024-25		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	0	0	-	0	0	-

4 Details of instances of product recalls on account of safety issues:

N.A.

	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

5 Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. Find the weblink below: <https://www.lemontreehotels.com/privacy-policy>

6 Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

None

7 Provide the following information relating to data breaches:

a. Number of instances of data breaches

Nil

b. Percentage of data breaches involving personally identifiable information of customer

Nil

c. Impact, if any, of the data breaches

Nil

Leadership Indicators

1 Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).

Lemon Tree’s offerings and brand details can be found in the About Us section of our website.

www.lemontreehotels.com

2 Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

We effectively communicate our sustainability efforts and initiatives to our guests through a number of channels including Lemon Tree’s digital platforms, brochures and other collaterals in guest rooms. We find opportunities for our guests to engage in our sustainability activities, example, our half-glass water initiative; third-day linen change; tree plantation in the neighborhood and more.

3 Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Any updates for our guests and customers are the risk of disruption/discontinuation (temporarily) of hotel services is always displayed on our brand website. For example, we had a COVID-19 update page where all safety protocols and hygiene processes were explained during the 2+ years of the pandemic.

4 Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

N.A.

Independent Auditor’s Report

To The Members of Lemon Tree Hotels Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Lemon Tree Hotels Limited (the “Holding Company”) and its subsidiaries, (Holding Company and its subsidiaries, trust and Limited Liability Partnership together referred to as the “Group”) which includes Group’s share of loss in its associates, which comprise the Consolidated Balance Sheet as at March 31, 2026, and 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 ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (herein 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 the other auditors on separate financial statements of the subsidiaries, trust, limited liability partnership and associates referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, (“Ind AS”) and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, their consolidated profit and their consolidated other comprehensive loss, their

consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (“SA”s) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor’s Response
1	Impairment assessment of hotel properties in subsidiaries (Refer Note 34(a) to the Consolidated Financial Statements) At each reporting period, the Group assesses the carrying amounts of hotel properties of subsidiaries (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. If any impairment indication exists, the Group estimates the asset’s recoverable amount (being higher of fair value less cost to sell or value in use).	Principal audit procedures performed: i. Obtained an understanding of the Group’s process for projecting the future cash flows and evaluated the significant assumptions used for determining the recoverable amount of CGU. ii. Tested the design, implementation and operating effectiveness of the management’s controls over the assessment and conclusion over the impairment evaluation. iii. Challenged Group’s key market related assumptions used in the model including discount rate, long term growth rates against external data;

Independent Auditor’s Report

Sr. No.	Key Audit Matter	Auditor’s Response
	The value in use of the underlying CGU is determined basis discounted cash flow model which requires exercise of significant judgement in determining the key assumptions such as forecast of future revenue, operating margins, growth rate and selection of the discount rates. These assumptions are of particular importance due to the level of uncertainties and judgment involved, thus changes in these assumptions could have a significant impact on the recoverable value of the hotel properties. We have identified the estimation of the recoverable amount of the hotel properties as a key audit matter because these assumptions are of particular importance due to the level of uncertainties and judgment involved, thus changes in these assumptions could have a significant impact on the recoverable value of the CGU.	iv. Assessed the reliability of cash flow forecasts through a review of actual past performance, managements projections and other relevant market and economic information; v. Challenged the assumptions used in the cash flow forecasts which includes occupancy rate, average room rate. vi. We have tested the arithmetical accuracy of the model and assessed the disclosures made by the Group in relation to this matter.

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 Management Discussion & Analysis, Board’s Report, Business Responsibility and Sustainability Report and Report on Corporate Governance, but does not include the consolidated financial statements, standalone financial statements and our auditor’s report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries, trust, Limited Liability Partnership and associates audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, trust, limited liability partnership firm and associates, is traced from their financial statements audited by the other auditors.

- 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 and Board of Directors for the Consolidated Financial Statements

The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Associates in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting



Independent Auditor’s Report

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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor’s Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 consolidated financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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 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 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the 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.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

Independent Auditor’s Report

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

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

Other Matters

- (a) We did not audit the financial statements of Krizm Hotels Private Limited Employee Welfare Trust (the “Trust”) included in the standalone financial statements of the companies included in the Group whose financial statements reflect total assets of ₹ 109.84 lakhs as at March 31, 2026 and total revenue of ₹ Nil for the year ended on that date, as considered in the respective standalone financial statements of the companies included in the Group. The financial statements of the Trust have been audited by the other auditor whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of the Trust our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid Trust, is based solely on the report of such other auditors.
- (b) We did not audit the financial statements of 17 subsidiaries and 1 Limited Liability Partnership Firm (as mentioned below) whose financial statements reflect total assets of ₹ 105,055.64 lakhs as at March 31, 2026, total revenues of ₹ 26,990.26 lakhs and net cash inflows amounting to ₹ 213.64 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group’s share of net loss of ₹ 95.25 lakhs for the year ended March 31, 2026, as considered in the consolidated financial statements, in respect of 3 associates whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, Limited Liability Partnership and associates is based solely on the reports of the other auditors.

Subsidiaries, Limited Liability Partnership Firm and Associates included in the consolidated financial statements and not audited by us are as below:

- A. Subsidiaries –
 - 1. Canary Hotels Private Limited
 - 2. Sukhsagar Complexes Private Limited
 - 3. Manakin Resorts Private Limited
 - 4. Oriole Dr. Fresh Hotels Private Limited
 - 5. Carnation Hotels Private Limited
 - 6. Lemon Tree Hotel Company Private Limited
 - 7. Red Fox Hotel Company Private Limited
 - 8. Berggruen Hotels Private Limited
 - 9. Inovoa Hotels and Resorts Limited
 - 10. Ophrys Hotels Private Limited
 - 11. Bandhav Resorts Private Limited
 - 12. Celsia Hotels Private Limited
 - 13. Nettle Hotels Private Limited
 - 14. Madder Stays Private Limited
 - 15. Hamstede Living Private Limited
 - 16. Arum Hotels Private Limited
 - 17. Totally Foxed Solutions Private Limited
- B. Limited Liability Partnership Firm
 - 1. Mezereon Hotels LLP
- C. Associates
 - 1. Mind Leaders Learning India Private Limited
 - 2. Pelicaan Facilities Management Private Limited
 - 3. Glendale Marketing Services Private Limited

Our opinion on the consolidated financial statements above 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 certified by the Management.

Report on Other Legal and Regulatory Requirements

- 1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements subsidiaries, Limited Liability Partnership and associates referred to in the Other Matters section above we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required



Independent Auditor’s Report

- by law maintained by the Group, its associates including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, and the reports of the other auditors, except in relation to compliance with the requirements of audit trail, refer paragraph (i) (vi) below.
- c) The Consolidated Balance Sheet, 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 dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and associate companies, none of the directors of the Group companies and its associate companies 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) The modification relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.
- g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure A” which is based on the auditors’ reports of the Holding company, subsidiary companies and associate companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor’s reports of subsidiary companies

and associate companies incorporated in India, the remuneration paid by the Holding Company and such subsidiary companies and associate companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

- i) 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:
 - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates. (Refer note 36(c) to the consolidated financial statements);
 - ii) The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts. (Refer note 48 to the consolidated financial statements);
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies and associate companies incorporated in India. (Refer note 49 to the consolidated financial statements)
- iv) (a) The respective Managements of the Holding Company and its subsidiaries and associates companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and associates, to the best of their knowledge and belief, as disclosed in the note 54(v) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and associates to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by

Independent Auditor’s Report

or on behalf of the Holding Company or any of such subsidiaries and associates (“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 and associates companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries and associates respectively that, to the best of their knowledge and belief, as disclosed in the note 54(vi) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiaries and associates from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and associates shall, 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.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and associates 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v) The Holding Company and its subsidiaries and associates companies incorporated in India, whose financial statements have been audited under the Act, have not declared or paid any dividend during the year and have not proposed final dividend for the year.
- vi) Based on our examination, which included test checks, and based on the other auditor’s reports of its subsidiary companies and associate companies incorporated in India whose financial statements have been audited under the Act, the Holding Company, its subsidiary companies and associate companies have used primary accounting and revenue management software for maintaining their respective books of account for the financial year ended March 31, 2026, 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, except in respect of one associate company, the audit trail (edit log) facility did not operate during the period from April 01, 2025 to April 18, 2025, as reported by the respective other auditor.

Further, during the course of our audit, we and respective other auditors, whose reports have been furnished to us by the Management of the Holding Company, have not come across any instance of the audit trail feature being tampered with.

Additionally, the audit trail (edit log) facility that was enabled and operated for previous years, has been preserved by the Holding Company and above referred associate companies and subsidiary companies incorporated in India as per the statutory requirements for record retention.

(Refer note 52 of the Consolidated Financial Statements)



Independent Auditor’s Report

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor’s Report) Order, 2020 (“CARO”/ “the Order”) issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Holding Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements except for the following:

Name of the company	CIN	Nature of relationship	Clause Number of CARO report with qualification or adverse remark
Manakin Resorts Private Limited	U55101HR2005PTC140538	Wholly Owned Subsidiary	xvii
Canary Hotels Private Limited	U55101HR2006PTC140545	Wholly Owned Subsidiary	xvii
Oriole Dr. Fresh Hotels Private Limited	U85110HR2004PTC140547	Wholly Owned Subsidiary	xvii
Totally Foxed Solutions Private Limited	U72900DL2022PTC403099	Wholly Owned Subsidiary	xvii
Red Fox Hotel Company Private Limited	U55204DL2007PTC157848	Wholly Owned Subsidiary	xvii
Lemon Tree Hotel Company Private Limited	U55101DL2007PTC158376	Wholly Owned Subsidiary	xvii
Arum Hotels Private Limited	U55100HR2018PTC140542	Wholly Owned Subsidiary	xvii
Madder Stays Private Limited	U74999DL2018PTC342313	Subsidiary	xvii
Nettle Hotels Private Limited	U55100DL2018PTC342345	Subsidiary	xvii
Ophrys Hotels Private Limited	U55101DL2007PTC166020	Subsidiary	xvii

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
Firm’s Registration No. 117366W/W-100018

Sd/-
Rajesh Kumar Agarwal
Partner
Membership No.105546
UDIN: 26105546ONKIUW8978

Place: Gurugram
Date: May 28, 2026

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements 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 the Company as at and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of Lemon Tree Hotels Limited (hereinafter referred to as “the Holding Company”) and its subsidiary companies and associate companies which incorporated in India, as of that date.

Management’s and Board of Directors’ Responsibilities for Internal Financial Controls

The respective Company’s management and Board of Directors of the Holding company, its subsidiary companies and its associate companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies 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 internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India, 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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.

Annexure “A” to the Independent Auditor’s Report

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies and associate companies, which are companies incorporated in India, 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 financial statements of the Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company’s internal financial control with reference to consolidated 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 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 consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated 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 to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 17 subsidiary companies and 3 associate companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
Firm’s Registration No. 117366W/W-100018

Sd/-
Rajesh Kumar Agarwal
Partner
Membership No.105546
UDIN: 26105546ONKIUW8978

Place: Gurugram
Date: May 28, 2026

Consolidated Balance Sheet

as at March 31, 2026

	Note No.	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	3,03,368.67	3,06,269.92
(b) Capital work-in-progress	4	10,811.77	4,535.58
(c) Investment Property	5	30.48	169.19
(d) Goodwill on consolidation	6.1	9,508.43	9,508.43
(e) Intangible assets	6.1	4,208.57	3,166.59
(f) Intangible asset under development	6.2	-	1,323.15
(g) Right-of-use asset	7	39,215.38	36,506.40
(h) Financial assets	8		
(i) Investments		707.19	601.78
(ii) Loans		18.32	18.52
(iii) Other non- current financial assets		9,991.34	9,592.05
(i) Deferred tax assets (net)	9.1	1,988.77	2,093.67
(j) Non-current tax assets (net)	9.2	3,818.64	3,695.77
(k) Other non-current assets	10	1,855.20	1,354.33
		3,85,522.76	3,78,835.38
Current assets			
(a) Inventories	11	1,381.62	1,383.71
(b) Financial assets			
(i) Trade receivables	12	11,625.12	7,861.57
(ii) Cash and Cash equivalents	13	5,809.60	5,542.32
(iii) Other bank balances	14 (i)	3,970.71	2,525.00
(iv) Investments	8	6,631.77	3,857.42
(v) Other current-financial assets	14 (ii)	85.73	104.61
(c) Other current assets	15	13,442.32	8,068.65
		42,946.87	29,343.28
		4,28,469.63	4,08,178.66
Total Assets			
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	79,184.75	79,184.75
(b) Other Equity	17	60,008.58	37,167.03
Equity attributable to owners of the parent		1,39,193.33	1,16,351.78
(c) Non-controlling interests	18	68,724.54	62,608.36
Total Equity		2,07,917.87	1,78,960.14
Liabilities			
Non-current liabilities			
(a) Financial liabilities	19		
(i) Borrowings		1,31,086.27	1,49,344.88
(ii) Lease liability	20	49,485.67	44,305.38
(iii) Other non- current financial liabilities		172.44	67.57
(b) Provisions	21	1,366.29	344.69
(c) Deferred tax liabilities (net)	9.1	2,999.07	716.84
(d) Other non-current liabilities	22	66.72	30.11
		1,85,176.46	1,94,809.47
Current liabilities			
(a) Financial liabilities	23		
(i) Borrowings		18,938.76	20,519.39
(ii) Lease liability	20	854.00	595.33
(iii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises		1,380.68	2,011.75
- total outstanding dues of creditors other than micro enterprises and small enterprises		5,329.60	4,149.01
(iv) Other current financial liabilities		4,151.03	2,764.30
(b) Provisions	21	812.65	641.33
(c) Other current liabilities	24	3,908.58	3,727.94
		35,375.30	34,409.05
Total Liabilities		2,20,551.76	2,29,218.52
Total Equity and Liabilities		4,28,469.63	4,08,178.66
Summary of material accounting policies	2.3		
See accompanying notes forming part of the consolidated financial statements	1 to 54		

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

Sd/-
Rajesh Kumar Agarwal
Partner

For and on behalf of the Board of Directors of
Lemon Tree Hotels Limited

Sd/-
Patanjali Govind Keswani
(Chairman & Executive Director)

DIN: 00002974

Sd/-
Pawan Kumar Kumawat
(Company Secretary)
Mem. no.- A25377

Place: New Delhi
Date: May 28, 2026

Sd/-
Neelendra Singh
(Managing Director)

DIN: 08491872

Sd/-
Kapil Sharma
(Executive Director &
Chief Financial Officer)
DIN: 00352890

Consolidated Statement of Profit and Loss

for the year ended March 31, 2026

	Note No.	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
Revenue from operations	25	1,44,450.33	1,28,607.77
Other Income	26	816.28	233.39
Total Income		1,45,266.61	1,28,841.16
Expenses			
Cost of food and beverages consumed	27	8,478.82	7,621.09
Employee benefits expense	28	23,925.40	21,848.19
Power and fuel	29(a)	8,509.92	8,779.13
Other expenses	29(b)	34,419.46	26,947.06
Total Expenses		75,333.60	65,195.47
Profit before finance cost, finance income, depreciation and amortization and tax (EBITDA) (refer note 2.2(u))		69,933.01	63,645.69
Finance costs	30	17,951.89	21,123.29
Finance income	31	(1,234.07)	(1,056.59)
Depreciation and amortization expense	32	13,880.47	13,929.65
Net Profit before share of associates, exceptional items and tax		39,334.72	29,649.34
Share of loss of associate		(94.59)	(26.70)
Exceptional Items	53	3,326.59	-
Profit before tax		35,913.54	29,622.64
Tax expense:			
(1) Current tax	9.1	4,688.67	3,632.78
(2) Deferred tax		2,393.05	1,675.32
		7,081.72	5,308.10
		28,831.82	24,314.54
Profit for the year			
Other comprehensive (loss)/income			
(i) Items that will not be reclassified to profit and loss			
Remeasurements of defined benefit plans		(30.23)	5.53
Income tax effect		5.92	(3.18)
		(24.31)	2.35
Total comprehensive income for the year		28,807.51	24,316.89
Profit for the year			
Attributable to:			
Equity holders of the parent		22,709.68	19,658.11
Non-controlling interests		6,122.14	4,656.43
Total comprehensive income for the year		28,807.51	24,316.89
Attributable to:			
Equity holders of the parent		22,690.41	19,662.32
Non-controlling interests		6,117.10	4,654.57
Earning per equity share (face value of ₹ 10 each)			
(1) Basic	33	2.87	2.48
(2) Diluted	33	2.87	2.48
Summary of material accounting policies	2.3		
See accompanying notes forming part of the consolidated financial statements	1 to 54		

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

Sd/-
Rajesh Kumar Agarwal
Partner

For and on behalf of the Board of Directors of
Lemon Tree Hotels Limited

Sd/-
Patanjali Govind Keswani
(Chairman & Executive Director)

DIN: 00002974

Sd/-
Pawan Kumar Kumawat
(Company Secretary)
Mem. no.- A25377

Place: New Delhi
Date: May 28, 2026

Sd/-
Neelendra Singh
(Managing Director)

DIN: 08491872

Sd/-
Kapil Sharma
(Executive Director &
Chief Financial Officer)
DIN: 00352890

Place: Gurugram
Date: May 28, 2026

Consolidated Statement of Cash Flows

for the year ended March 31, 2026

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
A. Cash flows from operating activities		
Profit before tax	35,913.54	29,622.64
Non-cash adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	13,880.47	13,929.65
Share of loss of associate	94.59	26.70
Finance income	(1,234.07)	(1,046.56)
Finance costs (excluding bank charges)	17,191.68	20,406.60
Provision for gratuity	1,287.16	90.68
Provision for leave encashment	332.95	22.93
Equity settled Share based payment expense	150.24	-
Excess provision/ credit balances written back	(29.89)	(37.38)
Provision for litigations	-	22.24
Provision for doubtful debts	79.26	31.97
Fair valuation gain on investment measured at fair value through Profit & loss	(81.20)	-
Net loss on sale/write off of property, plant and equipment	269.39	273.65
Net gain on sale of investment property	(93.01)	-
Net gain on sale of current investments	(393.67)	(10.03)
Operating profit before working capital changes:	67,367.44	63,333.09
Movements in working capital:		
Increase in trade receivables	(3,842.81)	(745.87)
Increase in loans and advances and other current assets	(5,307.73)	(2,597.35)
Decrease/(Increase) in inventories	2.09	(0.09)
Increase/(Decrease) in liabilities and provisions	598.68	(816.85)
Cash Generated from Operations	58,817.67	59,172.93
Direct taxes paid (net of refunds)	(4,656.37)	(5,015.43)
Net cash flows generated from operating activities (A)	54,161.30	54,157.50
B. Cash flows used in investing activities		
Purchase of property, plant and equipment and intangible assets including CWIP, capital advances and capital creditors	(13,833.61)	(9,578.17)
Proceeds from sale of property, plant and equipment	249.36	260.24
Proceeds from sale of investment property	265.00	-
Investment in Fixed Deposits (net)	(1,355.80)	(473.82)
Purchase of non-current investments	(200.00)	(104.50)
Purchase of current investments	(25,752.64)	(4,090.00)
Proceeds from sale of current investments	23,453.17	1,098.84
Interest received	284.99	142.44
Net Cash flow used in investing activities (B)	(16,889.53)	(12,744.97)
C. Cash flows used in financing activities*		
Proceeds from issuance of share capital	-	0.43
Payment towards reduction of outstanding lease liability	(4,247.09)	(4,032.09)
Proceeds from long term borrowings	650.17	13,539.33
Repayment of long term borrowings	(20,355.29)	(32,837.51)
(Repayments)/Proceeds of short term borrowings (net)	(280.39)	25.78
Interest paid	(12,771.89)	(15,930.59)
Net Cash flow used in financing activities (C)	(37,004.49)	(39,234.65)

Consolidated Statement of Cash Flows

for the year ended March 31, 2026

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
Net increase in cash and cash equivalents (A + B + C)	267.28	2,177.88
Cash and cash equivalents at the beginning of the year	5,542.32	3,364.44
Cash and cash equivalents at the end of the year	5,809.60	5,542.32
Components of cash and cash equivalents (refer note 13)		
Cash on Hand	81.84	73.64
Balances with Scheduled Banks in		
- Current accounts	5,527.76	5,168.68
- Deposits with original maturity of less than three months	200.00	300.00
Cash and cash equivalents at the end of year	5,809.60	5,542.32
*There are no non-cash changes arising from financing activities.		
Summary of material accounting policies	2.3	
See accompanying notes forming part of the consolidated financial statements	1 to 54	

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

Sd/-
Rajesh Kumar Agarwal
Partner

For and on behalf of the Board of Directors of
Lemon Tree Hotels Limited

Sd/-
Patanjali Govind Keswani
(Chairman & Executive Director)
DIN: 00002974

Sd/-
Pawan Kumar Kumawat
(Company Secretary)
Mem. no.- A25377

Sd/-
Neelendra Singh
(Managing Director)
DIN: 08491872

Sd/-
Kapil Sharma
(Executive Director & Chief Financial Officer)
DIN: 00352890

Place: Gurugram
Date: May 28, 2026

Place: New Delhi
Date: May 28, 2026

Consolidated Statement of Changes in Equity
as at March 31, 2026

A. Equity Share Capital

	No. of shares	Amount (₹ in lakhs)
Equity shares of ₹ 10 each issued, subscribed and fully paid		
As at April 1, 2024	79,18,45,623	79,184.55
Change in shares held by ESOP trust (refer note 16)	2,000	0.20
As at March 31, 2025	79,18,47,623	79,184.75
Change in shares held by ESOP trust (refer note 16)	-	-
As at March 31, 2026	79,18,47,623	79,184.75

B. Other Equity

	Reserves and Surplus						Items of Other comprehensive income	Non-controlling interests	Other equity
	Capital reserve	Capital redemption reserve	Securities Premium	Share Based Payment Reserve	General reserve	Surplus in the Statement of Profit and Loss	Remeasurement gains (losses) on defined benefit plans and income tax effect		
As at April 1, 2024	15,815.11	45.00	10,570.60	-	3,035.24	(11,974.10)	12.63	57,953.79	75,458.27
Profit for the yar	-	-	-	-	-	24,314.54	-	-	24,314.54
Other comprehensive income for the year	-	-	-	-	-	-	2.35	-	2.35
Total comprehensive income for the year	-	-	-	-	-	24,314.54	2.35	-	24,316.89
Total comprehensive loss for the year attributable to non-controlling interests	-	-	-	-	-	(4,656.43)	1.86	4,654.57	-
Change in shares held by ESOP trust (Refer Note 17)	-	-	0.23	-	-	-	-	-	0.23
As at March 31, 2025	15,815.11	45.00	10,570.83	-	3,035.24	7,684.01	16.84	62,608.36	99,775.39
Profit for the year	-	-	-	-	-	28,831.82	-	-	28,831.82
Other comprehensive loss for the year	-	-	-	-	-	-	(24.31)	-	(24.31)
Total comprehensive income for the year	-	-	-	-	-	28,831.82	(24.31)	-	28,807.51
Total comprehensive loss for the year attributable to non-controlling interests	-	-	-	-	-	(6,122.14)	5.04	6,117.10	-
Share-based payments expense	-	-	-	150.24	-	-	-	-	150.24
Loss on disposal of interest in subsidiary	0.90	-	-	-	-	-	-	(0.92)	(0.02)
As at March 31, 2026	15,816.01	45.00	10,570.83	150.24	3,035.24	30,393.69	(2.43)	68,724.54	1,28,733.12

Summary of material accounting policies

2.3

See accompanying notes forming part of the consolidated financial statements 1 to 54

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

For and on behalf of the Board of Directors of
Lemon Tree Hotels Limited

Sd/-
Rajesh Kumar Agarwal
Partner

Sd/-
Patanjali Govind Keswani
(Chairman & Executive Director)

DIN: 00002974

Sd/-
Pawan Kumar Kumawat
(Company Secretary)
Mem. no.- A25377

Place: Gurugram
Date: May 28, 2026

Place: New Delhi
Date: May 28, 2026

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

1. Corporate Information

Lemon Tree Hotels Limited (the Company) is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at Lemon Tree Corporate Park, Urban Complex, Ullahawas, Sector 60, Gurugram, Haryana-122011. The shares of the Company are listed on two stock exchanges in India i.e. BSE Limited and National Stock Exchange of India Limited.

The Company, its subsidiaries, associates and limited liability partnership (together referred as “The Group”) intend to carry out business of developing, owning, acquiring, renovating, operating, managing and promoting hotels, motels, resorts, restaurants, etc. under the brand name of Aurika Hotel and Resorts, Lemon Tree Premier, Lemon Tree Hotel, Red Fox Hotel, Keys Select, Keys Prima and Keys Lite. Also, some of the Group companies provide Project Management Services and Learning & Development services.

The consolidated financial statements for the year ended March 31, 2026 are approved by the Board of Directors on May 28, 2026.

2 Basis of preparation of financial statements and material accounting policies

2.1 Basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), and the provisions of the Companies Act, 2013 (‘the Act’) (to the extent notified) The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The consolidated financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which are measured at fair value/ amortised cost (refer note 39).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing account standard required a change to the accounting policy hitherto to in use.

The consolidated financial statements are presented in Indian Rupees (INR) and all values are rounded

off to the nearest lakhs, except where otherwise indicated

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company, its subsidiaries, associates and limited liability partnership (together referred as “The Group”) as at March 31, 2026. The Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its return

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group’s voting rights and potential voting rights
- The size of the group’s holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31st March.

The consolidated financial statements of the Group include subsidiaries, associates and limited liability partnership listed in the table below:

a) Subsidiaries under Direct Control

Name of the Company	Principal activities	Country of Incorporation	% of interest (Equity)	
			March 31, 2026	March 31, 2025
1. Carnation Hotels Private Limited	Hotel Business	India	100%	100%
2. Fleur Hotels Limited (Formerly known as Fleur Hotels Private Limited)	Hotel Business	India	58.91%	58.91%
3. Lemon Tree Hotel Company Private Limited	Hotel Business	India	100%	100%
4. Canary Hotels Private Limited	Hotel Business	India	100%	100%
5. Oriole Dr. Fresh Hotels Private Limited	Hotel Business	India	100%	100%
6. Red Fox Hotel Company Private Limited	Hotel Business	India	100%	100%
7. Sukhsagar Complexes Private Limited	Hotel Business	India	100%	100%
8. Manakin Resorts Private Limited	Hotel Business	India	100%	100%
9. Nettle Hotels Private Limited	Hotel Business	India	-	100%
10. Madder Stays Private Limited	Rental Housing	India	-	100%
11. Arum Hotels Private Limited	Hotel Business	India	-	100%
12. Totally Foxed Solutions Private Limited	Digital transformation	India	100%	100%
13. Hamstede Living Private Limited	Rental Housing	India	100%	100%

b) Subsidiaries under Indirect Control

S. No.	Name of the Company	Principal activities	Country of Incorporation	% of interest (Equity)	
				March 31, 2026	March 31, 2025
1.	Celsia Hotels Private Limited (Subsidiary of Fleur Hotels Limited)	Hotel Business	India	58.91%	58.91%
2.	Inovoa Hotels and Resorts Limited (Subsidiary of Fleur Hotels Limited)	Hotel Business	India	58.91%	58.91%
3.	IORA Hotels Private Limited (Subsidiary of Fleur Hotels Limited)	Hotel Business	India	58.91%	58.91%
4.	Hyacinth Hotels Private Limited (Subsidiary of Fleur Hotels Limited))	Hotel Business	India	58.91%	58.91%
5.	Bandhav Resorts Private Limited (Subsidiary of Fleur Hotels Limited))	Hotel Business	India	58.91%	58.91%
6.	Ophrys Hotels Private Limited (Subsidiary of Fleur Hotels Limited)	Hotel Business	India	58.91%	58.91%

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

S. No.	Name of the Company	Principal activities	Country of Incorporation	% of interest (Equity)	
				March 31, 2026	March 31, 2025
7.	Berggruen Hotels Private Limited (Subsidiary of Fleur Hotels Limited)	Hotel Business	India	58.91%	58.91%
8.	Nettle Hotels Private Limited (Subsidiary of Fleur Hotels Limited)	Hotel Business	India	58.91%	-
9.	Madder Stays Private Limited (Subsidiary of Fleur Hotels Limited)	Rental Housing	India	58.91%	-
10.	Arum Hotels Private Limited (Subsidiary of Carnation Hotels Private Limited)	Hotel Business	India	100%	-

c) Associate

S. No.	Name of the Company	Principal activities	Country of Incorporation	% of equity interest	
				March 31, 2026	March 31, 2025
1.	Mind Leaders Learning India Private Limited	Learning & Development	India	36.56%	36.56%
2.	Pelicaan Facilities Management Private Limited (Subsidiary of Mind Leaders Learning India Private Limited)	Facilities Management Services	India	36.56%	36.56%
3.	Glendale Marketing Services Private Limited (Subsidiary of Pelican Facilities Management Private Limited)	Facilities Management Services	India	36.56%	36.56%

d) Limited Liability Partnership

S. No.	Name of the LLP	Principal activities	Country of Incorporation	% interest	
				March 31, 2026	March 31, 2025
1.	Mezereon Hotels LLP (Capital contribution by Fleur Hotels Limited and Celsia Hotels Private Limited)	Hotel Business	India	58.91%	58.91%

Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income and expenses of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiaries are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income and expenses relating to

transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary (including deemed acquisition/ deemed disposal), without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.3 Summary of material accounting policies

(a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values

irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal Groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. At the end of subsequent reporting periods, such contingent liabilities are measured at the higher of the amount that would be recognised in accordance with Ind AS 37 and the amount initially recognised less cumulative amortization recognised in accordance with Ind AS 115 Revenue.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An

impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

Investments in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. Distributions received from an associate reduce the carrying amount of the investment. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised

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only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

After application of the equity method of accounting, the Group determines whether there any is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in an associate.

When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held for sale. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate at

the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

(b) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.



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The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

(c) Foreign currencies

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(d) Fair value measurement

The Group measures financial instruments at fair value at each balance sheet date except to certain instruments which are measured at Amortized cost/ historic cost.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or

- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group determines the policies and procedures for both recurring fair value measurement, and unquoted financial assets measured at fair value.

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External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Group’s external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group’s accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Group’s external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 34)
- Quantitative disclosures of fair value measurement hierarchy (note 39)
- Financial instruments (including those carried at amortised cost) (note 39)

(e) **Revenue recognition**

The Group apply Ind AS 115 “Revenue from Contracts with Customers” which establishes a comprehensive framework to depict timing and amount of revenue to be recognized.

In arrangements for room revenue and related services, the Group has applied the guidance in Ind AS 115 for recognition of Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering room revenue and related services as distinct performance

obligations. For allocating the transaction price, the Group has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. The Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

Value added tax (VAT)/Goods & service tax (GST) is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Rooms, Restaurant, Banquets and Other Services

Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels and are stated net of allowances. Incomes from other services are recognized as and when services are rendered. Sales are stated exclusive of Value Added Taxes (VAT) and Goods and Service Tax (GST). Difference of revenue over the billed as at the period-end is carried in financial statement as unbilled revenue separately.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, sale of food and beverage are recognized at the points of serving these items to the guests. Sales are stated exclusive of VAT/GST.

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Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the income statement.

Dividends

Revenue is recognized when the Group’s right to receive the payment is established, which is generally when shareholders approve the dividend.

Management Fee and other related fee

The Group provides hotel management services, loyalty program, grant licences to use its trade mark & other intellectual property and other allied services. Revenue from the management services comprises fixed and variable income. An Group recognizes revenue relating to the fixed income over time by measuring the progress towards complete satisfaction of the performance obligation. In respect of variable income, revenue is recognized is on an accrual basis in accordance with the terms of the relevant agreement.

Government grant

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity. Government grants are recognized where there is reasonable assurance that the Company will comply with the conditions attached to it and that the grants will be received.

Grants are presented as part of income in the statement of profit and loss; alternatively they are deducted in reporting the related expense.

(f) **Taxes**

Tax expense represents current tax and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from ‘profit before tax’ as reported in the consolidated statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group’s current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (including MAT credit) and any unused tax losses. Deferred tax assets are recognised to

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the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets (including MAT credit available) is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for

separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date.

If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

(g) Property, plant and equipment (including capital work in progress)

Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Freehold land is not depreciated. Capital work in progress is stated at cost.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Freehold land is not depreciated. Capital work in progress is stated at cost.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on Property, plant and equipment is provided as per Schedule II of Companies Act, 2013 on Straight Line Method over its economic useful

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life of Property, plant and equipment as follows:

Property, plant and equipment	Useful life considered
Plant & Machinery	15 Years
Building*	60 Years
Electrical installations and fittings	10 Years
Office Equipments	5 Years
Furniture and Fixtures	8-10 Years
Crockery, cutlery and soft furnishings	3 Years
Commercial Vehicles	6 Years
Private Vehicles	8 Years
Computers	3 Years
Network and servers	6 Years

*Refer note 36 and note 43

The Group, based on management estimates, depreciates certain items of building, plant and equipment over estimated useful lives which are lower than the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Building on leasehold land (other than perpetual lease)/improvements to leased buildings are depreciated over the useful life or the remaining lease period /expected lease period, whichever is lower.

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end, and adjusted prospectively if appropriate.

(h) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and

accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets and internally generated softwares are assessed as 3 years and 5 years respectively and the same shall be amortised on Straight line basis over its useful life.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment at each year end and whenever there is an indication that the intangible assets may be impaired, either individually or at the cash generating unit level. The assessment of indefinite life is reviewed at each period to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the income statement when the asset is derecognized.

(i) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes) Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Group depreciates building component of investment property over 60 years from the date of original purchase.

Though the Group measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

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(j) Borrowing costs

Borrowing cost includes interest expense as per Effective Interest Rate (EIR).

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset until such time that the assets are substantially ready for their intended use. Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the company during the year. Capitalisation of borrowing costs is suspended and charged to profit and loss during he extended periods when the active development on the qualifying assets is interrupted.

Effective interest rate (EIR) is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortised cost of a financial liability after considering all the contractual terms of the financial instrument.

(k) Leases

The Group assesses that the contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- (1) The contract involves the use of an identified asset,
- (2) The Group has substantially all of the economic benefits from use of the identified asset, and
- (3) The Group has the right to direct the use of the identified asset.

Group as a lessee

The Group recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement

date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated from the commencement date over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments over the lease term. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group adopts the incremental borrowing rate for the entire portfolio of leases as a whole. The lease payments shall include fixed payments, variable lease payments, exercise price of a purchase option and payments of penalties for terminating the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Group recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the re-measurement in statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 to leases for which the underlying asset is of low value. The lease payments associated with these low value leases are recognized as an expense on a straight-line basis over the lease term.



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Group as a lessor

Leases where the Group does not transfer substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Lease rentals under operating leases are recognized as income on a straight-line basis over the lease term.

(l) Inventories

Stock of food & beverages, stores and operating supplies are valued at lower of cost and net realisable Value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make sale.

(m) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair valueless costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods,

a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(n) Provisions

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

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If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent Assets/ Liabilities

Contingent assets are not recognised. However, when realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

Contingent liabilities are disclosed in notes to accounts when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(o) Deferred Revenue

The Group operates a loyalty point's programme, which allows customers to accumulate points when they obtain services in the Group's Hotels. The points can be redeemed for free products/ nights, subject to a minimum number of points being obtained. Consideration received is allocated between the Room Revenue and the points issued, with the consideration allocated to the points equal to their fair value. Fair value of the points is determined by applying a statistical analysis. The fair value of the points issued is deferred and recognised as revenue when the points are redeemed.

(p) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The group has no obligation, other than the contribution payable to the provident fund. The group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid,

the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Retirement benefit in the form of gratuity is a defined benefit scheme. Gratuity liability of employees is accounted for on the basis of actuarial valuation on projected unit credit method at the close of the year. Group's contribution made to Life Insurance Corporation is expenses off at the time of payment of premium.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Retirement benefits in the form of Superannuation Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

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for the year ended March 31, 2026

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

The Group treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Group presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

(q) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales 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 that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortised cost
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables etc. For more information on receivables, refer to Note 12.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments included

Notes to Consolidated Financial Statements
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within the FVTPL or FVTOCI category are measured at fair value with all changes recognized in the P&L or OCI.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Trade receivables or any contractual right to receive cash or another financial asset

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines

that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.
- Debt instruments measured at FVTOCI: There are no instruments measured at FVTOCI.



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Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Financial liabilities at amortised cost

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 19.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

If a financial guarantee is an integral element of a debt instrument held by the entity, it should not be accounted for separately.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal

Notes to Consolidated Financial Statements
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- right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.
- (r) **Cash and cash equivalents**
Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.
- (s) **Share-based payments**
Certain employees (including senior executives) of the Group receive part of their remuneration in the form of share based payment transactions, whereby employees render services in exchange for shares or rights over share (equity-settled transactions).
The cost of equity-settled transactions with employees is determined measured at fair value at the date at which they are granted using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.
Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

- When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.
- (t) **Cash Flow Statement**
Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.
- (u) **Measurement of EBITDA**
The Group has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Group measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Group does not include expense, finance costs, finance income, depreciation and amortization, exceptional items, if any and tax expense.
- (v) **Indirect taxes**
Value added taxes/GST paid on acquisition of assets or on incurring expenses
Expenses and assets are recognised net of the amount of value added taxes/GST paid, except:
When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
When receivables and payables are stated with the amount of tax included
The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.



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for the year ended March 31, 2026

- (w) **Earnings Per Share (EPS)**
Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity shareholders of the Parent Company by the weighted average number of Equity shares outstanding during the year.
Diluted EPS is calculated by dividing the profit attributable to ordinary equity shareholders of the Parent Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.
Contingently issuable equity shares are included in the computation of diluted earnings per share
- where the conditions for issuance are satisfied as at the reporting date, or would be satisfied if the reporting date were the end of the contingency period. Where conditions are not satisfied as at the reporting date, such shares are excluded from the calculation of diluted earnings per share
- (x) **Exceptional items**
An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and disclosed as such in the financial statements.
- (y) Refer note 34 for Significant accounting judgements, estimates and assumptions.

Notes to Consolidated Financial Statements
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3. Property, plant and equipment

Particulars	Freehold land	Building on freehold land	Building on leasehold land (Refer note 43)	Plant and Machinery	Electrical fittings	Electrical equipments	Office equipments	Furniture and Fixtures	Crockery, cutlery and soft furnishings	Computers	Vehicles	Total (Tangible Assets)
Deemed cost												
Gross Carrying amount												
As at April 1, 2024	50,126.08	1,62,152.92	79,466.49	34,716.37	9,671.62	4,780.19	517.32	19,212.03	6,565.01	1,193.97	2,076.16	3,70,478.16
Additions	-	1,594.54	379.38	1,383.74	88.93	337.47	17.43	1,605.03	-	179.99	320.76	5,907.27
Eliminated on Disposals	251.85	0.10	-	604.90	-	12.37	1.60	690.57	-	-	115.22	1,676.61
As at March 31, 2025	49,874.23	1,63,747.36	79,845.87	35,495.21	9,760.55	5,105.29	533.15	20,126.49	6,565.01	1,373.96	2,281.70	3,74,708.82
Additions	-	1,958.50	63.47	2,103.57	43.30	363.87	111.06	2,500.78	3.02	185.99	814.20	8,147.76
Eliminated on Disposals	-	245.85	-	157.96	0.03	32.00	8.86	426.78	-	8.38	659.77	1,539.63
As at March 31, 2026	49,874.23	1,65,460.01	79,909.34	37,440.82	9,803.82	5,437.16	635.35	22,200.49	6,568.03	1,551.57	2,436.13	3,81,316.95
Accumulated Depreciation												
As at April 1, 2024	-	16,268.21	6,132.23	16,128.10	4,060.58	2,378.29	307.61	7,941.27	4,117.84	797.66	917.56	59,049.35
Charge for the year	-	2,018.07	2,315.23	2,620.03	433.97	212.67	19.57	1,602.57	859.53	177.89	272.75	10,532.28
Eliminated on Disposals	-	1.50	-	463.42	-	9.04	0.94	612.31	-	-	55.52	1,142.73
As at March 31, 2025	-	18,284.78	8,447.46	18,284.71	4,494.55	2,581.92	326.24	8,931.53	4,977.37	975.55	1,134.79	68,438.90
Charge for the year	-	2,018.48	2,381.23	2,391.54	431.27	238.67	28.05	2,538.55	13.55	201.03	251.30	10,493.67
Eliminated on Disposals	-	44.11	-	142.48	0.03	22.05	6.64	379.61	-	8.07	381.30	984.29
As at March 31, 2026	-	20,259.15	10,828.69	20,533.77	4,925.79	2,798.54	347.65	11,090.47	4,990.92	1,168.51	1,004.79	77,948.28
Net Block												
As at March 31, 2026	49,874.23	1,45,200.86	69,080.65	16,907.05	4,878.03	2,638.62	287.70	11,110.02	1,577.11	383.06	1,431.34	3,03,368.67
As at March 31, 2025	49,874.23	1,45,462.58	71,398.41	17,210.50	5,266.00	2,523.37	206.91	11,194.96	1,587.65	398.41	1,146.91	3,06,269.92

Net book value

Property, plant and equipment

Notes

- a) Certain property, plant and equipment are mortgaged as collateral against borrowings, the details related to which have been described in footnote to note 19(i) on ‘borrowings’.
- b) Refer Note 34 and Note 43 for critical judgements, estimates and assumptions
- c) The Property, Plant & Equipment are valued at cost.The Group has not revalued these assets during the year.
- d) The lease agreement for leasehold properties on which building is constructed is registered in the name of the Group (Refer note 7).



Notes to Consolidated Financial Statements
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4. Capital work-in-progress

Particulars	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Hotel at Shillong*		
Upfornt premium (One Time Fees)	500.00	500.00
Material	1,411.78	-
Professional charges	156.67	25.97
Salary, wages & bonus	87.85	5.40
Government fees	268.76	-
Others	25.72	3.95
Borrowing cost	85.91	5.48
	2,536.69	540.80

Particulars	Amount ₹ in lakhs
Balance as at April 1, 2024	-
Additions during the year	540.80
Balance as at March 31, 2025	540.80
Additions during the year	1,995.89
Balance as at March 31, 2026	2,536.69

*Represents hotel under construction at Shillong, project is expected to be completed in financial year 2027-28.

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Hotel at Shimla**		
Material	6,381.61	3,049.20
Salary wages & bonus	904.21	565.99
Government Fees	19.50	10.69
Professional charges	592.27	363.20
Others	5.70	5.70
	7,903.29	3,994.78

Particulars	Amount ₹ in lakhs
Balance as at April 1, 2024	2,484.24
Additions during the year	1,510.54
Balance as at March 31, 2025	3,994.78
Additions during the year	3,908.51
Balance as at March 31, 2026	7,903.29

** Represents hotel under construction at Shimla, expected completion date is financial year 2026-27.

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Hotel at Varanasi#		
Professional charges	17.20	-
Borrowing cost	33.66	-
Others	22.46	-
	73.32	-

Notes to Consolidated Financial Statements

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Particulars	Amount ₹ in lakhs
Balance as at April 01, 2024	-
Additions during the year	-
Balance as at March 31, 2025	-
Additions during the year	73.32
Balance as at March 31, 2026	73.32

#Represents hotel under construction at Varanasi, expected completion date is financial year 2029-30.

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Hotel at Nehru Place^		
Professional charges	298.47	-
	298.47	-

Particulars	Amount ₹ in lakhs
Balance as at April 01, 2024	-
Additions during the year	-
Balance as at March 31, 2025	-
Additions during the year	298.47
Balance as at March 31, 2026	298.47

^Represents hotel under construction at Nehru Place, expected completion date is financial year 2029-30.

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Capital work-in-progress	10,811.77	4,535.58

CWIP Ageing schedule

As at March 31, 2026

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	6,276.19	2,051.34	349.45	2,134.79	10,811.77
Total	6,276.19	2,051.34	349.45	2,134.79	10,811.77

As at March 31, 2025

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,051.34	349.45	368.11	1,766.68	4,535.58
Total	2,051.34	349.45	368.11	1,766.68	4,535.58

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

5. Investment property

Particulars	Total ₹ in lakhs
Gross Carrying amount	
As at April 1, 2024	209.82
Additions	-
Disposal	-
As at March 31, 2025	209.82
Additions	-
Disposal	170.72
As at March 31, 2026	39.10
Accumulated Depreciation	
As at April 1, 2024	37.06
Charge for the year	3.57
Disposal	-
As at March 31, 2025	40.63
Charge for the year	3.30
Disposal	35.31
As at March 31, 2026	8.61
Net Block	
As at March 31, 2026	30.48
As at March 31, 2025	169.19

Information regarding income and expenditure of Investment property:

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
Rental income derived from investment property	20.49	20.49
Direct operating expenses (including repairs and maintenance) that did not generate rental income	(1.05)	(1.05)
Profit arising from investment properties before depreciation and indirect expenses	19.44	19.44
Less – Depreciation	(3.30)	(3.57)
Profit arising from investment properties before indirect expenses	16.14	15.87

The Group's investment properties consist of a commercial property in India. The management has determined that the investment property consist of one classes of asset – office space – based on the nature, characteristics and risks of the property. The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties.

During the year ended March 31, 2026, the Company sold a part of the investment property with book value amounting to ₹ 170.72 lakhs.

The fair value of the remaining property as at March 31, 2026 is ₹ 48.51 lakhs, based on a valuation performed by an external independent valuer dated March 10, 2026 (March 31, 2025: ₹ 46.00 lakhs, based on a valuation performed by an external independent valuer dated March 25, 2014).

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Description of valuation techniques used and key inputs to valuation on investment properties:

Valuation technique	Significant unobservable Inputs
Sales comparable method	Location
	Size of building
	Quality of building
	Visibility of unit
	Furnished/unfurnished

6.1 Intangible assets

₹ in lakhs					
Particulars	Software	Management Contracts	Brand	Total	Goodwill
Deemed Cost					
Gross Carrying amount					
As at April 1, 2024	4,559.31	1,900.00	100.00	6,559.31	9,508.46
Additions	56.29	-	-	56.29	-
As at March 31, 2025	4,615.60	1,900.00	100.00	6,615.60	9,508.46
Additions	1,885.14	-	-	1,885.14	-
As at March 31, 2026	6,500.74	1,900.00	100.00	8,500.74	9,508.46
Accumulated Depreciation					
As at April 1, 2024	927.39	1,649.36	40.00	2,616.75	0.03
Amortisation	753.36	68.91	10.00	832.27	-
As at March 31, 2025	1,680.74	1,718.27	50.00	3,449.01	0.03
Amortisation	764.25	68.91	10.00	843.16	-
As at March 31, 2026	2,444.99	1,787.18	60.00	4,292.16	0.03
Net Block					
As at March 31, 2026	4,055.76	112.82	40.00	4,208.57	9,508.43
As at March 31, 2025	2,934.85	181.73	50.00	3,166.59	9,508.43

Net book value	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Intangible assets	4,208.57	3,166.59

Notes

- a) The Intangible assets are valued at cost.The Group has not revalued these assets during the year.
- b) The Group has tested the Goodwill for impairment during the year (refer note 45).
- c) Refer Note 34 for critical judgements, estimates and assumptions

6.2 Intangible assets under development

₹ in lakhs		
Particulars	Software	Total
Balance as at April 01, 2024	57.24	57.24
Additions during the year	1,265.91	1,265.91
Capitalised during the year	-	-
Balance as at March 31, 2025	1,323.15	1,323.15
Additions during the year	502.65	502.65
Capitalised during the year	1,825.80	1,825.80
Balance as at March 31, 2026	-	-

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

7. Right-of-use asset

₹ in lakhs	
Particulars	Amount
Gross Carrying Amount (I)	
At April 1, 2024	64,628.70
Additions	-
At March 31, 2025	64,628.70
Additions	5,297.45
At March 31, 2026	69,926.15
Accumulated Depreciation (II)	
At April 1, 2024	25,560.77
Charge for the year	2,561.53
At March 31, 2025	28,122.30
Charge for the year	2,588.47
At March 31, 2026	30,710.77
III. Net Carrying amount(I-II)	
At March 31, 2026	39,215.38
At March 31, 2025	36,506.40

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Net book value		
Right to use asset	39,215.38	36,506.40

Notes:

- a) The lease agreement for leasehold properties on which building is constructed is registered in the name of the Group.
- b) Right-of-use assets are valued at cost.The Group has not revalued these assets during the year.

8. Financial assets

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
(i) Investments		
Investments in Equity Instruments		
Unquoted equity shares of associate companies (at cost)		
340,000 (March 31, 2025: 340,000) equity shares of Mind leaders Learning India Private Limited of ₹ 1 each fully paid.	402.09	496.68
Quoted investments at fair value through Profit & Loss		
Mutual funds		
14,980.30 (March 31, 2025: 27,977.97) Units of Nippon India Liquid Fund Direct Growth Plan	1,010.29	1,775.73
Nil (March 31, 2025: 49,600.09) Units of Axis Money Market Fund Direct Growth Plan	-	702.32
4,98,550.93 (March 31, 2025: 2,50,307.33) Units of Aditya Birla Sun Life Liquid Fund Direct Growth Plan	2,218.80	1,048.10
27,548.88 (March 31, 2025: Nil) Units of Mahindra Manulife Low Duration Fund Direct Growth Plan	505.24	-
9,364.31 (March 31, 2025: 6,572.41) Units of HDFC Liquid Fund Direct Growth Plan	506.62	331.27

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
78,013.23 (March 31, 2025: Nil) units of Axis Liquid Fund Direct Growth Plan	2,390.82	-
Other unquoted investments at fair value through Profit and Loss		
6,046 (March 31, 2025: 6,046) equity shares of SEP Energy Private Limited of ₹ 10 each fully paid.	0.60	0.60
304,500 (March 31, 2025: 104,500) Investment in Equity shares of Kallur Renewables Private Limited of ₹ 100 each fully paid.	304.50	104.50
	7,338.96	4,459.20
Aggregate book value of quoted investments	6,631.77	3,857.42
Aggregate market value of quoted investments	6,631.77	3,857.42
Aggregate book value of unquoted investments	707.19	601.78
Current	6,631.77	3,857.42
Non-current	707.19	601.78
	7,338.96	4,459.20
	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
(ii) Loans		
Unsecured, considered good		
Loans to employees at amortised cost	18.32	18.52
	18.32	18.52
	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
(iii) Other non- current financial assets		
Unsecured, considered good		
Security deposits at amortised cost	9,106.31	8,610.23
Interest accrued on deposits with banks*	404.23	411.11
Fixed deposits under lien*	943.06	1,032.97
	10,453.60	10,054.31
Less: Provision for doubtful assets	(462.26)	(462.26)
	9,991.34	9,592.05

* Fixed deposits under lien and interest accrued on deposits with banks includes deposits lien marked with banks against guarantees issued in favour of various Government departments.

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

9.1 Deferred tax liability (net)

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Property, plant and equipments and intangible assets	26,945.31	25,720.04
Fair value of investments	1.88	-
Amortization of processing fees	108.23	-
Deferred tax on share of profit of associates	115.98	154.50
Deferred tax liability	27,171.40	25,874.54
Impact of expenditure charged to the statement of profit and loss in the current/ earlier year but allowable for tax purposes on payment basis	400.23	436.86
Right to use asset/lease liability	5,714.71	5,669.35
Provision for doubtful debts and advances	151.15	85.79
Provision for bonus	15.57	23.86
Effect of unabsorbed depreciation and business loss	16,041.14	15,628.91
Provision for gratuity	394.58	106.75
Provision for leave compensation	119.07	59.30
Loyalty program	23.27	16.77
Provision for litigation	-	29.38
Provision for slow moving inventory	8.78	9.94
Interest on borrowing u/s 43B	1,147.35	1,366.10
Security deposits- impact of discounting	2,067.21	2,079.84
Provision for stamp duty	21.74	-
Provision for contingency	-	36.66
Amortization of processing fees	-	130.84
Provision for expected credit losses	56.30	46.36
MAT credit entitlement receivable	-	1,524.66
Deferred tax asset (refer note 34(e))	26,161.10	27,251.37
Deferred tax (asset)/liability (net)	1,010.30	(1,376.83)
Deferred tax assets (net)	(1,988.77)	(2,093.67)
Deferred tax liability (net)	2,999.07	716.84

As at March 31, 2026, the Group has carry forward tax losses of ₹ 2,528.57 (March 31, 2025: ₹ 2,867.50 lakhs) (with expiry between financial year 2026-27 to 2033-34), Long term capital loss of ₹ 2,850.53 (March 31, 2025: ₹ 2,528.68 lakhs) (with expiry between financial year 2027-28 to 2032-33) and unabsorbed depreciation of ₹ 66,130.88 lakhs (March 31, 2025: 80,051.53 lakhs) with no expiry.

Reconciliation of tax expense and the accounting profit multiplied by India’s domestic tax rate
for year ended March 31, 2026 and March 31, 2025:

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
Profit before tax	35,913.54	29,622.64
Tax rate	25.17%	29.12%
Tax at statutory income tax rate	9,509.25	7,991.68
Effect of incomes taxable at nil/lower/MAT rate	632.68	426.96
Effect of non-deductible expenses	66.76	60.07
Income tax charge in respect of earlier year	(1,851.34)	(1,177.90)
Impact of change in tax rate	(139.85)	-
Unrecognized tax assets (net) and other adjustments	(1,135.78)	(1,992.71)
Net tax expense as per statement of profit and loss	7,081.72	5,308.10

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

9.2 Non-Current tax assets (net)

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Advance Income Tax (net of provision for taxation)	3,818.64	3,695.77
	3,818.64	3,695.77

10. Other non-current assets

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Unsecured, considered good		
Capital advances	546.53	303.50
Balance with statutory/ government authorities	1,013.84	807.85
Prepaid expenses	294.83	242.98
Total	1,855.20	1,354.33

11. Inventories

(valued at lower of cost and net realisable value, unless otherwise stated)

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Food and beverages (excluding liquor and wine)	210.55	260.26
Liquor and wine	228.74	221.74
Stores, cutlery, crockery, linen, provisions and others (valued at cost)	942.33	901.71
Total	1,381.62	1,383.71

Refer footnote to Note 19(i) for inventories pledged.

12. Trade receivables#

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Unsecured		
Trade receivables- considered good	11,704.05	7,904.15
Trade receivables- credit impaired	1,857.89	1,814.98
	13,561.94	9,719.13
Less: Provision for doubtful debts	(1,936.82)	(1,857.56)
Total Trade receivables	11,625.12	7,861.57
Trade receivables from non-related party	11,625.12	7,861.57
	11,625.12	7,861.57

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days from the date of invoice.

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

#Trade receivable ageing schedule based on the requirement of Schedule III

As at March 31, 2026

₹ in lakhs							
Particulars	Not due	Outstanding for following periods from date of transaction					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	105.21	11,007.81	488.88	102.15	-	-	11,704.05
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	77.44	67.22	1,699.48	1,844.14
(iii) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(iv) Disputed TradeReceivables – credit impaired	-	-	-	-	-	13.75	13.75
Total	105.21	11,007.81	488.88	179.59	67.22	1,713.23	13,561.94
Less: Provision for doubtful debts	-	(63.09)	(15.84)	(77.44)	(67.22)	(1,713.23)	(1,936.82)
Net total	105.21	10,944.72	473.04	102.15	-	-	11,625.12

As at March 31, 2025

₹ in lakhs							
Particulars	Not due	Outstanding for following periods from date of transaction					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	72.40	7,146.71	558.96	124.59	-	1.49	7,904.15
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	158.77	51.27	1,592.02	1,802.06
(iii) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	12.92	12.92
Total	72.40	7,146.71	558.96	283.36	51.27	1,606.43	9,719.13
Less: Provision for doubtful debts	-	(21.15)	(21.43)	(158.77)	(51.27)	(1,604.94)	(1,857.56)
Net total	72.40	7,125.56	537.53	124.59	-	1.49	7,861.57

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

13. Cash and cash equivalents

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Balance with banks		
On current accounts	5,527.76	5,168.68
Deposits with original maturity of 3 months or less	200.00	300.00
Cash on hand	81.84	73.64
	5,809.60	5,542.32

Reconciliation of Movements of liabilities to cash flows arising from financing activities:

Particulars	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Balance as at beginning of the year-Borrowings and lease liabilities	2,14,764.98	2,33,584.48
Movement due to payments made	(41,424.22)	(43,710.90)
Movement due to non cash transactions in lease liabilities and borrowings		
-Addition	5,297.44	-
-Accrual of finance cost	21,726.50	24,891.40
Balance as at end of the year- Borrowings and lease liabilities	2,00,364.70	2,14,764.98

14(i) Other bank balances

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Deposits with original maturity of more than 3 months and less than 12 months	3,970.71	2,525.00
	3,970.71	2,525.00

14(ii) Other current-financial assets

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Security deposits	47.23	46.45
Interest accrued on fixed deposits	38.50	58.16
	85.73	104.61

Break up of current financial assets carried at amortised cost

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Trade receivables	11,625.12	7,861.57
Cash and cash equivalents	5,809.60	5,542.32
Security deposits	47.23	46.45
Other bank balances	3,970.71	2,525.00
Interest accrued on fixed deposits	38.50	58.16
	21,491.16	16,033.50

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

15 Other current assets

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Advances recoverable	4,200.17	1,077.59
Government incentive receivable	4,182.10	2,559.69
Unbilled revenue	430.90	60.99
Balance with statutory/ government authorities	3,128.30	3,003.76
Prepaid expenses	1,500.85	1,366.62
	13,442.32	8,068.65

16. Share capital

Authorised Share Capital

Equity shares of ₹ 10 each	Equity shares		5% Redeemable Cumulative Preference shares		Preference shares	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
As at April 1, 2024	1,00,73,90,000	1,00,739.00	1,95,000	195.00	4,90,000	490.00
Increase/(decrease) during the year	-	-	-	-	-	-
As at March 31, 2025	1,00,73,90,000	1,00,739.00	1,95,000	195.00	4,90,000	490.00
Increase/(decrease) during the year	-	-	-	-	-	-
As at March 31, 2026	1,00,73,90,000	1,00,739.00	1,95,000	195.00	4,90,000	490.00

Terms/rights attached to equity shares

The company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Issued equity capital#

Equity shares of ₹ 10 each issued, subscribed and fully paid	No. of shares	₹ in lakhs
As at April 1, 2024	79,18,45,623	79,184.55
Change in shares held by ESOP trust	2,000	0.20
As at March 31, 2025	79,18,47,623	79,184.75
Change in shares held by ESOP trust	-	-
As at March 31, 2026	79,18,47,623	79,184.75

#excluding 398,841 equity shares (March 31, 2025: 398,841 shares) held by ESOP trust which has been consolidated in accordance with the requirement of IND AS 110. The movement is explained below :-

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

(a) Movement of share capital:

	Share capital		Shares held by ESOP trust		Share capital (excluding ESOP trust)	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
As at April 1, 2024	79,22,46,464	79,224.63	4,00,841	40.08	79,18,45,623	79,184.55
Change in shares held by ESOP trust	-	-	(2,000)	(0.20)	2,000	0.20
As at March 31, 2025	79,22,46,464	79,224.63	3,98,841	39.88	79,18,47,623	79,184.75
Change in shares held by ESOP trust	-	-	-	-	-	-
As at March 31, 2026	79,22,46,464	79,224.63	3,98,841	39.88	79,18,47,623	79,184.75

(b) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% held*	No. of shares	% held*
Equity shares of ₹ 10 each fully paid up				
Spank Management Services Private Limited	16,72,95,366	21.12%	16,76,24,781	21.16%
APG Strategic Real Estate Pool N.V.	11,87,30,914	14.99%	11,87,30,914	14.99%
Franklin India Flexi Cap Fund	4,22,61,451	7.15%	5,66,20,894	7.15%
SBI Large and Midcap Fund	-	-	3,94,89,812	4.98%

*calculated on number of shares capital (including ESOP trust)

(c) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the company, please refer note 37

(d) The Company has not issued bonus shares, share issued for consideration other than cash and has notbought back shares during the period of five years immediately preceeding the reporting date.

(e) Detail of shares held by promoter and promoter group

As at March 31, 2026

S. No.	Promoter Name	Category	₹ in lakhs				
			Number of shares at the beginning of the year	Change during the year	Number of shares at the end of the year	Percentage of Total shares	Percentage change during the year
1	Spank Management Services Private Limited	Promoter	16,76,24,781	(3,29,415)	16,72,95,366	21.12%	(0.04%)
2	Sparrow Buildwell Private Limited	Promoter Group	67,83,280	-	67,83,280	0.86%	-
3	Lillette Dubey	Promoter Group	1,50,000	-	1,50,000	0.02%	-
4	Ila Dubey	Promoter Group	24,44,292	-	24,44,292	0.31%	-
5	Aditya Madhav Keswani	Promoter Group	-	15,500	15,500	0.00%	0.00%
6	Nayana Ria Keswani	Promoter Group	-	15,000	15,000	0.00%	0.00%
7	Toucan Real Estates Private Limited	Promoter Group	-	58,000	58,000	0.01%	0.01%
8	Patanjali Govind Keswani	Promoter	-	30,000	30,000	0.00%	0.00%
Total			17,70,02,353	(2,10,915)	17,67,91,438	22.33%	(0.03%)

Notes to Consolidated Financial Statements
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As at March 31, 2025

S. No.	Promoter Name	Category	₹ in lakhs				
			Number of shares at the beginning of the year	Change during the year	Number of shares at the end of the year	Percentage of Total shares	Percentage change during the year
1	Spank Management Services Private Limited	Promoter	17,18,24,781	(42,00,000)	16,76,24,781	21.16%	(0.53%)
2	Sparrow Buildwell Private Limited	Promoter Group	67,83,280	-	67,83,280	0.86%	-
3	Lillette Dubey	Promoter Group	1,75,000	(25,000)	1,50,000	0.02%	0.00%
4	Ila Dubey	Promoter Group	24,44,292	-	24,44,292	0.31%	-
Total			18,12,27,353	(42,25,000)	17,70,02,353	22.34%	(0.53%)

17. Other equity

		₹ in lakhs
Securities premium		
As at April 1, 2024		10,570.60
Premium on issue of shares		0.23
As at March 31, 2025		10,570.83
Premium on issue of shares		-
As at March 31, 2026		10,570.83
Surplus in the Statement of Profit and Loss		
As at April 1, 2024		(11,974.10)
Profit for the year		19,658.11
As at March 31, 2025		7,684.01
Profit for the year		22,709.68
As at March 31, 2026		30,393.69
Other comprehensive income/(loss)		
As at April 1, 2024		12.63
Increase/(decrease) during the year		4.21
As at March 31, 2025		16.84
Increase/(decrease) during the year		(19.27)
As at March 31, 2026		(2.43)
Capital Reserve		
As at April 1, 2024		15,815.11
Increase/(decrease) during the year		-
As at March 31, 2025		15,815.11
Gain on disposal of interest in subsidiary		0.90
As at March 31, 2026		15,816.01
General Reserve		
As at April 1, 2024		3,035.24
Increase/(decrease) during the year		-
As at March 31, 2025		3,035.24
Increase/(decrease) during the year		-
As at March 31, 2026		3,035.24

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

₹ in lakhs

Share based payment reserve	
As at April 1, 2024	-
Expense for the year	-
As at March 31, 2025	-
Expense for the year (refer note 37(b))	150.24
As at March 31, 2026	150.24
Capital redemption reserve	
As at April 1, 2024	45.00
Increase/(decrease) during the year	-
As at March 31, 2025	45.00
Increase/(decrease) during the year	-
As at March 31, 2026	45.00

Particulars	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Other reserves		
Securities Premium	10,570.83	10,570.83
Surplus in the Statement of Profit and Loss	30,393.69	7,684.01
Other comprehensive income/(loss)	(2.43)	16.84
Capital Reserve	15,816.01	15,815.11
General Reserve	3,035.24	3,035.24
Share-based payments reserve	150.24	-
Capital redemption reserve	45.00	45.00
	60,008.58	37,167.03

Notes:

Securities premium: Securities premium comprises premium received on issue of shares

Surplus in the Statement of Profit and Loss: Surplus in the Statement of Profit and Loss represents balances of profit and loss at each year end.

Other comprehensive income/(loss): Other comprehensive income represents accumulated balances of Remeasurement (losses)/gains on defined benefit plans.

Capital reserve: Capital reserve represents reserve on consolidation of subsidiary.

General reserve: Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paidup capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn.

Share based payment reserve: The Share based payment reserve is used to recognise the grant date fair value of unit issued to employees under LTHL Stock Appreciation Rights Scheme -2024.

Capital redemption reserve: The Companies Act provides that companies redeeming its preference shares at face value or nominal value is required to transfer an amount into capital redemption reserve. This reserve can be used to issue fully paid-up bonus shares to the shareholders of the Company.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

18 Non-controlling interest

	As at March 31, 2026 ₹ in lakhs
As at April 1, 2024	57,953.79
Total comprehensive income for the year	4,654.57
As at March 31, 2025	62,608.36
Total comprehensive income for the year	6,117.10
Impact of transfer of non-controlling interest (Refer note 44)	(0.92)
As at March 31, 2026	68,724.54

19. Borrowings

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Non-current borrowings		
Term Loans		
Loans from Banks (Secured)		
Kotak Mahindra Bank Limited (Refer footnote 1 to 2 below)	4,197.23	5,300.04
Indusind Bank Limited (Refer footnote 11 to 14 below)	6,298.34	7,152.53
Yes bank Limited (Refer footnote 3 to 10 below)	55,341.90	58,989.84
HDFC Bank Limited (Refer footnote 27 to 39 below)	14,888.29	22,666.67
Vehicle loans (Refer footnote 40 below)	687.26	482.36
Axis Bank Limited (Refer footnote 15 to 22 below)	42,038.91	45,845.65
Loans from financial institutions (Secured)		
Aditya Birla Finance Limited (Refer footnote 23 to 26 below)	7,634.34	8,907.79
Total non-current borrowings	1,31,086.27	1,49,344.88
Current borrowings		
Term Loans		
Current maturity of long term loans from banks (secured)		
Kotak Mahindra Bank Limited (Refer footnote 1 to 2 below)	1,107.58	1,070.08
Indusind Bank Limited (Refer footnote 11 to 14 below)	856.25	748.75
Yes bank Limited (Refer footnote 3 to 10 below)	3,728.49	3,205.23
HDFC Bank Limited (Refer footnote 27 to 39 below)	7,789.29	9,748.23
Vehicle loans (Refer footnote 40 below)	316.71	180.10
Axis Bank Limited (Refer footnote 15 to 22 below)	3,844.44	3,903.11
Current maturity of loans from financial institutions		
Aditya Birla Finance Limited (Refer footnote 23 to 26 below)	1,296.00	1,383.50
Total current maturity of loans	18,938.76	20,239.00
Less: Amount clubbed under "Short term borrowings" (refer note 23(i))	(18,938.76)	(20,239.00)
Net current borrowings	-	-
	1,50,025.03	1,69,583.88

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2026	Carrying rate of Interest as at March 31, 2025	Repayment/ Modification of terms	Security/ Principal terms and conditions
1	Kotak Mahindra Bank Limited	6,206.00	7.25%	8.50%	The loan is repayable in 48 quarterly instalments starting from 39th month following the month of first disbursement.	The loan is secured by: - First and exclusive charge on all existing and future current assets, movable and immovable fixed assets of the hotel - Red Fox Sector - 60, Gurgaon. - Subservient charge on all existing and future current assets of the Borrower except current assets of the hotel - Red Fox Sector - 60, Gurgaon on which bank has to the exclusive charge - Equitable Mortgage by way of exclusive charge on the land and building of Red Fox Hotel Sector-60, Gurgaon. - Minimum asset cover 1.2x to be maintained throughout the tenor of bank loan as per valuation accepted by bank. The loan is secured by second charge on: all existing and future current assets, movable and immovable fixed assets of the hotel - Red Fox Sector - 60, Gurgaon. - Subservient charge on all existing and future current assets of the Borrower except current assets of the hotel - Red Fox Sector - 60, Gurgaon.
2	Kotak Mahindra Bank Limited	2,400.00	7.25%	8.50%	The loan is repayable in 48 monthly instalments starting from after 24 month of moratorium.	It is secured by: a) Exclusive charge on all immovable fixed assets, moveable fixed assets and current assets of Lemon tree Sector 60 Gurgaon, and covention centre within Hotel premises of 20,000 sq. ft (approx.). b) Escrow of all receivables of the project including security deposits. c) Corporate guarantee of Lemon Tree Hotels Limited. d) DSRA equivalent to three months interest and one quarter principal to be created in case of any over dues beyond 30 days in the form of fixed deposits duly lien marked in favour of YBL. e) Minimum security cover of 1.5x on immovable and moveable fixed assets of the project.
3	Yes Bank Limited	4,500.00	7.31%	8.47%	The loan is repayable 44 structured quarterly instalment after a moratorium period of 36 months from the date of first disbursement.	It is secured by: a) First charge on all present and future immovable fixed assets of Red Fox Hotel, Kundli New Delhi. b) First charge on all moveable fixed assets and current assets both present and future of Red Fox Hotel, Kundli New Delhi. c) Escrow of all receivables of project including security deposits. d) Corporate guarantee of Lemon Tree Hotels Limited. e) DSRA equivalent to three months interest and one quarter principal to be created in case of any over dues beyond 30 days in the form of fixed deposits duly lien marked in favour of YBL. f) Minimum security cover of 1.5x on immovable and moveable fixed assets of the project.
4	Yes Bank Limited	2,500.00	7.75%	8.75%	The loan is repayable 48 structured quarterly instalment after a moratorium period of 12 months from the date of first disbursement.	It is secured by: a) First charge on all present and future immovable fixed assets of Red Fox Hotel, Kundli New Delhi. b) First charge on all moveable fixed assets and current assets both present and future of Red Fox Hotel, Kundli New Delhi. c) Escrow of all receivables of project including security deposits. d) Corporate guarantee of Lemon Tree Hotels Limited. e) DSRA equivalent to three months interest and one quarter principal to be created in case of any over dues beyond 30 days in the form of fixed deposits duly lien marked in favour of YBL. f) Minimum security cover of 1.5x on immovable and moveable fixed assets of the project.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2026	Carrying rate of Interest as at March 31, 2025	Repayment/ Modification of terms	Security/ Principal terms and conditions
5	Yes Bank Limited	960.00	7.75%	8.75%	The loan is repayable 36/48 monthly installment after a moratorium period of 12/24 months from the date of first disbursement.	Loan is secured by: 1) Second Charge on all movable fixed assets and current assets (both present and future) (including Escrow Account opened with YBL) of the Borrower; 2) Escrow of all receivables of the Hotel including security deposits to remain valid during the tenor of YBL Loan facilities sanctioned to the Borrower. 3) Second and subsequent Charge on all immovable assets of the Project (present and future). Hotel: 94 key Red Fox Hotel including the 1,800 sq. mtrs. land and hotel building located in Kundli New Delhi. Oriole Dr Fresh Hotels has successfully repaid ECGLS 1.0 loan facility.
6	Yes Bank Limited	20,500.00	7.18%	8.47%	The loan is repayable in 52 structured quarterly instalments post moratorium period of 36 months from the date of first disbursement.	It is secured by: a) First charge on all present and future movable & immovable fixed assets of the project: Lemon Tree Premier Hotel, Kolkata, Lemon Tree Premier Hotel in Pune, Lemon Tree Hotel in sector 60 Gurgaon and approximately 20,000 sqft convention centre within the hotel premises. b) Escrow of all receivables of the hotels including security deposits (if any). c) Corporate guarantee of Lemon Tree Hotels Limited. d) DSRA equivalent to 3 months interest and 1 quarter principle to be created in case of any over dues beyond 30 days in the form of fixed deposits duly lien marked in favour of YBL.
7	Yes Bank Limited	12,500.00	7.31%	8.47%	The loan is repayable 60 structured quarterly instalment after a moratorium period of 60 months from the date of first disbursement.	It is secured by: a) Equitable mortgage over 80% share of Land and building (except 2nd basement, ground floor and first floor) on pari passu basis with other lenders for the project, Lemon Tree Premier Hotel, Andheri Mumbai. b) First charge (on pari passu basis) on ther movable fixed assets and all current assets, both present and future of the project, Lemon Tree Premier Hotel, Andheri Mumbai. c) Corporate guarantee of Lemon Tree Hotels Limited.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2026	Carrying rate of Interest as at March 31, 2025	Repayment/ Modification of terms	Security/ Principal terms and conditions
8	Yes Bank Limited	2,120.00	7.75%	8.75%	The principal shall be repaid in 48 instalments after completion of moratorium of 1 year	Loan is secured by: a) Second charge on (entire project land along with structures built thereon and charge on moveable fixed assets and current assets of Cochín hotel project (for Term loan-1) the owned/ freehold hotel properties and over the buildings and structures in respect of leasehold land for the operational hotels (excluding Vizag and Cochín), b) Second charge by way of hypothecation of all the current assets and moveable fixed assets (both present & future) of Berggruen Hotels Private Limited (excluding Vizag) c) Second charge on the current assets(security pertains to overdraft facility) (Present & future) of the Group (excluding project assets of Vizag hotel) to secure working capital facility.
9	Yes Bank Limited	2,120.00	7.75%	8.75%	The principal shall be repaid in 48 equal monthly instalments after a moratorium period of 2 years.	
10	Yes Bank Limited	25,000.00	7.40%	9.00%	The principal shall be repaid in 54 quarterly instalments starting with October'25	It is secured by: a) First Pari Passu charge on 100% security Deposit placed by the Borrower with MIAL b) First Pari Passu Charge on moveable fixed assets (except the machinery specifically charged to Axis Bank) & current assets (incl. escrow a/c). Post retirement of Axis Bank LCs, the underlying equipment shall be part of overall project security. c) Assignment of all rights, titles, interests arising out of Grant extended to the Borrower by Mumbai International Airport Private Limited (MIAL) through the Development Agreement entered between them on February 02, 2015 vide tripartite Substitution agreement to be entered into between Lenders / Security Trustee, Borrower and MIAL d) Corporate Guarantee of Lemon Tree Hotels Limited and Fleur Hotels Private Limited e) Pledge of 30% shares of the Borrower under Pari Passu Arrangement with other lenders f) UDCs against the overall facility amount sanctioned to the borrower
11	Indusind Bank Limited	3,481.00	6.90%	7.90%	The loan is repayable 48 structured quarterly instalment	It is secured by: a) First charge on all moveable fixed assets (both present and future) and current assets (both present and future) including Escrow account of the borrower. b) First charge on all present and future immovable fixed assets of the project (130 Keys Lemon Tree Hotels in Whitefield - Bangalore) owned by borrower including the land and hotel building located in Whitefield, Bangalore. c) Escrow of all the receivable of the project including security deposits. d) Unconditional and Irrevocable Corporate Guarantee of Fleur Hotels Private Limited. e) DSRA equivalent to 3 months interest and 1 quarter principal to be created in case of any overdue beyond 30 days in the form of the fixed deposits duly lien marked in favor of IBL. f) Non disposal undertaking executed by Fleur Hotels Private Limited for 51% shares in borrower held directly/indirectly. (g)Minimum security cover 1.5x on immovable and movable fixed assets of the project.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2026	Carrying rate of Interest as at March 31, 2025	Repayment/ Modification of terms	Security/ Principal terms and conditions
12	Indusind Bank Limited	655.00	9.25%	9.25%	Principal is repayment in 36/48 equal instalments on last day of the month after the 12th/24th month of first availment.	It is secured by second charge with existing credit facilities on security as under: (a)Hypothecation of entire current assets, existing & future, comprising, inter alia, of stock of raw material, work in progress, finished goods, receivable, book debts and other current assets & Machinery. (b)Charge on the entire moveable and immovable fixed assets of the Group (present and future) w.r.t Lemon Tree Hotel, Whitefield, Bangalore.
13	Indusind Bank Limited	5,000.00	6.86%	8.04%	Tenor of 16 years with door door tenor facility shall not exceed 193 months from the date of first disbursement, including moratorium period of nil months.	It is secured by: a) First charge on all present and future immovable assets of the hotel " Lemon Tree Amarante Beach Resort (At Candolim, Goa)". b) First charge on all moveable fixed assets (both present and future) (including Escrow account opened with IBL) of the hotel " Lemon Tree Amarante Beach Resort (At Candolim, Goa)", c) Exclusive charge on book debts, operating cash flows, credit card receivables, commissions, revenues of whatsoever nature and wherever arising, present and future through Escrow mechanism of the Hotel "Lemon Tree Amarante Beach Resort (At Candolim, Goa). d) Escrow of all cash flows of Lemon Tree Amarante Beach Resort, Goa including security deposits.
14	Indusind Bank Limited	1,990.00	9.25%	9.25%	It is repayable in 48 equal monthly instalments on the last day of the month after the 24 month of first availment.	It is secured by: a) Second Charge on all present and future immovable assets of the hotel" Lemon Tree Amarante Beach Resort (At Candolim, Goa)". b) Second charge on all moveable fixed assets (both present and future) (including Escrow account opened with IBL) of the hotel " Lemon Tree Amarante Beach Resort At Candolim, Goa c) Second charge on book debts, operating cash flows, credit card receivables, commissions, revenues of whatsoever nature and wherever arising, present and future through Escrow mechanism of the Hotel "Lemon Tree Amarante Beach Resort (At Candolim, Goa).
15	Axis Bank Limited	10,000.00	7.40%	8.40%	Tenor of 18 years and 9 months including construction period of 1.5 years and moratorium period of 2.5 years with repayments in with 60 quarterly unequal instalments.	It is secured by: a) Exclusive charge by way of Equitable Mortgage over the land & building at Plot No.1, Khasra No. 979 to 981, Kalarohi, Udaipur, (admeasuring 26390.3 sq. yards or 237513 sq. ft.), b) Exclusive charge over the moveable fixed assets of the Udaipur Hotel, both present and future, c) Exclusive charge by way of hypothecation of all the current assets of Udaipur Hotel, d) Exclusive charge by way of hypothecation of all the cashflows of Udaipur Hotel. e) Corporate Guarantee of Lemon Tree Hotels. f) FACR of 1.50x shall be maintained at all times.

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2026	Carrying rate of Interest as at March 31, 2025	Repayment/ Modification of terms	Security/ Principal terms and conditions
16	Axis Bank Limited	7,500	7.40%	8.40%	Loan III is repayable in 59 quarterly instalments commencing 6 months after first disbursement.	It is secured by way of : (a) A first pari passu charge on the Borrower's properties & assets, both present & future, pertaining to the Lemon Tree Hotel project of Hyacinth Hotels Private Limited. at Delhi Aerocity Hospitality District (Except Project Land). (b) A first pari passu charge on borrower's all revenues and bank accounts of the borrower , the Escrow account and each of the other accounts are required to be maintained/ created by the borrower under any project document or contract. (c) Right of substitution provided by DIAL under tripartite agreement between DIAL, Hyacinth Hotels and the Lender. (d) Pledge of 51% equity shares of the Group in favor of security trustee i.e. Axis Trustee. However, during the year, 30% shareholding is pledged and against 21% shareholding, lien has been created in favour of Trustee on the basis of Non-disposable undertaking. (e) Corporate guarantee of Lemon Tree Hotels Limited and Fleur Hotels Private Limited. A non fund based facility of ₹ 3.00 crores from Axis bank Ltd. is secured by second charge, ceded by the term loan lenders, on the aforementioned entire properties, assets, bank accounts, revenues, right of substitution pertaining to Lemon Tree Hotel project at Delhi Aerocity (except Project land) including pledge of 30% equity shares and guarantee of the Fleur Hotels Limited, the maturity date of the TL-3 loan of axis bank is April 2033.
17	Axis Bank Limited	4,928.00	7.40%	8.40%	WCTL is repayable in 48 equal monthly instalments. Tenor of loan is 5/6 years from the date of disbursement including 1/2 year of moratorium.	It is secured by:- (a) 100% Credit Guarantee by NCGTC. (b) Second charge over all the borrower's properties and assets, both present and future, pertaining to Lemon Tree Hotel project, situated at Asset No. 6, Aerocity Hospitality District, New Delhi. (Except project land). (c) Second charge/ assignment of all the revenues of the borrower from the hotel or otherwise. (d) Second charge on all the HHPLs bank accounts including without limitation, the ESCROW account and each of the other account(s) required to be maintained/ created by the borrower under any project document or contract. (e) Second charge/ assignment/ security interest on HHPLs all rights, title, benefits, claims/ demands under the development agreement, project documents, contracts, insurance policy and all licenses, permits, approvals and consents in respect of the project. (f) Extension of Right of Substitution provided by DIAL for the assets area 6 i.e the area where the hotel is operational. (g) Extension of pledge of 30% shares of HHPL in favour of Security Trustee. i.e. and NDU for 21% as extended for existing facilities. (h) All cashflows to be done through ESCROW Account.

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2026	Carrying rate of Interest as at March 31, 2025	Repayment/ Modification of terms	Security/ Principal terms and conditions
18	Axis Bank Limited	4,770.00	7.40%	8.40%	The loan is repayable in 48 monthly instalments after a period of 2 years of Moratorium.	It is secured by second charge:- (a) Equitable mortgage over land & building situated at Plot no.1, Khasra 979 to 981, Kalarohi, Sisrama, Udaipur (measuring 26,390.3sq). (b) Other moveable fixed assets of the Udaipur Hotels both present and future. (c) Hypothecation of all the current assets of Udaipur Hotel. (d) Hypothecation of all the cashflows of Udaipur Hotel. (e) Equitable mortgage over 80% share of land & building except for 2nd basement, ground floor and 1st floor (total land area admeasuring 5552.90 sq.mtr.) located at Andheri Kurla Road, Mumbai, Maharashtra. (f) Other moveable fixed assets of the Kurla project, both present and future. (g) Hypothecation of all the current assets of the Kurla Project. (h) 100% credit guarantee by NCGTC.
19	Axis Bank Limited	9,500.00	7.40%	8.40%	The Loan is repayable in 60 quarterly instalments after a moratorium period of 5 years.	It is secured by: a) Equitable mortgage over 80% share of Land and building (except 2nd basement, ground floor and first floor) on pari passu basis with other lenders for the project, Lemon Tree Premier Hotel, Andheri Mumbai. b) First charge (on pari passu basis) on ther moveable fixed assets and all current assets, both present and future of the project, Lemon Tree Premier Hotel, Andheri Mumbai. c) Corporate guarantee of Lemon Tree Hotels Limited.
20	Axis Bank Limited	648.00	7.40%	8.40%	The loan is repayable in 48 equal monthly instalments commencing from the next month after completion of 24 moratorium of 24 months.	It is secured by:- (a) Second charge over all the borrower's properties and assets, both present and future, pertaining to Red Fox Hotel Project, situated at asset area 6, Delhi Aerocity Hospitality District, New Delhi (except project land). (b) Second charge by way of hypothecation of all the project's movables, including movable plant & machinery. machinery, spares, tools and accessories. (c) Second charge on project's book debts, operative cashflows, receivables, commissions, bank accounts, revenue of whatever nature and wherever arising, present and future subject to prior, present and future subject to prior change of bankers on specified current assets for securing working capital facilities and subject to prior approval of the bank.

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2026	Carrying rate of Interest as at March 31, 2025	Repayment/ Modification of terms	Security/ Principal terms and conditions
21	Axis Bank Limited	326.00				(d)Second charge by way of assignment or creation of charge in favour of lenders:- - All the right, title, interest, benefits, claims and demands whatsoever of the borrower in agreements (development agreement, management agreement, construction contract), duly acknowledged and consented to by the counter party; - All the rights, title, interest, benefits, claims and demands whatsoever of the borrower in clearances; - All the rights, title, interest, benefits, claims and demands whatsoever of the borrower in any letter of credit, guarantee, performance bond provided by any party to the project documents - All insurance contracts/insurance proceeds; (e)Right to substitution and other rights under substitution agreement, on pari-passu basis with other lenders. (f) All cashflows routing shall continue to be done through TRA Account. (g)100% Credit Guarantee by National Credit Guarantee Trust Company Limited.
22	Axis Bank Limited	20,000.00	7.40%	8.65%	The principal shall be repaid in 54 quarterly instalments starting with October'25	It is secured by: a) First Pari Passu charge on 100% security Deposit placed by the Borrower with MIAL b) First Pari Passu Charge on moveable fixed assets (except the machinery specifically charged to Axis Bank) & current assets (Incl. escrow a/c). Post retirement of Axis Bank LCs, the underlying equipment shall be part of overall project security. c) Assignment of all rights, titles, interests arising out of Grant extended to the Borrower by Mumbai International Airport Private Limited (MIAL) through the Development Agreement entered between them on February 02, 2015 vide tripartite Substitution agreement to be entered into between Lenders / Security Trustee, Borrower and MIAL d) Corporate Guarantee of Lemon Tree Hotels Limited and Fleur Hotels Private Limited e) Pledge of 30% shares of the Borrower under Pari Passu Arrangement with other lenders f) UDCs against the overall facility amount sanctioned to the borrower
23	Aditya Birla Finance Limited	884.00	9.05%	9.65%	The loan is repayable in 48 equal monthly instalments after moratorium of 12 months from the date of 1st disbursement.	It is secured by: 1) Second Charge on all moveable and current assets of the Group in connection with its Red Fox Hotel Hyderabad, both present and future. 2) Second Charge Immovable Property Red Fox Hotel Hyderabad of the Group.

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2026	Carrying rate of Interest as at March 31, 2025	Repayment/ Modification of terms	Security/ Principal terms and conditions
24	Aditya Birla Finance Limited	4,500.00	9.05%	9.65%	The loan is repayable in 44 structured quarterly instalments after moratorium of 12 months from the date of 1st disbursement.	It is secured by: a) First exclusive charge on the Immovable Fixed Assets (both present and future) of the Red Fox Hotel Hyderabad, to provide a minimum cover of 1.50x at all times during the tenor of the loan. b) First exclusive charge on all the Movable Fixed Assets (both present and future) of the Red Fox Hotel Hyderabad. c) First exclusive charge on Escrow of entire cash flow of Red Fox Hotel Hyderabad. d) DPN
25	Aditya Birla Finance Limited	6,500.00	9.10%	9.70%	31 structured quarterly (except for last installment) instalments from the date of first disbursement.	It is secured by: 1. First exclusive charge on Immovable Fixed Assets (both present and future) of the 'Property' to provide a minimum Fixed Asset Coverage Ratio (FACR) of 1.25x (Market value of Land, Building and all appurtenances therein) at all times during the tenor of the Facility. 2. First & exclusive charge on Current and Movable Fixed Assets (both present and future) of the Property. 3. First & exclusive charge on Escrow Account for routing of entire cash flow pertaining to the Property. 4. Second Pari passu charge on all the Current Assets, Cashflows of the Group (excluding Current Assets, Cashflows pertaining to the Property and Red Fox Hotel, Hyderabad where Aditya Birla has first and exclusive charge), both present and future.
26	Aditya Birla Finance Limited	2,350.00	9.05%	9.65%	The Loan is repayable in 44 Structured Quarterly Instalments payable after moratorium period of 12 months from the date of first disbursement.	It is secured by: a) First exclusive charge on all the immovable fixed assets (both current and future) of the Lemon Tree Hotel EDM, Kaushambi Ghaziabad to provide minimum cover of 2.00x cover all the times during the tenure of loan, b) First exclusive charge on all the movable fixed assets (both current and future) of the Lemon Tree Hotel EDM, c) First exclusive charge on the escrow account of entire cash flow of Lemon Tree Hotel EDM, d) Unconditional & irrevocable Guarantee by Lemon Tree Hotels Limited, DPN

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2026	Carrying rate of Interest as at March 31, 2025	Repayment/Modification of terms	Security/ Principal terms and conditions
27	HDFC Bank Limited	4,200.00	6.94%	8.12%	Repayable in 48 monthly installments after moratorium of 12 months	Second Charge by way of Hypothecation on the following: 1] All the stock in trade both present and future consisting of raw materials, finished goods, goods in process of manufacturing and any other goods, 2] All the book debts, amounts outstanding, monies receivable, claims and bills which are now due and owing or which may at any time hereafter during. 3] All the plant and machinery both present and future consisting of all 4] The whole of the Security Provider's moveable properties, including its moveable plant and machinery, machinery spares, tools and accessories furniture, Created with charge as below: It is secured by extension of second ranking charge over existing primary and collateral securities including mortgages created in favor of bank. Properties :- - Hotel Lemon Tree, Udyog Vihar - Hotel Lemon Tree, Pune, - Hotel Lemon Tree, Ahmedabad - Hotel Lemon Tree, Chennai - Hotel Lemon Tree, Chandigarh - Lemon Tree Premier, Bangalore
28	HDFC Bank Limited	2,100.00	6.94%	8.12%	The loan is repayable in 39 step-up quarterly installments.	It is secured by: a) First charge on all the fixed assets, both present and future, of the hotel "Lemon Tree" at Plot No. 3 MW, Phase-I, Industrial Area, Chandigarh, including hypothecation of all movables. b) A first & exclusive charge on Projects (Lemon Tree" at Plot No. 3 MW, Phase-I, Industrial Area, Chandigarh) unencumbered-book debts, operating cash flows, receivables, commissions, banks accounts (whenever held) if any-present & future all revenues Mortgage of leasehold rights of the projects (Lemon Tree" at Plot No. 3 MW, Phase-I, Industrial Area, Chandigarh) land admeasuring 0.46 acre (2241.38 sq yrd) and building thereon.

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2026	Carrying rate of Interest as at March 31, 2025	Repayment/Modification of terms	Security/ Principal terms and conditions
29	HDFC Bank Limited	10,000.00	6.96%	8.12%	The loan is repayable in 44 consecutive quarterly installments after a moratorium of 1 year.	It is secured by : a) First pari passu charge by way of mortgage on Select properties. The borrower shall ensure asset cover ratio should not be less than 1.50x (based on market value of security) at all times. b) First pari passu charge by way of hypothecation in favor of the lender on all current assets and movable fixed assets including moveable plant and machinery, machinery spares, tools and accessories, furniture and fixtures, vehicles and all other moveable assets, present and future of Select Properties. Properties :- - Hotel Lemon Tree, Udyog Vihar - Hotel Lemon Tree, Pune, - Hotel Lemon Tree, Ahmedabad - Hotel Lemon Tree, Chennai - Lemon Tree Premier, Bangalore
30	HDFC Bank Limited	11,100.00	6.96%	8.12%	The loan shall be repaid in 27 Consecutive quarterly installments as per the schedule mentioned in sanction letter.	It is secured by : a) First exclusive charge by way of equitable mortgage on select properties. a) First exclusive charge by way of hypothecation in favour of the lender on all current assets and movable fixed assets including moveable plant and machinery, machinery spares, tools and accessories, furniture and fixtures, vehicles and all other moveable assets, present and future of below mentioned properties: Hotel Lemon Tree, Udyog Vihar, Hotel Lemon Tree, Pune, Hotel Lemon Tree, Ahmedabad, Hotel Lemon Tree, Chennai, Lemon Tree Premier, Bangalore.
31	HDFC Bank Limited	4,192.60	9.00%	9.00%	The loan is repayable in 48 monthly installments after a moratorium of 24 months.	It was secured by second ranking charge over existing primary and collateral securities including mortgages created in favour of the bank and security created over the asset of the borrower purchased out of this facility. Properties :- - Hotel Lemon Tree, Udyog Vihar - Hotel Lemon Tree, Pune, - Hotel Lemon Tree, Ahmedabad - Hotel Lemon Tree, Chennai - Hotel Lemon Tree, Chandigarh - Lemon Tree Premier, Bangalore. The loan has been successfully repaid by the company.

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for the year ended March 31, 2026

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2026	Carrying rate of Interest as at March 31, 2025	Repayment/ Modification of terms	Security/ Principal terms and conditions
32	HDFC Bank Limited	650.00	7.12%	8.35%	WCTL is repayable in 48 equal monthly instalments after 1 year of moratorium.	It is secured by second charge over existing primary and collateral securities including mortgages created in favour of the bank w.r.t (Red Fox Hotel situated at Khasra No.102/103/433, Village Jhalana , J.L.N. Marg , Jaipur) i. 100% Credit Guarantee from National Credit Guarantee Trustee Company Limited. The maturity date of ECGLS-3.0 is FY 2027-28
33	HDFC Bank Limited	2,000.00	9.00%	9.00%	Repayable in 48 equal monthly instalments after 1 year /2 year of moratorium	It is secured by second charge over existing primary and collateral securities including mortgages created in favour of the bank at Lemon Tree Hotel Gachibowli, Hyderabad. The sanction loan of ₹ 1,000 lakhs has been fully paid during current year.
34	HDFC Bank Limited	5,302.00	7.18%	8.26%	The Loan is repayable in 48 Structured Quarterly Instalments	It is secured by: a) First and exclusive charge on movable and immovable fixed assets at the Lemon Tree Hotel Gachibowli, Hyderabad. b) First and exclusive charge on escrow account of entire cash flows of the Lemon Tree Hotel Gachibowli, Hyderabad. c) Corporate guarantee of Lemon Tree Hotels Limited.
35	HDFC Bank Limited	5,200.00	6.95%	8.06%	The principal shall be repaid in 48 monthly instalments after completion of moratorium of 24 months.	It is secured by: (a)100% Credit Guarantee by National Credit Guarantee Trust Company Limited. (b)Extension of second ranking charge over existing primary and collateral securities including mortgages created in favor of the bank and security created over the assets of the borrower purchased out of this facility at Lemon Tree Premier, Hitech City, Hyderabad
36	HDFC Bank Limited	6,581.00	7.08%	8.16%	The loan is repayable in 20 quarterly instalments.	The loan is secured by: -Unconditional and Irrevocable Corporate Guarantee of Lemon Tree Hotels Limited -First exclusive charge on all movable fixed assets both present and future situated at Lemon Tree Premier Hotel Hi-Tech City, Hyderabad -First exclusive charge by way of Mortgage / Hypothecation on the Immovable and Movable Fixed Assets (both present and future) of the -Lemon Tree Premier Hotel Hi- Tech City, Hyderabad, to provide a minimum cover of 1.25x at all times during the tenor of the loan -First exclusive charge on current assets of Lemon Tree Premier Hotel Hi-Tech City, Hyderabad

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for the year ended March 31, 2026

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2026	Carrying rate of Interest as at March 31, 2025	Repayment/ Modification of terms	Security/ Principal terms and conditions
37	HDFC Bank Limited	2,709.00	6.63%	7.59%	Principal is repayment in 36 equal instalments on last day of the month after 12 month of first availment.	Loan is secured by: 1) Stocks and book debts - Exclusive charge on all stock and receivables (both present and future) w.r.t. 54B/55A, Hosur Main Road, Electronic City, Phase 1, Bangalore, Karnataka belonging to the Borrower. 2) Movable - Fixed assets - Exclusive charge on all existing and future Movable fixed assets of the Celsia Hotels Private Limited w.r.t 54B/55A, Hosur Main Road, Electronic City, Phase 1, Bangalore, Karnataka belonging to the Borrower. 3) Immovable Fixed assets - Exclusive charge on Immovable land and building w.r.t 54B/55A, Hosur Main Road, Electronic City, Phase 1, Bangalore, Karnataka belonging to the Borrower. 4) Corporate guarantee of M/S Fleur Hotels Ltd.
38	HDFC Bank Limited	809.00	6.90%	8.02%	Loan is repayable in 48 monthly instalments after moratorium of 1 year.	The Loan is secured by: 1) Government Guarantee 2) Stocks and book debts - Second charge on all stock and receivables (both present and future) w.r.t. property 54B/55A, Hosur Main Road, Electronic City, Phase 1, Bangalore, Karnataka belonging to the Borrower. 3) Movable Fixed assets -Second charge on all existing and future Movable fixed assets of the Celsia Hotels Private Limited w.r.t 54B/55A, Hosur Main Road, Electronic City, Phase 1, Bangalore, Karnataka belonging to the Borrower. 4) Immovable Fixed assets - Second charge on Immovable land and building w.r.t 54B/55A, Hosur Main Road, Electronic City, Phase 1, Bangalore, Karnataka belonging to the Borrower.
39	HDFC Bank Limited	3,500.00	7.18%	8.26%	The loan is repayable in 48 monthly instalments starting from after 24 month of moratorium.	It is secured by second charge over existing primary and collateral securities including mortgages created in favour of the bank at Lemon Tree Hotel Gachibowli, Hyderabad.
40	Vehicle loan (different banks)	-			These loans are repaid on agreed monthly instalments.	Vehicle loan is secured by hypothecation of underlying motor vehicle acquired out of such loans from HDFC Bank Limited and Axis Bank Limited.

- (i) The Group has not defaulted in the repayment of loans and interest as at Balance Sheet date
- (ii) Bank loans availed by the Group are subject to certain covenants relating to interest coverage ratio, debt service coverage ratio, capital gearing ratio, fixed assets coverage ratio.
- (iii) The Group has complied all significant covenants from bank and financial institutions as per the terms of the loan agreement.
- (iv) The Group has used borrowings from banks/financial institutions for the specific purpose of working capital requirement and/or setting new projects.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

(iii) Other non-current financial liabilities

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Security deposits	172.44	67.57
	172.44	67.57

20 Lease liability

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Balance at beginning of the year	44,900.71	44,672.81
Additions during the year (Refer note 36)	5,297.44	-
Interest accrued during the year (refer note 30)	4,388.61	4,259.99
Payment of lease liabilities	4,247.09	4,032.09
Balance at end of the year	50,339.67	44,900.71
Current	854.00	595.33
Non-current	49,485.67	44,305.38

21 Provisions

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Provision for gratuity (refer note 35)	1,595.70	421.01
Current	229.41	76.32
Non-current	1,366.29	344.69
Provision for compensated absences	496.88	232.10
Current	496.88	232.10
Non-current	-	-
Provision for litigations (refer note 36)	-	246.55
Current	-	246.55
Non-current	-	-
Provision for stamp duty (refer note 50)	86.36	86.36
Current	86.36	86.36
Non-current	-	-
Total current	812.65	641.33
Total non-current	1,366.29	344.69

22 Other non-current liabilities

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Unamortised portion of security deposits	66.72	30.11
	66.72	30.11

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

23 Financial liabilities

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
(I) Short term borrowings		
Cash credit from banks (Secured) *	-	280.39
Current maturities of long-term borrowings (refer note 19)	18,938.76	20,239.00
	18,938.76	20,519.39

*Basis on several terms and conditions as specified in sanction letters, the Group submits quarterly returns/statements, cash flow mismatch statements and unaudited quarterly statements with banks/ financial institution and these returns/statements are materially in agreement with the books of accounts.

- A The Cash credit facility and working capital loan from HDFC Bank Limited is repayable on demand and carries interest rate of 7.65% p.a. (March 31, 2025: 8.18%) and is secured by way of:
- First exclusive charge by way of mortgage on select properties.
 - First exclusive charge by way of hypothecation on all moveable fixed assets and current assets including movable plant and machinery, machinery spares, tools and accessories, furniture fixtures, vehicle and all other movable assets present and future of select properties.
- B The Cash credit facility from Yes Bank is repayable on demand and carries interest rate of 7.31% p.a. (March 31, 2025: 8.47% p.a) and is secured by way of:
- Exclusive charge on all movable assets and current assets of Lemon Tree Hotel Kolkata and Lemon Tree Premier Pune and
 - First charge on all present & future immovable fixed assets(80% portion of undivided part of land) of the Lemon Tree Premier Andheri kurla Road, Mumbai
 - First charge on all present & future movable fixed assets and current assets of the Lemon Tree Premier Andheri kurla Road, Mumbai
 - Corporate Gaurantee of Lemon Tree Hotels Limited
- C The Cash credit facility from Yes Bank is repayable on demand and carries interest rate of 7.75% p.a.(Mach 31, 2025: 9.00%) and is secured by way of:
- First Charge on the current assets (Present & Future) of Berggruen Hotels Private Limited (excluding project assets of Vizag Hotel) to secure the working capital facility.
- D The Cash credit facility and working capital loan from HDFC Bank Limited is repayable on demand and carries interest rate of 8.75% p.a. (March 31, 2025: 8.75%) and is secured by way of:
- Exclusive charge on entire movable assets of Carnation Hotels Private Limited (Current as well as future assets).
 - Corporate Guarantee of Lemon Tree Hotels Limited.

The outstanding balance of cash credit as at March 31, 2026 is Nil (March 31, 2025 - 280.39 lakhs).

Particulars	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
(ii) Trade payables		
Trade Payables*		
- Micro and small enterprises	1,380.68	2,011.75
- Other than Micro and small enterprises	5,329.60	4,149.01
	6,710.28	6,160.76

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

*Trade payables ageing schedule based on the requirement of Schedule III

As at March 31, 2026

₹ in lakhs

Particulars	Not due	Outstanding for following periods from date of transaction				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	1,380.68	-	-	-	1,380.68
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,647.36	2,355.76	39.33	36.51	250.64	5,329.60
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-

As at March 31, 2025

₹ in lakhs

Particulars	Not due	Outstanding for following periods from date of transaction				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	2,011.75	-	-	-	2,011.75
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,878.61	1,551.02	289.95	196.09	233.34	4,149.01
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
(III) Other current financial liabilities		
Interest accrued but not due on borrowings	6.74	18.68
Other payables		
- Payable for capital goods	2,463.03	1,224.39
- Sundry deposits	46.44	46.44
Outstanding dues to employees	1,634.82	1,474.79
	4,151.03	2,764.30

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

24 Other current liabilities

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Advance from customers	1,319.03	1,425.66
Deferred revenue- loyalty programme	92.46	57.60
Unamortised portion of security deposits	6.44	6.44
Statutory dues (Provident fund, GST, TDS and other statutory dues)	2,490.65	2,238.24
	3,908.58	3,727.94

25 Revenue From Operations

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
Revenue from operations		
Sale of products and services		
- Room rental#	97,384.68	88,650.72
- Food and beverage (excluding liquor and wine)#	24,429.67	22,182.10
- Liquor and wine	1,852.48	1,769.33
- Banquet rentals	874.31	798.29
- Other Services (including service charge income)	7,401.35	6,846.64
Other Operating Revenue		
- Management and other related fee	9,853.92	6,026.38
- Government grant (refer note 51)	2,653.92	2,334.14
- Commission income	-	0.17
Revenue from operations	1,44,450.33	1,28,607.77

#For the year ended March 31, 2025, revenue from room rental has been reclassified by ₹ 7,475.35 lakhs to revenue from food and beverages on the basis of fair value as determined by the management for evaluating the Group's performance.

26 Other income

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
Profit on sale of investment property	93.01	-
Rent received	94.46	90.50
Excess provision/ credit balances written back	37.04	37.38
Fair value profit on financial instruments at fair value through profit or loss	81.20	-
Profit on sale of investment	393.67	-
Miscellaneous income	116.90	105.51
	816.28	233.39

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

27. Cost of food and beverages consumed

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
(a) Consumption of food and beverages excluding liquor and wine		
Inventory at the beginning of the year	234.45	282.24
Add: Purchases	7,871.66	7,029.27
	8,106.11	7,311.51
Less: Inventory at the end of the year	210.55	260.26
Cost of food and beverage consumed	7,895.56	7,051.25
(b) Consumption of liquor and wine		
Inventory at the beginning of the year	221.74	221.19
Add: Purchases	590.26	570.39
	812.00	791.58
Less: Inventory at the end of the year	228.74	221.74
Cost of liquor and wine consumed	583.26	569.84
	8,478.82	7,621.09

28. Employee benefit expense

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
Salaries, wages and bonus	21,521.16	19,594.62
Contribution to provident fund and other funds	974.24	947.16
Gratuity expense (Refre note 35)	140.27	90.68
Share based payments to employees (Refer note 37(b))	150.24	-
Staff welfare expenses	1,139.48	1,215.73
Total	23,925.40	21,848.19

29. (a) Power and fuel

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
Power and fuel	8,509.92	8,779.13
Total	8,509.92	8,779.13

29 (b) Other expenses

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
Consumption of stores, cutlery, crockery, linen, provisions and others	2,179.29	2,003.27
Lease rent	1,091.44	791.00
Linen & uniform washing and laundry expenses	1,236.18	1,039.51
Guest transportation	1,294.78	1,202.73

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
Spa expenses	466.77	424.34
Subscription charges	279.00	244.07
Repair and maintenance		
- Buildings	5,989.01	3,949.33
- Plant and machinery	2,067.56	1,580.86
- Others	1,758.75	1,026.46
Rates and taxes	2,606.02	2,322.90
Insurance	449.63	388.09
Communication costs	771.17	794.25
Printing and stationery	406.24	362.48
Traveling and conveyance	171.70	152.28
Vehicle running and maintenance	238.31	243.09
Advertisement and business promotion	416.29	298.90
Architect and design fee	720.45	-
Commission -other than sole selling agent	6,215.43	5,234.66
Security and cleaning expenses	1,606.41	1,397.37
Membership and subscriptions	64.55	43.31
Legal and professional fees	2,614.77	2,440.17
Freight and cartage	3.86	3.77
Corporate social responsibility*	510.67	237.48
Loss on sale/write off of property, plant and equipment (net)	269.39	273.65
Provision for doubtful debts	86.40	31.97
Donation	4.50	-
Miscellaneous expenses	900.89	461.12
Total	34,419.46	26,947.06

*Details of Corporate social responsibility (CSR) expenditure:

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
(a) Gross amount required to be spent by the Group during the year	510.67	237.48
(b) Amount spent during the year ended on March 31, 2026:	In cash	Yet to be paid in cash
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	510.67	-
(c) Amount spent during the year ended on March 31, 2025:	In cash	Yet to be paid in cash
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	237.48	-

The Group, through CSR initiative focuses on following areas:

- Purchase of Antismog gun for environment
- Empowerment of weaker section of society through education and skill training
- Giving special care to disabled's, advocacy for inclusion and early identification of person with disabilities

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

30 Finance costs

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
Interest		
- on term loans from banks	11,988.74	14,788.29
- on loans from financial institutions	829.16	1,210.33
- on vehicle loans	76.71	60.91
- on lease liability (refer note 20)	4,280.03	4,259.99
- on other credit facilities from banks	11.57	85.17
- on income tax	0.04	0.19
- Security deposits payable	5.41	1.72
Bank charges (including commission on credit card collection)	760.23	716.69
	17,951.89	21,123.29

31 Finance income

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
Profit on sale of investment	-	10.03
- Bank Deposits	258.45	235.46
- Others	820.44	737.39
Interest on income tax refund	155.18	26.61
Fair value profit on financial instruments at fair value through profit or loss	-	47.10
Total	1,234.07	1,056.59

32 Depreciation and amortization expense

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
Depreciation on property, plant and equipment	10,493.67	10,532.28
Amortization of intangible assets	843.16	832.27
Amortisation of Right to use asset	2,540.34	2,561.53
Depreciation on investment properties	3.30	3.57
Total	13,880.47	13,929.65

33 Earnings per share (Basic EPS and Diluted EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The earnings and weighted average number of ordinary shares used in the calculation of Basic and Diluted EPS are as follows:

	March 31, 2026	March 31, 2025
Profit attributable to equity holders (for basic and diluted) (₹ In Lakhs)	22,709.68	19,658.11
Weighted average number of equity Shares (for basic and diluted earnings per share)*	79,18,47,623	79,18,46,625
Basic and Diluted earning per share	2.87	2.48

*The weighted average number of shares takes into account the weighted average effect of changes in share transactions during the year.

34. Significant accounting judgements, estimates and assumptions

The preparation of the Group financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities and other commitments. Uncertainty about these judgements, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur. The estimates and underlying assumptions are reviewed on an ongoing basis and the revisions to accounting estimates are recognized in the period in which the estimate is revised.

Critical judgements, estimates and assumptions

a. Impairment of property, plant and equipment

Each hotel property is an identifiable asset that generates cash inflows and is independent of the cash inflows of the other hotel properties, hence identified as cash generating units. The Group assesses the carrying amount of hotel properties (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Where the carrying amount of CGU exceeds its recoverable amount (being higher of fair value less cost to sell or value in use), the asset is considered impaired and is written down to its recoverable amount. An impairment loss (if any) is recognised in the statement of profit and loss.

The value in use is determined basis discounted cash flow model which requires exercise of significant judgment in determining key assumptions like forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Discount Rate	12.50%	12.00 %
Long Term Growth Rate	5.00%	5.00%

As at March 31, 2026, the estimated recoverable amount of the CGU exceeded its carrying amount.

Sensitivity analysis of assumptions

The Company has performed sensitivity analysis on the key assumptions by +/- 1% for each of the assumptions used and ensured that the valuation is appropriate and there is no further impairment.

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

b. Impairment of Intangible assets

The group has developed software solutions into revenue management, Sales, customer engagement and business intelligence, which is to be utilised by the group and monetised as separate service to managed/ franchised and third party hotels. The group has performed impairment analysis of the Intangible assets and is confident of achieving it's future projections and expects the recoverable value of the software to be higher than the carrying value of Intangible assets.

Particulars	As at March 31, 2026	As at March 31, 2025
Discount Rate	12.50%	12.00 %
Long Term Growth Rate	5.00%	5.00%

The key assumptions used by the management in setting the financial budgets were as follows:

1. **Forecast sales growth rates:** Forecast sales growth rates are based on past experience adjusted for historic measures and market trends analysed.
2. **Operating profits:** Operating profits are forecasted based on historical experience of operating margins, adjusted for the impact of changes to product costs and cost saving initiatives.

Sensitivity analysis: The Group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount. The management believe that any reasonable possible change in the key assumptions on which the recoverable amount of Intangible assets is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the intangible assets.

c. Leases

The Group has taken certain land and land & building on long term lease basis. The lease agreements generally have an escalation clause and are generally non-cancellable. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group evaluates if an arrangement qualifies to be a lease as per the requirements of IND AS 116. Identification of a lease requires judgment. The Group uses judgement in assessing the lease term and the applicable discount rate. The discount rate is generally based on the incremental borrowing rate.

d. Loss Allowance on trade receivables (Expected credit loss)

An impairment analysis of trade receivables is performed at each reporting period based on the Group's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2026 is considered adequate.

e. Deferred tax assets (DTA)

Deferred tax asset (DTA) is recognized only when and to the extent there is convincing evidence that the Company will have sufficient taxable profits in future against which such assets can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, recent business performance and developments

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

34A. Statutory Group Information

Name of the entity in the group	Net Assets, i.e., total assets minus total liabilities		Share in profit and loss		Share in other Comprehensive income		Share in total Comprehensive income	
	As % of consolidated net assets	₹ in lakhs	As % of consolidated profit and loss	₹ in lakhs	As % of consolidated other comprehensive income	₹ in lakhs	As % of total comprehensive income	₹ in lakhs
Lemon Tree Hotels Limited								
Balance as at March 31, 2026	65.79%	1,36,789.41	37.62%	10,847.00	31.79%	(7.73)	37.63%	10,839.27
Balance as at March 31, 2025	70.29%	1,25,799.89	41.33%	10,048.68	248.06%	5.83	41.35%	10,054.51
Subsidiaries								
1 Fleur Hotels Limited (Formerly known as Fleur Hotels Private Limited)								
Balance as at March 31, 2026	87.40%	1,81,713.34	27.73%	7,996.14	(1.16%)	0.28	27.76%	7,996.42
Balance as at March 31, 2025	97.07%	1,73,716.92	33.32%	8,102.36	(329.91%)	(7.75)	33.29%	8,094.61
2 Celsia Hotels Private Limited								
Balance as at March 31, 2026	5.72%	11,889.88	3.63%	1,047.45	(1982.12%)	481.80	5.31%	1,529.25
Balance as at March 31, 2025	5.79%	10,360.63	4.02%	978.40	15642.47%	367.55	5.54%	1,345.95
3 Mezereon Hotels LLP								
Balance as at March 31, 2026	0.00%	(0.18)	(0.00%)	(0.25)	-	-	(0.00%)	(0.25)
Balance as at March 31, 2025	0.00%	0.07	(0.00%)	(0.19)	-	-	(0.00%)	(0.19)
4 Inovoa Hotels and Resorts Limited								
Balance as at March 31, 2026	1.41%	2,922.47	0.49%	140.89	(220.55%)	53.61	0.68%	194.50
Balance as at March 31, 2025	1.52%	2,727.99	1.33%	324.30	2021.12%	47.49	1.53%	371.79
5 Manakin Resorts Private Limited								
Balance as at March 31, 2026	0.55%	1,140.89	(0.77%)	(223.01)	5.47%	(1.33)	(0.78%)	(224.34)
Balance as at March 31, 2025	0.76%	1,365.23	0.04%	9.56	73.27%	1.72	0.05%	11.28
6 Canary Hotels Private Limited								
Balance as at March 31, 2026	1.65%	3,422.32	(0.73%)	(211.71)	4.62%	(1.12)	(0.74%)	(212.83)
Balance as at March 31, 2025	1.73%	3,092.66	0.13%	31.87	(44.53%)	(1.05)	0.13%	30.82

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

7	Hyacinth Hotels Private Limited									
	Balance as at March 31, 2026	4.16%	8,651.54	7.34%	2,115.89	6.78%	(1.65)	7.34%	2,114.24	
	Balance as at March 31, 2025	3.65%	6,537.30	7.98%	1,939.77	10.75%	0.25	7.98%	1,940.02	
8	Sukhsagar Complexes Private Limited									
	Balance as at March 31, 2026	2.09%	4,342.29	0.85%	244.99	0.19%	(0.05)	0.85%	244.94	
	Balance as at March 31, 2025	0.82%	1,461.05	0.76%	185.57	(11.75%)	(0.28)	0.76%	185.29	
9	Oriole Dr Fresh Hotels Private Limited									
	Balance as at March 31, 2026	1.24%	2,579.50	(0.93%)	(266.98)	2.67%	(0.65)	(0.93%)	(267.63)	
	Balance as at March 31, 2025	0.90%	1,613.71	(0.70%)	(169.48)	31.70%	0.74	(0.69%)	(168.74)	
10	Carnation Hotels Private Limited									
	Balance as at March 31, 2026	4.51%	9,378.57	11.01%	3,174.43	1.14%	(0.28)	11.02%	3,174.15	
	Balance as at March 31, 2025	3.47%	6,204.42	11.00%	2,675.49	(3.77%)	(0.09)	11.00%	2,675.40	
11	Red Fox Hotel Company Private Limited									
	Balance as at March 31, 2026	0.00%	(1.97)	(0.00%)	(0.39)	-	-	(0.00%)	(0.39)	
	Balance as at March 31, 2025	0.00%	(1.57)	(0.00%)	(0.23)	-	-	(0.00%)	(0.23)	
12	Lemon Tree Hotel Company Private Limited									
	Balance as at March 31, 2026	0.00%	(1.75)	(0.00%)	(0.32)	-	-	(0.00%)	(0.32)	
	Balance as at March 31, 2025	0.00%	(1.42)	(0.00%)	(0.25)	-	-	(0.00%)	(0.25)	
13	IORA Hotels Private Limited									
	Balance as at March 31, 2026	20.32%	42,248.48	13.34%	3,845.79	39.61%	(9.63)	13.32%	3,836.16	
	Balance as at March 31, 2025	21.46%	38,412.32	2.73%	663.82	(7.18%)	(0.17)	2.73%	663.65	
14	Ophrys Hotels Private Limited									
	Balance as at March 31, 2026	0.00%	(2.63)	(0.00%)	(0.53)	-	-	(0.00%)	(0.53)	
	Balance as at March 31, 2025	0.00%	(2.10)	(0.00%)	(0.27)	-	-	(0.00%)	(0.27)	
15	Bandhav Resorts Private Limited									
	Balance as at March 31, 2026	0.68%	1,416.58	0.03%	7.88	(1.92%)	0.47	0.03%	8.35	
	Balance as at March 31, 2025	0.79%	1,408.24	(0.03%)	(6.40)	6.41%	0.15	(0.03%)	(6.25)	

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16	Madder Stays Private Limited									
	Balance as at March 31, 2026	0.00%	(1.09)	(0.00%)	(0.71)	-	-	(0.00%)	(0.71)	
	Balance as at March 31, 2025	0.00%	(0.38)	(0.00%)	(0.20)	-	-	(0.00%)	(0.20)	
17	Nettle Hotels Private Limited									
	Balance as at March 31, 2026	0.00%	(1.15)	(0.00%)	(0.75)	-	-	(0.00%)	(0.75)	
	Balance as at March 31, 2025	0.00%	(0.40)	(0.00%)	(0.18)	-	-	(0.00%)	(0.18)	
18	Arum Hotels Private Limited									
	Balance as at March 31, 2026	0.23%	483.02	(0.01%)	(1.64)	-	-	(0.01%)	(1.64)	
	Balance as at March 31, 2025	0.00%	484.67	0.00%	(0.16)	-	-	0.00%	(0.16)	
19	Bergruen Hotels Private Limited									
	Balance as at March 31, 2026	15.23%	31,666.43	(0.90%)	(260.85)	12.94%	(3.14)	(0.92%)	(263.99)	
	Balance as at March 31, 2025	17.84%	31,930.37	(3.38%)	(821.80)	40.09%	0.94	(3.38%)	(820.86)	
20	Hamstede Living Private Limited									
	Balance as at March 31, 2026	0.15%	311.22	0.04%	11.87	-	-	0.04%	11.87	
	Balance as at March 31, 2025	0.17%	299.36	0.05%	11.83	-	-	0.05%	11.83	
21	Totally Foxed Solutions Private Limited									
	Balance as at March 31, 2026	(1.04%)	(2,160.40)	(6.10%)	1,757.58	3.72%	(0.90)	(6.10%)	1,758.48	
	Balance as at March 31, 2025	(0.22%)	(401.92)	(4.90%)	(1,191.14)	0.00%	-	(4.90%)	(1,191.14)	
Non-controlling interests in all subsidiaries										
	Balance as at March 31, 2026	33.05%	68,724.54	21.23%	6,122.14	20.72%	(5.04)	21.23%	6,117.10	
	Balance as at March 31, 2025	34.98%	62,608.36	19.15%	4,656.43	(79.30%)	(1.86)	19.14%	4,654.57	
Consolidation Adjustments/Eliminations										
	Balance as at March 31, 2026	(143.13%)	(2,97,593.44)	(13.87%)	(3,997.93)	2176.10%	(528.95)	(15.71%)	(4,526.88)	
	Balance as at March 31, 2025	(161.30%)	(2,88,655.24)	(12.85%)	(3,123.25)	(17497.43%)	(411.14)	(14.53%)	(3,534.36)	
Total	Balance as at March 31, 2026	100.00%	2,07,917.87	100.00%	28,831.82	100.00%	(24.31)	100.00%	28,807.51	
	Balance as at March 31, 2025	100.00%	1,78,960.14	100.00%	24,314.54	100.00%	2.35	100.00%	24,316.89	

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35. Gratuity and other post-employment benefit plans

The Group has a defined benefit gratuity plan (funded). The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member’s length of service and salary at retirement age. The fund has the form of a trust and it is governed by the board of trustees, which consists of an equal number of employer and employee representatives. The board of trustees is responsible for the administration of the plan assets and for the definition of the investment strategy. The trust fund has taken a scheme of insurance, whereby these contributions are transferred to the insurer. The group makes provision of such gratuity liability in the books of accounts on the basis of actuarial valuation as per the projected unit credit method.

₹ in lakhs		
Benefit Liability	March 31, 2026	March 31, 2025
Gratuity plan	1,595.70	421.01
Total	1,595.70	421.01

Risk analysis

Group is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefits plans and management estimation of the impact of these risks are as follows:

Investment risk

The most of the Indian defined benefit plans are funded with Life Insurance Corporation of India. Group does not have any liberty to manage the fund provided to Life Insurance Corporation of India.

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government of India bonds for Group’s Indian operations. If the return on plan asset is below this rate, it will create a plan deficit.

Interest risk

A decrease in the interest rate on plan assets will increase the plan liability.

Longevity risk/life expectancy

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. Increases in the life expectancy of the plan participants will increase the plan liability.

Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

Notes to Consolidated Financial Statements
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Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2026:

	₹ in lakhs									
	Opening Balance April 1, 2025	Service cost	Past service cost	Net interest expense/income	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Remeasurement changes arising from demographic assumptions	Remeasurement changes arising from changes in financial assumptions	Remeasurement gains/(losses) in other comprehensive income
Defined benefit obligation	731.44	113.14	1,148.95	47.02	1,309.11	(179.45)	-	-	41.62	(8.97)
Fair value of plan assets	310.43	-	-	19.89	19.89	(34.69)	2.42	-	-	2.42
Benefit liability	421.01	113.14	1,148.95	27.13	1,289.22	(144.76)	(2.42)	-	41.62	(8.97)
									30.23	-
										1,595.70

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2025:

	₹ in lakhs									
	Opening Balance April 1, 2024	Inclusion on account of purchase of new subsidiary	Service cost	Net interest expense/income	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Remeasurement changes arising from demographic assumptions	Remeasurement changes arising from changes in financial assumptions	Remeasurement gains/(losses) in other comprehensive income
Defined benefit obligation	676.77	-	63.08	47.56	110.64	(51.95)	-	-	(8.30)	12.32
Fair value of plan assets	284.71	-	-	19.96	19.96	(28.21)	1.51	-	-	-
Benefit liability	392.06	-	63.08	27.60	90.68	(23.74)	1.51	-	(8.30)	12.32
									5.53	-
										32.46
										421.01

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

The major categories of plan assets of the fair value of the total plan assets are as follows:

	March 31, 2026	March 31, 2025
Unquoted investments:		
Asset invested in insurance scheme with the LIC	100%	100%
Total	100%	100%

The principal assumptions used in determining gratuity obligations for the Group’s plans are shown below:

	March 31, 2026	March 31, 2025
Discount rate:		
Pension plan	6.69%	6.48%
Future salary increases:		
Pension plan	6.00	5.00
Withdrawal rate:	26%	26%
Pension plan		
Retirement age:	Years	Years
Pension plan		
Male	60	60
Female	60	60

A quantitative sensitivity analysis for significant assumption as at March 31, 2026 and March 31, 2025 is as shown below:

India gratuity plan:

	₹ in lakhs			
	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026
Assumptions	Discount rate		Future salary increases	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(45.94)	49.07	48.85	(45.67)

	₹ in lakhs			
	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025
Assumptions	Discount rate		Future salary increases	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(12.59)	13.43	13.49	(12.90)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

	₹ in lakhs	
Duration (Years)	For the year ended March 31, 2026	For the year ended March 31, 2025
1	747.97	421.97
2	321.15	90.11
3	271.44	74.69
4	258.54	61.48
5	159.06	52.23
Above 5	526.20	136.89
Total expected payments	2,284.36	837.37

The average duration of the defined benefit plan obligation at the end of the reporting period is 5.10 years (March 31, 2025: 4.14 years).

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

36. Commitments and contingencies

a. Leases

Operating lease commitments — Group as lessee

The Group has taken office premises and hotel properties and staff hostels/others under operating lease agreements. These are generally cancellable and are renewable by mutual consent on mutually agreed terms except for few properties (including hotel property at Indore, Aurangabad, Gurgaon (2 properties), New Delhi Chandigarh, Banjara Hills Hyderabad, Goa, Varanasi, Shillong and Dehradun). The lease for hotel property at Indore, Aurangabad, Gurgaon (2 properties),New Delhi, Chandigarh, Banjara Hills Hyderabad, Goa, Varanasi, Shillong and Dehradun are non-cancellable for a period of twenty-nine, twenty-two, thirty, twenty-two, twenty-seven, sixty, thirty, twenty-five, twenty eight ,forty five and twenty-nine years respectively. Refer Note No.7 for carrying value of right to use asset recognised and Refer Note No.20 for carrying value of lease liability and the movement during the year.

The weighted average of incremental borrowing rate applied to lease liabilities, is 9.24%. (March 31, 2025- 9.39%).

b. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

Estimated amount of contracts remaining to be executed and not provided for March 31, 2026 ₹ 6,720.63 lakhs (March 31, 2025 ₹ 2,942.54 lakhs)

c. Contingent liabilities

(i) Legal claim contingency

	₹ in lakhs	
	As at March 31, 2026	As at March 31, 2025
Counter Guarantees given in respect of guarantees issued by Company’s bankers	3,031.98	2,030.04
Service tax and Goods and Service Tax	235.62	301.36
Luxury tax	-	15.04
Value added tax	-	5.21
Income tax*	27.25	27.25
Matters pending with consumer court	4.50	4.50
Total	3,299.35	2,383.40

*(amount paid under protest/adjusted against refund – ₹ 10.72 lakhs)

The Group’s pending litigations above pertains to proceedings pending with Income Tax, Excise, Sales/ VAT tax and other authorities. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

(ii) Hyacinth Hotels Private Limited, one of the subsidiary Company, has received a demand from South Delhi Municipal Corporation (‘the Authority’) wherein the Authority has called upon the subsidiary company to pay an amount of ₹ 68.20 lakhs (for the financial Years 2010-11 to financial years 2013-2014) towards annual value in respect of the hotel property situated in Hospitality District, Aerocity. During the year ended March 31, 2026, the Subsidiary has availed a one-time settlement scheme notified by the Municipal Corporation of Delhi for settlement of property tax dues relating to one hotel property. The resultant impact of ₹ 478.54 lakhs has been recognised as an exceptional expense, after adjusting the provision of ₹ 246.55 lakhs already created by the Group towards such liabilities.

Notes to Consolidated Financial Statements
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- (iii) Malviya National Institute of Technology, Jaipur (“MNIT”) filed an application before the Sub-divisional Officer (“SDO”), Jaipur against, among others, Sukhsagar Complexes Private Limited (one of the subsidiary), alleging that a portion of the land on which Red Fox Hotel, Jaipur has been constructed is owned by MNIT. Pursuant to an order dated December 31, 1999, the SDO, Jaipur, recorded certain land bearing khasra number 102/433 in the name of Gulab Chand and certain others, while removing the name of Malviya Regional Engineering College, the predecessor entity to MNIT. Against the order of the SDO, MNIT filed an appeal (appeal no. 327/2013) before the Divisional Commissioner, Jaipur (“Commissioner”), against Gulab Chand, Girdharilal Maninar and Gopal Das Johar, being the previous owners of the property sold to Sukhsagar, and also, among others, Sukhsagar, stating that Sukhsagar and Devashish Builders Private Limited had encroached on the land belonging to MNIT. The appeal was dismissed by the Commissioner pursuant to an order dated January 8, 2013 and the order passed by the SDO, dated December 31, 1999, was confirmed. Subsequently, Sukhsagar filed a review petition before the Commissioner challenging the order dated January 8, 2013 on grounds of certain procedural irregularities. The Commissioner, through an order dated September 4, 2013, recalled its previous order dated January 8, 2013. The Commissioner eventually dismissed the appeal filed by MNIT through an order dated September 11, 2013. MNIT filed a writ petition before the High Court of Rajasthan challenging the order of the Commissioner, dated September 11, 2013. The proceedings have taken up for final arguments and is likely to be listed in first week of July, 2026 for the same. The proceedings are in progress & the management based upon its assessment and expert’s advice believes that any liability is improbable to crystallize.
- (iv) Oriole Dr. Fresh Hotels Private Limited (a subsidiary company) filed an arbitration petition (arbitration petition No. 160/2012), against the Delhi Developmental Authority (the “DDA”) seeking quashing of invocation of a bank guarantee amounting to ₹ 102.80 lakhs by DDA, recovery of ₹ 25 lakhs as compensation alleging harassment and mental agony, recovery of ₹ 10 lakhs towards cost of proceedings, and interest at the rate of 18% on blocked amount from December 28, 2010 till the date of return of pay order. This dispute pertains to an agreement for construction of a hotel by the subsidiary in Kondli, Delhi, entered into with DDA, as a successful bidder in an auction process conducted for this purpose. As per such agreement the subsidiary was required to provide a bank guarantee of ₹ 102.80 lakhs as performance security. The DDA allegedly sought to encash the bank guarantee on December 21, 2011 on grounds of non-performance of contractual obligations by the subsidiary. Consequently, on March 12, 2012 Oriole sent a notice of commencement of arbitration to DDA and on May 31, 2012, the subsidiary obtained an injunction (OMP No. 1/2012) from the High Court of Delhi restraining DDA and Axis Bank Limited from proceeding with the encashment of the bank guarantee until the completion of the arbitration proceedings. An arbitral tribunal was constituted on September 28, 2012 and an arbitration award has been passed on December 06, 2022 in favour of the Company against which an objection petition has been filed by the DDA before the High Court of Delhi, which is matured for final arguments. The proceedings are in progress and the management based upon its assessment and expert’s advice believes that any further liability against the aforesaid demand is improbable to crystallize.
- (v) **Note on Provident Fund:**
Based upon the legal opinion obtained by the management, Group is not required to create provisions in books of accounts in view of the judgement of the Hon’ble Supreme court in the case of Vivekananda Vidyamandir vs Regional Provident Fund Commissioner (II), West Bengal and subsequent dismissal of review petition by Hon’ble Supreme court in the case of review petition No. 001972-001973/2019 in civil appeal 3965-3966 in the matter of Surya Roshni Ltd Vs Employees Provident Fund and Another.

Considering the equitable cause, the High Courts may give prospective effect to the judgement which can be done in exercise of inherent powers of High Court under Article 226 of the constitution of India.

In case of the Group, retrospective effect is remote and at present uniformity is maintained across all brands/grades.

Notes to Consolidated Financial Statements
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- (vi) Berggruen Hotels Private Limited (a subsidiary company) has entered into a lease agreement in April, 2008 with the land owners of the Baroda property to construct a hotel in the said property pursuant to which sum of ₹ 100 Lakhs has been paid to the property owners as refundable security deposit. As per the Lease agreement, on execution of the said Lease Deed, owners were obliged to deliver to the Subsidiary Company, vacant and peaceful possession of the said property and to demolish existing structure standing thereon in order to enable the Subsidiary company to construct the proposed hotel on the said property. More than five years have elapsed since execution of the said Lease Deed and despite various assurances and promises, the owners have failed to hand over possession of the said property and hence the Subsidiary Company terminated the lease agreement and asked immediately to refund the refundable security deposit along with interest at the rate of 25% per annum. Subsequent to termination of the lease agreement, the Subsidiary Company has also filed a commercial suit against owners for recovery of monies paid along with the interest. The Subsidiary Company expects the judgment in its favour.

37. Share based payments:

a) **Stock options granted on and after April 1, 2006.**

The share-based payment scheme provided to the employees is as follows:

Date of grant	September 1, 2006, April 1,2007, October 1, 2007, April 1, 2008, January 12, 2009, April 1, 2009, April 1, 2010, October 1, 2010, April 1, 2011, April 1, 2012, April 1, 2015, January 1, 2018
Date of Board Approval of plan	July 18, 2006
Date of Shareholder’s approval of plan	August 25, 2006
Number of options granted	13,249,207
Method of Settlement	Equity
Vesting Period	12-48 months
& 15-39 months	
Exercise Period	5 years from the date of vesting
Vesting Conditions	Employee remaining in the employment of the enterprise during the vesting period.

Details of vesting:

Vesting period from the grant date	Vesting Schedule*
On completion of 12 months	10%
On completion of 24 months	20%
On completion of 36 months	30%
On completion of 48 months	40%

*All ESOP’s under ESOP Plan 2006 are granted as per general vesting schedule defined in the scheme except for ESOP’s granted on 12th January 2009, 328,008 ESOP’s granted on April 1, 2012 and 487,000 ESOP’s granted on January 1, 2018 for which specific vesting schedule was decided.

Parent Company has issued/forfeited Nil shares (March 31, 2025: Nil) during the year on exercise of options granted under the employee stock option plan (ESOP).

b. **LTHL Stock Appreciation Rights Scheme –2024**

The Group has granted share appreciation rights to eligible employees under LTHL Stock Appreciation Rights Scheme –2024 (“the scheme”). The Scheme was approved by the Board of Directors and the shareholders of the Company on May 29, 2024 and September 26, 2024, respectively, for the grant of 76,00,000 SAR units.

Subsequently, the Scheme was amended with the approval of the Board of Directors and shareholders at their respective meetings held on August 08, 2025 and September 25, 2025, whereby the total number of SAR units under the Scheme was increased from 76,00,000 SAR units to 1,50,00,000 SAR units.

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Information with respect to SAR units granted under the scheme is as follows:

S. No	Particulars			
1.	Grant Date	February 06, 2026		
2.	SAR Units granted	99,16,000		
3.	SAR Price per unit	₹ 129.37		
4.	Total number of shares covered by these SAR Units	Number of Shares to be allotted = (Appreciation per SAR x Number of SAR units exercised) / Market Price as on the date of exercise		
5.	Vesting Conditions and Schedule	A. Market linked vesting condition:		
		Milestone	Vesting Condition	Vesting Schedule Expected Vesting Periods
		First Milestone	Achieving Benchmark Market Price equivalent to 1.67x of SAR Price	25% of the SAR Units granted 3.20 years
		Second Milestone	Achieving Benchmark Market Price equivalent to 2.00x of SAR Price	25% of the SAR Units granted 3.48 years
		Third Milestone	Achieving Benchmark Market Price equivalent to 2.34 x of SAR Price	25% of the SAR Units granted 3.77 years
		Fourth Milestone	Achieving Benchmark Market Price equivalent to 2.67x of SAR Price	25% of the SAR Units granted 3.99 years
		B. Service Linked Vesting Condition – Employee should be in employment during vesting period and vesting will start after 2 years from effective date of scheme.		
		The Company has considered graded vesting of the SAR allocated as vesting of each milestone is not linked to the other.		
6.	Benchmark Market Price	Benchmark Market price means the average of weekly average price of 4 weeks price (Closing) on a recognized stock exchange on which the Shares of the Company are listed.		
7.	Vesting Period	Eight years from effective date of the Scheme i.e. September 26, 2024		
8.	Corporate Action	Corporate action means target price to be adjusted based on multiple of SAR price (on approval from Nomination and Remuneration Committee) for any corporate actions in the Company as per terms of the scheme. Corporate Action means any change in the Company's capital structure arising from bonus issue, rights issue, share split, consolidation, merger, demerger, arrangement or other reorganization.		
9.	Pricing Formula for SAR price	SAR Price means the closing price on the stock exchange having higher trading volume on the date immediately prior to the grant date. Accordingly, SAR Price for the 99,16,000 SAR units is ₹ 129.37/Per SAR Unit		
10.	Exercise Period	1 Year from vesting date		
11.	Exercise Price	₹ 10 per share		

In the event an employee does not exercise the vested SAR Units within the time specified, the SAR Units shall stand lapsed. Further if an employee leaves the company before vesting period, on the date of cessation vested SAR, shall expire and stand terminated with effect from that date.

Notes to Consolidated Financial Statements
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The following table represents the number and Weighted Average Exercise Prices (WAEP) of, and movements in, share options during the year for Milestone 1, Milestone 2, Milestone 3 and Milestone 4 together:

₹ in lakhs				
Particulars	March 31, 2026 (Number)	March 31, 2026 (WAEP)	March 31, 2025 (Number)	March 31, 2025 (WAEP)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	99,16,000	10	-	-
Forfeited during the year	3,81,000	10	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	95,35,000	10	-	-
Exercisable at the end of the year	-	-	-	-

The Group has used Monte Carlo model and the assumption used are as follows:

Vesting Start Date	February 06, 2028
Maximum Vesting Date	September 25, 2032
Maximum Time Period	6.64 Years
Expected Volatility	35.00%
Risk Free Rate	6.58%
Dividend Rate	0.00%

The expected life of the share options and SARs is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

The expense recognised and carrying amount of share based payment reserve for the year ended March 31, 2026 and March 31, 2025 is shown in the following table:

Particulars	March 31, 2026 (₹ In lakhs)	March 31, 2025 (₹ In lakhs)
Expense arising from equity-settled share-based payment transactions	150.24	-
Carrying amount of share-based payment reserve	150.24	-

No SARs had vested during the year March 31, 2026 and March 31, 2025.

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38. Related Party Transactions

Names of related parties	
Key Management Personnel (“KMP”)	- Mr. Patanjali Govind Keswani (Chairman and Executive Director) - Mr. Neelendra Singh (Managing Director) (w.e.f. October 01, 2025) - Mr. Kapil Sharma (Executive Director and Chief Financial Officer) (w.e.f. October 01, 2025) - Mr. Willem Albertus Hazeleger (Director) - Mr. Aditya Madhav Keswani (Director) - Mr. Paramartha Saikia (Independent Director) - Ms. Freyan Jamshed Desai (Independent Director) (upto March 20, 2026) - Dr. Arindam Kumar Bhattacharya (Independent Director) (Upto April 10, 2024) - Mr. Niten Malhan (Independent Director) - Ms. Smita Anand (Independent Director) - Mr. Praveen Garg (Independent Director) - Mr. Sanjiv Nandan Sahai (Independent Director)
Key Management Personnel/ Individuals having significant influence and their relatives (in Subsidiaries) (“KMP of Subsidiaries”)	- Mr. Rajesh Kumar (Whole Time Director of Canary Hotels Private Limited) - Mr. Sumant Jaidka (Whole Time Director of Inovoa Hotels and Resorts Limited) (upto March 31, 2026) - Mr. Sanjeev Kumar Jain (Managing Director of Inovoa Hotels and Resorts Limited) (w.e.f. March 31, 2026) - Mr. Rajeev Janveja (Whole Time Director of Sukhsagar Complexes Private Limited) (upto March 31, 2026) - Mr. Vishvapreet Singh Cheema (Whole Time Director of Sukhsagar Complexes Private Limited) (w.e.f. March 20, 2026) - Mr Gaurav Goyal (Whole Time Director of Iora Hotels Private Limited) (upto March 31, 2026) - Mr. Sanjeev Kumar Jain (Managing Director of Iora Hotels Private Limited) (w.e.f. March 30, 2026) - Mr. Praveen Kumar Agrawal (Whole Time Director of Berggruen Hotels Private Limited) - Mr. Devinder Kumar (Whole Time Director of Hamstede Living Private Limited) (upto February 03, 2025) - Mr. Prashant Mehrotra (Whole Time Director of Hamstede Living Private Limited)
Enterprises owned or significantly influenced by key management personnel or their relatives	- Toucan Real Estates Private Limited
Associate	- Mind Leaders Learning India Private Limited - Pelicaan Facilities Management Private Limited

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Additional related parties as per Companies Act 2013 with whom transactions have taken place during the year:

Chief Financial Officer	: Mr. Kapil Sharma
Company Secretary and Compliance Officer	: Ms. Jyoti Verma (w.e.f. November 21, 2023 upto 31 January 2025) : Ms Rashi Goel (w.e.f. February 05, 2025 to March 07, 2025) : Mr. Pawan Kumar Kumawat (w.e.f. May 29, 2025)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

Transactions with Related Party	KMP		KMP of Subsidiaries		Enterprises owned or significantly influenced by key management personnel or their relatives		Associate	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Remuneration paid								
Mr. Patanjali Govind Keswani	689.34	399.31	164.37	-	-	-	-	-
Mr. Saurabh Shatdal			132.36					
Mr. Sumant Jaidka	-	-	187.23	95.54	-	-	-	-
Mr. Rajesh Kumar	-	-	138.84	78.12	-	-	-	-
Mr. Kapil Sharma	288.62	133.82	-	-	-	-	-	-
Ms. Jyoti Verma	-	31.82	-	-	-	-	-	-
Mr. Neelendra Singh	155.55	-	-	-	-	-	-	-
Mr. Pawan Kumar Kumawat	22.61	-	-	-	-	-	-	-
Mr. Gaurav Goyal	-	-	51.08	46.92	-	-	-	-
Ms. Rashi Goel	-	2.05	-	-	-	-	-	-
Travelling Expenses Reimbursement								
Pradeep Mathur	-	-	-	4.24	-	-	-	-
Sitting Fee paid								
Mr. Ashish Kumar Guha	-	-	11.40	6.50	-	-	-	-
Ms. Freyan Jamshed Desai	6.40	7.30	4.80	3.60	-	-	-	-
Mr Paramartha Saikia	7.75	5.30	-	2.60	-	-	-	-
Mr. Pradeep Mathur	-	-	8.15	5.00	-	-	-	-
Mr. Niten Malhan	4.25	4.10	-	2.50	-	-	-	-
Dr. Arindam Kumar Bhattacharya	-	-	-	2.50	-	-	-	-
Mr. Praveen Garg	8.85	5.10	-	-	-	-	-	-
Mr. Sanjiv Nandan Sahai	10.65	6.50	-	-	-	-	-	-
Ms. Smita Anand	7.25	5.00	-	-	-	-	-	-
Mr. Mohit Gujral	-	-	6.00	-	-	-	-	-
Mr. Willem Albertus Hazeleger	7.45	5.55	-	-	-	-	-	-
Commission accrue to directors								
Ms. Freyan Jamshed Desai	8.93	-	10.01	-	-	-	-	-
Mr Aditya Madhav Keswani	8.93	-	8.01	-	-	-	-	-

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

₹ in lakhs								
Transactions with Related Party	KMP		KMP of Subsidiaries		Enterprises owned or significantly influenced by key management personnel or their relatives		Associate	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Mr Paramartha Saikia	8.93	-	-	-	-	-	-	-
Mr. Niten Malhan	11.17	-	-	-	-	-	-	-
Mr. Praveen Garg	11.17	-	-	-	-	-	-	-
Mr. Sanjiv Nandan Sahai	8.93	-	-	-	-	-	-	-
Ms. Smita Anand	11.17	-	-	-	-	-	-	-
Mr. Willem Albertus Hazeleger	8.93	-	-	-	-	-	-	-
Mr. Ashish Kumar Guha	-	-	10.01	-	-	-	-	-
Mr. Pradeep Mathur	-	-	10.01	-	-	-	-	-
Mr. Mohit Gujral	-	-	8.01	-	-	-	-	-
Training Fee Paid (Gross)								
Mind Leaders Learning India Private Limited	-	-	-	-	-	-	78.55	117.73
Rent Receieved								
Mind Leaders Learning India Private Limited	-	-	-	-	-	-	4.84	13.21
Pelicaan Facilities Management Private Limited	-	-	-	-	-	-	7.85	11.24
Sale of Services								
Mind Leaders Learning India Private Limited					-			0.67
Pelicaan Facilities Management Private Limited							1.09	
Balances outstanding at the year end - Trade Receivables								
Mind leaders Learning India Private Limited	-	-	-	-	-	-	1.19	0.76
Pelicaan Facilites Private Limited	-	-	-	-	-	-	2.17	-
Balances outstanding at the year end - Trade Payable/Other Current Liabilities								
Mr. Sumant Jaidka	-	-	26.38	2.93	-	-	-	-
Mr. Rajesh Kumar	-	-	1.01	1.99	-	-	-	-
Mr. Neelendra Singh	0.53	-	-	-	-	-	-	-
Mr. Pawan Kumar Kumawat	0.37	-	-	-	-	-	-	-
Mr. Gaurav Goyal	-	-	0.12	2.88	-	-	-	-
Mind Leaders Learning India Private Limited	-	-	-	-	-	-	5.13	19.40

*An expense of ₹ 78.79 lakhs has been recognized in the Statement of Profit and Loss during the year in respect of Stock Appreciation Rights (SARs) granted to Key Managerial Personnel (KMPs).

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

Terms and conditions of transactions with related parties

Outstanding balances with related parties at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2026, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2025: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Commitments with related parties

The Group has not entered into any commitments with related parties during the year.

39. Fair value measurement

This section gives an overview of the significance of financial instruments for the Group and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument

a. Financial assets

₹ in lakhs				
	March 31, 2026		March 31, 2025	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Trade Receivables	-	11,625.12	-	7,861.57
Investments	6,936.87	-	3,962.52	-
Security Deposits	-	8,691.29	-	8,194.42
Other bank balances (including fixed deposit under lien)	-	4,913.77	-	3,557.97
Cash and Cash Equivalents	-	5,809.60	-	5,542.32
Interest accrued on deposit with banks	-	442.73	-	469.27
Loans	-	18.32	-	18.52
Total Financial Assets	6,936.87	31,500.83	3,962.52	25,644.07

Note: The financial assets above do not include investments in associates which are measured at cost in accordance with Ind AS 27.

₹ in lakhs				
	March 31, 2026		March 31, 2025	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Liabilities				
Borrowings	-	150,025.03	-	169,864.27
Trade Payables	-	6,710.28	-	6,160.76
Lease Liabilities (Non-current)	-	49,485.67	-	44,305.38
Lease Liabilities (Current)	-	854.00	-	595.33
Other Financial Liabilities		4,323.47		2,831.87
Total Financial Liabilities	-	211,398.45	-	223,757.61

b. Fair value measurement hierarchy for assets and liabilities

Fair value measurement

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 under current market conditions.

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

The Group categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) **Level 1**

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii) **Level 2**

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

iii) **Level 3**

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Group's assumptions about pricing by market participants.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

Financial assets and liabilities measured at fair value

₹ in lakhs				
	March 31, 2026			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments as FVTPL				
Quoted mutual funds	6,631.77	-	-	6,631.77
Unquoted equity instruments	-	-	305.10	305.10
Total	6,631.77	-	305.10	6,936.87

₹ in lakhs				
	March 31, 2025			
	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments as FVTPL				
Quoted mutual funds	3,857.42	-	-	3,857.42
Unquoted equity instruments	-	-	105.10	105.10
Total	3,857.42	-	105.10	3,962.52

The management assessed that fair values of cash and cash equivalents, trade receivables, trade payables, bank overdrafts, other current financial assets and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of loans, security deposits, borrowings and other financial assets and liabilities are considered to be the same as their carrying values, as there is an immaterial change in the lending rates.

The following methods and assumptions were used to estimate the fair values:

- The fair values of the unquoted equity shares have been estimated using net assets basis. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.
- The fair values of the investment in mutual funds have been estimated based on NAV of the assets at each reporting date

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

40. Financial risk management objectives and policies

The Group's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to support its operations. The Group's financial assets include loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management advises on financial risks and the appropriate financial risk governance framework for the Group. The Group's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk. Financial instruments affected by market risk include loans and borrowings.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group is carrying its borrowings primarily at variable rate. The Group expects the variable rate to decline, accordingly the Group is currently carrying its loans at variable interest rates.

₹ in lakhs		
Particulars	March 31, 2026	March 31, 2025
Variable rate borrowings	1,49,021.06	1,69,201.81
Fixed rate borrowings	1,003.96	662.46

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

₹ in lakhs		
	Increase/decrease in basis points	Effect on profit before tax
March 31, 2026		
Floating rate borrowing	50	(805.02)
Floating rate borrowing	(50)	805.02
March 31, 2025		
Floating rate borrowing	50	(958.47)
Floating rate borrowing	(50)	958.47

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group has no exposure in foreign currency.

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables and deposits to landlords) and from its financing activities, including deposits with banks and financial institutions, and other financial instruments.

(a) Trade receivables

Customer credit risk is managed by each business location subject to the Group’s established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 12. The Group does not hold collateral as security.

Reconciliation of provision for doubtful debts - Trade receivables (including provision for expected credit loss)

₹ in lakhs		
Particulars	March 31, 2026	March 31, 2025
Provision as at beginning	1,857.56	1,825.86
Addition during the year	79.26	31.70
Reversal during the year	-	-
Utilized during the year	-	-
Provision as at closing	1,936.82	1,857.56

(b) Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Group’s treasury department in accordance with the Group’s policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Group’s maximum exposure to credit risk for the components of the balance sheet at March 31, 2026 and March 31, 2025 is the carrying amount as illustrated in Note 14(i).

Liquidity risk

The Group monitors its risk of a shortage of funds by estimating the future cash flows. The Group’s objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders. As at March 31, 2026, the group had no sanctioned (March 31, 2025: ₹ Nil) undrawn committed borrowing facilities.

The table below summarises the maturity profile of the Group’s financial liabilities based on contractual undiscounted payments.

₹ in lakhs						
Year ended March 31, 2026	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings (other than lease liability)*	-	5,497.95	13,435.91	64,410.39	67,649.69	1,50,993.94
Trade and other payables	6,710.28	-	-	-	-	6,710.28
Other Financial Liabilities	4,151.03	-	-	-	172.44	2,831.87
	10,861.31	5,497.95	13,435.91	64,410.39	67,822.13	162,027.69

Notes to Consolidated Financial Statements
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₹ in lakhs						
Year ended March 31, 2025	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings (other than lease liability)*	280.39	4,803.15	15,432.82	66,911.59	83,567.11	1,70,995.06
Trade and other payables	6,160.76	-	-	-	-	6,160.76
Other Financial Liabilities	2,764.30	-	-	-	67.57	2,831.87
	9,205.45	4,803.15	15,432.82	66,911.59	83,634.68	179,987.69

*represents un-discounted cashflows

Future minimum rentals payable under non-cancellable operating leases as at year end are, as follows:

₹ in lakhs		
	As at March 31, 2026	As at March 31, 2025
Minimum Lease Payments:		
Not later than one year	4,378.73	4,151.40
Later than one year but not later than five years	20,267.60	19,366.87
Later than five years	1,07,872.43	85,680.62
Total	1,32,518.76	1,09,198.89

41. Capital management

For the purpose of the Group’s capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group’s capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

₹ in lakhs		
Particulars	March 31, 2026	March 31, 2025
Borrowings (Note 19 and 23) (Net of Processing Fee)	150,025.03	169,864.27
Trade payables (Note 23)	6,710.28	6,160.76
Less: cash and cash equivalents (Note 13)	5,809.60	5,542.32
Net debt	150,925.71	170,482.71
Total capital	207,917.87	178,960.14
Capital and net debt	358,843.58	349,442.84
Gearing ratio	42%	49%

In order to achieve this overall objective, the Group’s capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no significant breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2026 and March 31, 2025.

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

42. Segment Reporting

The Group is into Hoteliering business. The Board of Directors of the Parent Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore, there is no reportable segment for the Group as per the requirements of Ind AS 108 – “Operating Segments”.

Information about geographical areas

The Company has only domestic operations and hence no information required for the Group as per the requirements of Ind AS 108 – “Operating Segments”.

Information about major customers

No customer individually accounted for more than 10% of the revenue.

43. (a) During the earlier years, one of the subsidiary had entered into an Infrastructure development and services agreement with Delhi International Airport Limited (DIAL) to develop a hotel at Aero City, New Delhi for an initial term of 27 years, extendable at the option of the Subsidiary for an additional period of 30 years provided DIAL gets the extension from Airport Authority of India (AAI). DIAL/AAI may take over the building at ‘Book Values’/‘Net Present Value’, as defined in the aforesaid agreement in case the agreement is not extended further.
- (b) During the earlier years, one of the subsidiary had entered into a sub-lease agreement with Mumbai International Airport Limited (‘MIAL’) to develop the hotel at Chhatrapati Shivaji International Airport at Mumbai for an initial term upto May 02, 2036, extendable at the option of the Company for an additional period of 30 years provided MIAL gets the extension from Airport Authority of India (AAI). AAI/ DIAL may take over the building at ‘Net Present Value’/‘Book Value’, as defined in the aforesaid agreement in case the agreement is not extended further.

44. Changes in Ownership interest in Subsidiaries

During the year ended March 31, 2026, the parent company has sold equity shares of Nettle Hotels Private Limited and Madder Stays Private Limited to Fleur Hotels Limited leading to decrease in equity stake by 41.09% and accordingly remeasured its previously held equity interest on the selling date fair value and recognised the resulting gain of ₹ 0.92 lakhs in capital reserve in Other Equity.

45. The carrying amount of goodwill has been allocated to CGUs as follows:

₹ in lakhs	
Particulars	Amount
Berggruen Hotels Private Limited (subsidiary of Fleur Hotels Limited) (7 units)	8,832.41
Bandhav Resorts Private Limited (1 unit)	673.42
Others	2.60
Total	9,508.43

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

The recoverable amount of the Berggruen Hotels Private Limited and Bandhav Resorts Private Limited as a cash-generating unit is determined based on a value in use calculation which uses cash flow projections based on financial budgets prepared by the management beyond five year period.

Particulars	As at March 31, 2026	As at March 31, 2025
Discount Rate	12.50%	12.00 %
Long Term Growth Rate	5.00%	5.50%

Notes to Consolidated Financial Statements
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The key assumptions used by management in setting the financial budgets were as follows:

- (i) Forecast sales growth rates: Forecast sales growth rates are based on past experience adjusted for historic measures and market trends analyzed through independent valuer.
- (ii) Operating profits: Operating profits are forecast based on historical experience of operating margins, adjusted for the impact of changes to product costs and cost saving initiatives.

Sensitivity analysis:

The Group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for each of the group of CGUs to which goodwill is allocated. The Management believe that any reasonably possible change in the key assumptions on which the recoverable amount of Berggruen Hotels Private Limited and Bandhav Resorts Private Limited is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the related CGUs.

46A. Recent pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

- Ind AS 1, Presentation of Financial Statements, applicable w.e.f April 1, 2025 - The amendment relates to classification of liabilities as current or non -current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date, and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company does not have significant impact of the amendment in its classification criteria of current and non-current liabilities.
- Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments - Disclosures, applicable w.e.f April 1, 2025 - The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

There are no new amendements/standards (other than above) that are notified, but not yet effective up to the date of issuance of the Group’s financial statements

- 46B. During the year on March 31, 2026, the Board of Directors of the Group has approved scheme of arrangements in terms of section 230-232 of the Companies Act, 2013. The scheme is pending for approval from relevant authorities and accordingly, the prescribed disclosures of Schedule III are not required to be given. The Group has not entered into any scheme of arrangements in terms of section 233 to 237 of the Companies Act, 2013. (Refer note 53(B))

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47. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.

₹ in lakhs		
Particular	March 31, 2026	March 31, 2025
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	1,380.68	2,011.75
The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

48. The Group does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.

49. There has been no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

50. During the earlier year, a material subsidiary, Fleur Hotels Limited (formerly known as Fleur Hotels Private Limited) had made provision of estimated stamp duty expense of ₹ 1525.03 Lakhs on amalgamation of Meringue Hotels Private Limited, Begonia Hotels Private Limited and Nightingale Hotels Private Limited. This provision of stamp duty expense is a one- time expense of non-recurring nature.

51. a) During the earlier year, a material subsidiary, Fleur Hotels Limited (formerly known as Fleur Hotels Private Limited) has received Entitlement certificate for subsidy under Tourism Policy (TP) 2016 dated December 1 2023, based on which the company shall be eligible for 100% of the SGST paid on Lemon Tree Premier, Mumbai for a period of 7 years from the date of the entitlement certificate i.e. December 1, 2023.

b) During the earlier year, a material subsidiary, Fleur Hotels Limited has received Entitlement certificate for subsidy under Rajasthan Investment Promotion Scheme (RIPS) 2014 dated December 6 2022, based on which the company shall be eligible for 50% of the SGST paid on Aurika Hotels, Udaipur for a period of 7 years from the date of the commencement of operation i.e. 29th October 2019. However the flow of benefit will accrue from date of the entitlement certificate.

c) During the previous year Company has received Entitlement certificate for subsidy under Tourism Policy (TP) 2016 dated May 02, 2024, based on which the company shall be eligible for 100% of the SGST paid on Aurika Mumbai Skycity, Mumbai for a period of 7 years from the date of the entitlement certificate i.e. May 02, 2024.

The Fleur Hotels Limited (formerly known as Fleur Hotels Private Limited) and Iora Hotels Private Limited has complied with all the significant terms and conditions affixed to these grants

52. As per the proviso to Rule 3(1) of Companies (Accounts) Rules, 2014, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

Parent and 20 subsidiaries and 3 associates of the group uses an primary accounting software for recording all the accounting transactions for the year ended March 31, 2026. The software has a feature of recording audit trail (edit log) facility which was enabled throughout the year, except for one associate, audit trail (edit log) facility of the accounting software used by one associate company was enabled on April 19, 2025.

In respect of maintaining revenue records, Parent and 11 subsidiaries of the Group has used a revenue management software. The said software has a feature of recording audit trail (edit log) facility which was enabled throughout the year.

The audit trail that was enabled and operated for the previous years, has been preserved by the Parent and above referred subsidiary and associate companies incorporated in India as per the statutory requirements for record retention.

The Management has adequate internal controls over financial reporting which were operating effectively for the year ended March 31, 2026

53. (A) Exceptional items:

₹ in lakhs		
Particular	March 31, 2026	March31, 2025
- Impact due to Labour Code (refer note a)	1,445.06	-
- Impact due to Ex- gratia (refer note b)	1,106.07	-
- Settlement of Property Tax matter (refer note c)	478.54	-
- Expenses related to restructuring of the Company (refer note d)	296.92	-
Total	3,326.59	-

a. On November 21, 2025, the Government of India notified 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, ('Labour Codes') which consolidate twenty-nine existing labour laws into a unified framework governing employee benefits during employment and post-employment. The Labour Codes, amongst other things introduces changes, including a uniform definition of wages and enhanced benefits relating to leave. The Company has assessed the financial implications of these changes which has resulted in increase in gratuity liability by ₹ 1,148.95 lakhs, a defined benefit plan arising out of past service cost relating to plan amendments and increase in compensated absences by ₹ 296.11 lakhs. Considering the impact arising out of an enactment of the new legislation is an event of non-recurring nature, the Company has presented this incremental amount as "Impact of Labour Codes" under "Exceptional Item" in the Statement of Profit and Loss for the year ended March 31, 2026. The Company continues to monitor the developments pertaining to Labour Codes and will evaluate impact if any on the measurement of the employee benefits liability.

b. During the year ended March 31, 2026, the Group has recognised a one-time ex-gratia provision amounting to ₹ 1,106.07 lakhs to be paid to certain employees as a goodwill gesture in connection with salary rationalisation measures undertaken during the COVID-19 period. The said payment is discretionary in nature, does not arise from any contractual or statutory obligation and is not part of the Group's regular remuneration framework. The payment is non-recurring and accordingly has been disclosed as an exceptional item.

c. During the year ended ended March 31, 2026, the Group has availed a one-time settlement scheme notified by the Municipal Corporation of Delhi for settlement of property tax dues relating to three hotel properties. The resultant impact of ₹ 478.54 lakhs has been recognised as an exceptional expense, after adjusting the provision of ₹ 257.67 lakhs already created by the Group towards such liabilities.

d. During the year ended March 31, 2026, the Group incurred certain expenses towards legal, professional, advisory and other directly attributable costs in connection with the proposed Composite Scheme of Arrangement involving demerger and restructuring of the Company and its group entities, which was subsequently approved by the Board of Directors on January 09, 2026, subject to requisite statutory and

Notes to Consolidated Financial Statements
for the year ended March 31, 2026

regulatory approvals. Considering the non-recurring nature of such expenses and their direct association with the proposed Composite Scheme of Arrangement, the same have been disclosed as exceptional items in the Statement of Profit and Loss for the year ended March 31, 2026

(B) During the year ended March 31, 2026, the Board of Directors of the Group, at its meeting held on January 09, 2026, approved a proposed Composite Scheme of Arrangement involving merger and demerger of certain group entities, inter alia, resulting in segregation of the hotel ownership & development business and the hotel management & brand business into separate focused platforms.

The proposed Composite Scheme of Arrangement (“Scheme”) is subject to receipt of necessary statutory, regulatory and shareholder approvals, including approvals from the stock exchanges, National Company Law Tribunal and other applicable authorities. The Scheme (appointed date: April 01, 2026) shall become effective upon receipt of such approvals and filing of the requisite orders with the Registrar of Companies. Subsequent to the year, on April 7, 2026, the Group has received approval from the Competition Commission of India (CCI) on the Scheme.

54. Other Statutory Information

- (i) The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (ii) The Group do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property
- (iii) The Group do not have any transaction with companies struck off.
- (iv) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- (v) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) 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,
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Group have not received any funds from any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) 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,
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

For and on behalf of the Board of Directors of
Lemon Tree Hotels Limited

Sd/-
Patanjali Govind Keswani
(Chairman & Executive Director)
DIN: 00002974

Sd/-
Pawan Kumar Kumawat
(Company Secretary)
Mem. no.- A25377

Place: New Delhi
Date: May 28, 2026

Sd/-
Neelendra Singh
(Managing Director)
DIN:08491872

Sd/-
Kapil Sharma
(Executive Director & Chief Financial Officer)
DIN:00352890

Place: New Delhi
Date: May 28, 2026

Independent Auditor’s Report

To The Members of Lemon Tree Hotels Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Lemon Tree Hotels Limited (the “Company”), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the 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, and based on the consideration of reports of the other auditor on separate financial statements of the Krizm Hotels Private Limited Employee Welfare Trust (the “Trust”) referred to in the Other Matters section below, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit and other comprehensive loss, 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 financial statements in accordance with the Standards on Auditing (“SA’s”) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor’s Response
1	Impairment of Investment in subsidiaries having hotel properties (Refer Note 29(b) to the Standalone Financial Statements) At each reporting period, the Company assesses the carrying amounts of investment in subsidiaries (having hotel properties) to determine whether there is any indication that those investments have suffered an impairment loss. If any impairment indication exists, the Company estimates the investment’s recoverable amount (being higher of fair value less cost to sell or value in use). Where the carrying amount of CGU exceeds its recoverable amount, the investment is considered impaired and is written down to its recoverable amount.	Principal audit procedures performed: i. Obtained an understanding and assessed the Company’s impairment assessment process. ii. Tested the design and implementation and operating effectiveness of the management’s controls over the assessment and conclusion over the impairment evaluation. iii. Assessed the reasonableness of the assumptions used to determine the recoverable value of investment in subsidiaries, including discount rate and long term growth rate;

Independent Auditor’s Report

Sr. No.	Key Audit Matter	Auditor’s Response
	The Company holds investment in subsidiaries operating hotels and are located in India amounting to INR 95,035.35 lakhs as at March 31, 2026. The Company has undertaken an assessment of indicators of impairment in respect of the investment in subsidiaries as mentioned in Note 8 of the standalone financial statements considering the qualitative factors such as economic situation in recent past and past performance of hospitality industry. The value in use of the underlying investment is determined basis discounted cash flow model which requires exercise of significant judgement in determining the key assumptions such as forecast of future revenue, operating margins, growth rate and selection of the discount rates. We have identified the estimation of the recoverable amount of the investments as a key audit matter because these assumptions are of particular importance due to the level of uncertainties and judgment involved, thus changes in these assumptions could have a significant impact on the recoverable value of the investments.	iv. Assessed the reliability of cash flow forecasts through a review of actual past performance, management projections and other relevant market and economic information; v. Challenged the assumptions used in the cash flow forecasts, which includes occupancy rate, average room rate. vi. We have tested the arithmetical accuracy of the impairment model. vii. We have assessed the net worth of the subsidiaries on the basis of latest available financial statements. viii. We have verified the computation of the Company’s share in that respective company’s enterprise value (EV) and compared the book value of investments as at the balance sheet date with the amount calculated. ix. We have assessed the disclosures made by the Company in relation to this matter.

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 Management Discussions and Analysis, Board Report, Business Responsibility and Sustainability Report and Report on Corporate Governance but does not include the consolidated financial statements, standalone financial statements and our auditor’s report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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 and Board of Directors for the Standalone 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 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 Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting

Independent Auditor’s Report

policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company’s Board of Directors is also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibility for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls 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 standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company and its Trust to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the standalone financial statements of which we are the independent auditors. For the other entities or business activities included in the standalone financial statements, which have been audited by the other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Independent Auditor’s Report

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 financial controls that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of the Trust included in the standalone financial statements of the Company whose financial statements reflect total assets of ₹ 109.84 lakhs as at March 31, 2026 and total revenue of ₹ Nil for the year ended on that date, as considered in the standalone financial statements. The financial statements of the Trust has been audited by the other auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of such Trust and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid Trust, is based solely on the report of such other auditor.

Our opinion on the standalone financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

- 1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditor on the separate financial statements of the Trust, referred to in the Other Matters section above 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 Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 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 standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls with reference to standalone financial statements.



Independent Auditor’s Report

- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of 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:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. (Refer Note 31(c) to the standalone financial statements);
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. (Refer note 45 to the standalone financial statements);
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. (Refer note 46 to the standalone financial statements)
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 47 (viii) to the standalone financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate

Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 47 (ix) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2026 wherein, the primary accounting software and the revenue management software used for maintaining revenue records, 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 did not come across any instance of the audit trail feature being tampered with.

Independent Auditor’s Report

Additionally, the audit trail that was enabled and operated for previous years, has been preserved by the company as per statutory requirements for record retention.

Refer Note 43 of the financial statements.

2.
- As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

Place: Gurugram
Date: May 28, 2026

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
Firm’s Registration No. 117366W/W-100018

Sd/-
Rajesh Kumar Agarwal
Partner
Membership No.105546
UDIN: 26105546DFULDZ9180

Annexure “A” to the Independent Auditor’s Report of Lemon Tree Hotels Limited

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements 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 financial statements of Lemon Tree Hotels Limited (the “Company”) as at March 31, 2026 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s and Board of Directors’ Responsibilities for Internal Financial Controls

The Company’s management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 standalone financial statements of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain

reasonable assurance about whether adequate internal financial controls with reference to 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 standalone 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 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 standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company’s internal financial control with reference to standalone 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 standalone 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.

Annexure “A” to the Independent Auditor’s Report

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 financial statements to future periods are subject to the risk that the internal financial control with reference to standalone 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal

financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to standalone financial statements 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.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
Firm’s Registration No. 117366W/W-100018

Sd/-
Rajesh Kumar Agarwal
Partner
Place: Gurugram Membership No.105546
Date: May 28, 2026 UDIN: 26105546DFULDZ9180

Annexure “B” to the Independent Auditor’s Report of Lemon Tree Hotels Limited

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

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:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress, investment properties and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.

- (b) The Company has a program of verification of property, plant and equipment, capital work-in-progress, investment properties and right -of-use assets so to cover all the items once every two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program certain Property, Plant and Equipment, capital work-in-progress, investment properties and right-of-use of assets were due for physical verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

- (c) According to the information and explanations given to us and the records examined by us, we report that:
 - i. Based on the examination of the confirmation received by us from HDFC Bank Limited and Axis Trustee Services Limited (custodian) on behalf of Aditya Birla Finance Limited in respect of immovable properties of land and buildings (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, capital work in progress and investment property whose title deeds have been pledged as security for loans and guarantees are held in the name of the Company as at the balance sheet date except for the following:

Description of Property	Gross carrying value (₹ in lakhs)	Held in name of	Whether Promoter, director or their relative or employee	Period held	Reason for not being held in name of company
Free Hold land of Lemon tree hotel located at Chennai admeasuring 10,696 sqft	1,601.67	P.A Holdings Private Limited	N/A	November 2006	PA Holdings Private Limited was subsequently amalgamated with Winsome Entertainment and Tourism Private Limited which inturn was subsequently amalgamated with The Krizm Hotels Private Limited under section 394 of the Companies Act, 1956 in terms of the approval of the Honourable High Court(s). Subsequently, the name of Krizm Hotels Private Limited was changed to Lemon Tree Hotels Limited.

Annexure “B” to the Independent Auditor’s Report

- ii. Based on the examination of the registered conveyance deed of remaining immovable properties provided to us, the title deeds comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date included in property, plant and equipment, capital work in progress and investment property.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising operating performance (MIS), cash flow mismatch statement and unaudited quarterly financials filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters and no material discrepancies have been observed.
- (iii) The Company has not provided any guarantee or security, and granted any advances in nature of loans to any other entity during the year. The Company has made investment in mutual funds and granted unsecured loans to wholly owned subsidiaries during the year, in respect of which:

(a) The Company has provided loans during the year and details of which are given below:

Particulars	Guarantees (₹ in lakhs)	Loans (₹ in lakhs)
A. Aggregate amount granted /provided during the year:		
- subsidiaries	-	6,532.94
- Others	-	-
B. Balance outstanding as at balance sheet date:		
- subsidiaries	129,633.00	6,224.63
- Others	-	18.32

- (b) According to the information and explanations given to us, the Company has, during the year made investments in mutual funds, granted interest free unsecured loans (refer reporting under clause (iii) (a) above and clause (iii)(f) below) to wholly owned subsidiaries covered in the register maintained under section 189 of the Companies Act, 2013, which, as explained to us, have been made for meeting working capital requirements and/or setting up new projects. In respect of loans granted, the terms and conditions are, in our opinion, not prejudicial to the Company’s interest after considering the purpose for which loans have been granted.

(c) The Company has granted loans to wholly owned subsidiaries amounting to ₹ 6,224.63 lakhs which are repayable on demand. During the year the Company has not demanded such loan. Having regard to the fact that the repayment of principal or payment of interest has not been demanded by the Company, in our

Annexure “B” to the Independent Auditor’s Report

- opinion the repayments of principal amounts and receipts of interest are regular. (Refer reporting under clause (iii)(f) below)

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has granted loans which are repayable on demand amounting to ₹ 6,224.63 lakhs to its wholly owned subsidiaries. These loans constitutes 100% of total loans given by the Company.
- (iv) The Company has complied with the provisions of sections 186 of the Companies Act, 2013 in respect of making investments. The Company has complied with the provisions of Section 185 in respect of guarantees provided. The Company has not granted any loans or security under section 185 of Companies Act 2013. As per section 186 (11) read with schedule VI, provision for section 186 with respect to grant of loans and providing guarantees would not apply to the Company as the Company is providing infrastructural facilities.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.

(vii) In respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees’ State Insurance, Income-tax, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities in all cases during the year. We have been informed that the duty of Custom, Sales tax, Service tax and duty of Excise is not applicable to the company.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees’ State Insurance, Income-tax, Sales tax, Service tax, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2026 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Amount (₹ In lakhs)*	Period (FY) to which the amount relates	Forum where dispute is pending
Finance Act, 1994 (Service Tax)	Service Tax	170.28	2009-14	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994 (Service Tax)	Service Tax	29.69	2013-14 to 2017-18	Central Excise and Service Tax Appellate Tribunal
Finance Act, 1994 (Service Tax)	Service Tax	669.97	2012-13 to 2017-18	Central Excise and Service Tax Appellate Tribunal
Good and Service Tax Act, 2017	Goods and Service Tax	67.72	2018-2019	Commissioner (Appeal-1)
Good and Service Tax Act, 2017	Goods and Service Tax	79.96	2019-2024	Assistant Commissioner of Commercial Tax
Good and Service Tax Act, 2017	Goods and Service Tax	494.54	2018-2019	Appellate Authority
Good and Service Tax Act, 2017	Goods and Service Tax	9.68	2020-2021	Assistant Commissioner of Commercial Tax

*Amount includes interest and penalty wherever quantified in the demand order.

Annexure “B” to the Independent Auditor’s Report

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, not been used during the year for long-term purposes by the Company.
- (e) On overall examination of 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 or associates. According to the information and explanations given to us by the management, the Company has utilised funds from internal accruals for investing and granting loans to its wholly owned subsidiaries. (refer reporting under clause (iii) above)
- (f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x) (a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, and according to the explanation given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (d) As informed by the management of the Company, the Group has one CIC as part of the group.
- (xvii) The Company has not incurred any cash losses in the financial year covered by our audit and the immediately preceding financial year.

Annexure “B” to the Independent Auditor’s Report

- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating 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) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.
- For DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
Firm’s Registration No. 117366W/W-100018
- Sd/-
Rajesh Kumar Agarwal
Partner
Membership No.105546
UDIN: 26105546DFULDZ9180
- Place: Gurugram
Date: May 28, 2026

Standalone Balance Sheet
as at March 31, 2026

Particulars	Note No.	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	38,883.83	38,195.95
(b) Capital work-in-progress	4	7,903.30	3,994.80
(c) Investment property	5	38.87	214.98
(d) Intangible assets	6	131.00	134.04
(e) Right of use asset	7	12,096.70	12,889.11
(f) Financial assets	8		
(i) Investments		98,261.75	98,263.75
(ii) Loans		6,235.83	5,018.17
(iii) Other non- current financial assets		2,389.34	2,445.63
(g) Deferred tax assets (net)	9.1	-	562.06
(h) Non-current tax assets (net)	9.2	711.18	461.86
(i) Other non-current assets	10	542.74	382.71
		1,67,194.54	1,62,563.06
Current assets			
(a) Inventories	11	232.26	250.07
(b) Financial assets			
(i) Trade receivables	12	3,674.81	3,501.54
(ii) Cash and cash equivalents	12	907.36	1,067.66
(iii) Investments	8	1,039.75	301.82
(iv) Bank balances other than (ii) above	12	628.18	215.00
(v) Loans	12	7.12	328.28
(vi) Other current financial assets	12	852.66	408.21
(c) Other current assets	13	1,689.75	1,315.10
		9,031.89	7,387.68
Total Assets		1,76,226.43	1,69,950.74
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	79,184.75	79,184.75
(b) Other equity	15	57,519.69	46,530.17
Total Equity		1,36,704.44	1,25,714.92
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	10,867.46	15,576.33
(ii) Lease liability	16 (a)	16,458.75	16,595.60
(b) Provisions	17	817.43	207.76
(c) Deferred tax liabilities (net)	9.1	559.45	-
		28,703.09	32,379.69
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	4,949.42	7,226.34
(ii) Lease liability	16 (a)	404.38	356.95
(iii) Trade payables	18		
- total outstanding dues of micro enterprises and small enterprises		263.58	413.67
- total outstanding dues of creditors other than micro enterprises and small enterprises		2,098.25	1,522.81
(iv) Other current financial liabilities	18	1,288.86	961.91
(b) Provisions	17	282.28	227.18
(c) Other current liabilities	19	1,532.13	1,147.27
		10,818.90	11,856.13
Total Liabilities		39,521.99	44,235.82
Total Equity and Liabilities		1,76,226.43	1,69,950.74
Summary of material accounting policies	2.2		
The accompanying notes are an integral part of the standalone financial statements	1 to 47		

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

Sd/-
Rajesh Kumar Agarwal
Partner

For and on behalf of the Board of Directors of
Lemon Tree Hotels Limited

Sd/-
Patanjali Govind Keswani
(Chairman & Executive Director)

DIN: 00002974

Sd/-
Pawan Kumar Kumawat
(Company Secretary)
Mem. no.- A25377

Place: New Delhi
Date: May 28, 2026

Sd/-
Neelendra Singh
(Managing Director)

DIN: 08491872

Sd/-
Kapil Sharma
(Executive Director &
Chief Financial Officer)
DIN: 00352890

Standalone Statement of Profit and Loss
for the year ended March 31, 2026

Particulars	Note No.	Year ended March 31, 2026 ₹ in lakhs	Year ended March 31, 2025 ₹ in lakhs
Revenue from operations	20	44,203.93	38,462.77
Other income	21	221.17	86.68
Total Income		44,425.10	38,549.45
Expenses			
Cost of food and beverages consumed	22	1,555.88	1,433.90
Employee benefits expense	23	7,754.46	7,064.41
Power and fuel	24(a)	2,224.81	2,188.60
Other expenses	24(b)	10,934.02	8,009.21
Total expenses		22,469.17	18,696.12
Profit before finance cost, finance income, depreciation and amortization and tax (EBITDA) (refer note 2.2 (s))		21,955.93	19,853.33
Finance costs	25	3,455.44	4,242.75
Finance income	26	(746.45)	(562.08)
Depreciation and amortization expense	27	1,993.28	1,953.45
Profit before exceptional items and tax		17,253.66	14,219.21
Exceptional item	37	2,026.98	-
Profit before tax		15,226.68	14,219.21
Tax expense:			
- Current tax (under MAT)		3,258.14	2,487.03
- Deferred tax (including of MAT credit)	9.1	1,121.53	1,683.44
		4,379.67	4,170.47
		10,847.01	10,048.74
Profit for the year			
Other comprehensive (loss)/income			
(i) Items that will not be reclassified subsequently to profit or loss			
Re-measurement losses on defined benefit plans		(10.33)	8.22
Income tax effect on above		2.60	(2.39)
		(7.73)	5.83
Total comprehensive income for the year		10,839.28	10,054.57
Earnings per equity share (Face Value of ₹10/- each)			
(1) Basic	28	1.37	1.27
(2) Diluted	28	1.37	1.27
Summary of material accounting policies	2.2		
The accompanying notes are an integral part of the standalone financial statements	1 to 47		

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

Sd/-
Rajesh Kumar Agarwal
Partner

For and on behalf of the Board of Directors of
Lemon Tree Hotels Limited

Sd/-
Patanjali Govind Keswani
(Chairman & Executive Director)

DIN: 00002974

Sd/-
Pawan Kumar Kumawat
(Company Secretary)
Mem. no.- A25377

Place: New Delhi
Date: May 28, 2026

Sd/-
Neelendra Singh
(Managing Director)

DIN: 08491872

Sd/-
Kapil Sharma
(Executive Director &
Chief Financial Officer)
DIN: 00352890

Standalone Statement of Cash Flows

for the year ended March 31, 2026

Particulars	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
A. Cash flows from operating activities		
Profit before tax	15,226.68	14,219.21
Non-cash adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	1,993.28	1,953.45
Finance income	(746.45)	(562.08)
Finance costs	3,265.66	4,051.48
Provision for gratuity	683.59	47.81
Provision for leave encashment	124.14	9.55
Provision for loyalty programme	34.86	22.23
Equity settled Share based payment expense	150.24	-
Excess provision/ credit balances written back	5.13	-
Provision for litigation	-	9.12
Provision for doubtful debts	(7.41)	-
Fair valuation of investment	(10.42)	-
Net (gain)/loss on sale/write off of property, plant and equipment	83.68	7.95
Net gain on sale of investment property	(93.01)	-
Net gain on sale of investments	(29.59)	-
Operating profit before working capital changes:	20,680.38	19,758.72
Movements in working capital:		
Increase in trade receivables	(165.86)	(1,512.49)
(Increase)/Decrease in loans and advances and other current assets	(57.22)	988.87
Decrease in inventories	17.81	12.47
Increase in liabilities and provisions	575.45	256.74
Cash Generated from Operations	21,050.56	19,504.31
Direct taxes paid (net of refunds)	(3,504.89)	(2,415.71)
Net cash flows generated from operating activities (A)	17,545.67	17,088.60
B. Cash flows used in investing activities		
Purchase of property, plant and equipment and intangible assets including CWIP, capital advances and capital creditors	(5,782.51)	(2,673.34)
Proceeds from sale of property, plant and equipment	102.54	57.83
Proceeds from sale of investment property	265.00	-
Proceeds from sale of investment in subsidiary companies	2.00	1.00
Purchase of current investments	(2,138.34)	(300.00)
Proceeds from sale of current investments	1,440.42	-
Short term loans given to subsidiaries (net)	(896.70)	(2,031.70)
(Investment in)/proceeds from fixed deposits (net)	(417.58)	(9.78)
Interest received	66.01	41.83
Net Cash flows used in investing activities (B)	(7,359.16)	(4,914.16)
C. Cash flows used in financing activities		
Proceeds from issuance of share capital	-	0.43
Payment towards reduction of outstanding lease liabilities	(1,669.69)	(1,634.74)
Proceeds from long term borrowings	252.52	201.52
Repayment of long term borrowings	(7,269.17)	(7,324.69)
Proceeds from/(repayment) of short term borrowings (net)	-	(217.73)
Interest paid	(1,660.47)	(2,448.82)
Net Cash flows used in financing activities (C)	(10,346.81)	(11,424.03)

Standalone Statement of Cash Flows

for the year ended March 31, 2026

Particulars	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
Net (decrease)/increase in cash and cash equivalents (A + B + C)	(160.30)	750.41
Cash and cash equivalents at the beginning of the year	1,067.66	317.25
Cash and cash equivalents at the end of the year	907.36	1,067.66
Components of cash and cash equivalents (refer note 12)		
Cash on hand	15.35	17.45
Balances with scheduled banks in		
- Current accounts	892.01	1,050.21
Cash and cash equivalents at the end of the year	907.36	1,067.66
Summary of material accounting policies	2.2	
The accompanying notes are an integral part of the standalone financial statements	1 to 47	

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

Sd/-
Rajesh Kumar Agarwal
Partner

For and on behalf of the Board of Directors of
Lemon Tree Hotels Limited

Sd/-
Patanjali Govind Keswani
(Chairman & Executive Director)

DIN: 00002974

Sd/-
Neelendra Singh
(Managing Director)

DIN: 08491872

Sd/-
Kapil Sharma
(Executive Director &
Chief Financial Officer)
DIN: 00352890

Sd/-
Pawan Kumar Kumawat
(Company Secretary)
Mem. no. - A25377

Place: Gurugram
Date: May 28, 2026

Place: New Delhi
Date: May 28, 2026

Standalone Statement of Changes in Equity
for the year ended March 31, 2026

A. Equity Share Capital

	No. of shares	Amount ₹ in lakhs
Equity shares of INR 10 each issued, subscribed and fully paid		
At April 1, 2024	79,18,45,623	79,184.55
Change in shares held by ESOP trust (refer note 14)	2,000	0.20
At March 31, 2025	79,18,47,623	79,184.75
Change in shares held by ESOP trust (refer note 14)	-	-
At March 31, 2026	79,18,47,623	79,184.75

B. Other Equity

	Reserves and Surplus					Items of OCI		Total Equity
	Capital redemption reserve	Share based payment reserve	Securities premium	Capital rerserve	General reserve	Surplus in the Statement of Profit and Loss	Remeasurement (losses)/gains on defined benefit plans	
Balance at April 1, 2024	45.00	-	10,570.59	(319.12)	3,035.24	23,128.07	15.58	36,475.36
Profit for the year	-	-	-	-	-	10,048.74	-	10,048.74
Other Comprehensive Income for the year	-	-	-	-	-	-	5.83	5.83
Total Comprehensive Income for the year	-	-	-	-	-	10,048.74	5.83	10,054.57
Impact of changes in shares held by ESOP trust (refer note 15)	-	-	0.24	-	-	-	-	0.24
Balance at March 31, 2025	45.00	-	10,570.83	(319.12)	3,035.24	33,176.81	21.41	46,530.17
Profit for the year	-	-	-	-	-	10,847.01	-	10,847.01
Other Comprehensive loss for the year	-	-	-	-	-	-	(7.73)	(7.73)
Total Comprehensive Income for the year	-	-	-	-	-	10,847.01	(7.73)	10,839.28
Issue of share capital	-	-	-	-	-	-	-	-
Share-based payment expense	-	150.24	-	-	-	-	-	150.24
Balance at March 31, 2026	45.00	150.24	10,570.83	(319.12)	3,035.24	44,023.82	13.68	57,519.69

Summary of material accounting policies 2.2
The accompanying notes are an integral part of the financial statements 1 to 47

As per our report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

Sd/-
Rajesh Kumar Agarwal
Partner

For and on behalf of the Board of Directors of
Lemon Tree Hotels Limited

Sd/-
Patanjali Govind Keswani
(Chairman & Executive Director)

DIN: 00002974

Sd/-
Pawan Kumar Kumawat
(Company Secretary)
Mem. no.- A25377

Place: Gurugram
Date: May 28, 2026

Place: New Delhi
Date: May 28, 2026

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

1. Corporate Information

Lemon Tree Hotels Limited (the Company) is a public Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at Lemon Tree Corporate Park, Urban Complex, Ullahawas, Sector 60, Gurugram, Haryana-122011.The shares of the Company are listed on two stock exchanges in India i.e. BSE Limited and National Stock Exchange of India Limited.

The principal activities of the Company are to carry out business of developing, owning, acquiring, operating, managing, renovating and promoting hotels, motels, resorts, restaurants, etc. under the brand name of Aurika, Lemon Tree Premier, Lemon Tree Hotel, Red Fox Hotel, Keys Select, Keys Prima and Keys Lite.

The financial statements for the year ended March 31, 2026 are approved for issue by the Board of Directors on May 28, 2026.

2 Basis of preparation of financial statements and material accounting policies

2.1 Basis of preparation and Compliance with Ind AS

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), and the provisions of the Companies Act ,2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which are measured at fair value/ amortised cost (refer note 34)

Accounting policies have been consistently applied.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, expect where otherwise indicated.

2.2 Material accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current

classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(b) Foreign currencies

Functional and presentation currency

The Company's financial statements are presented in INR, which is also the Company's functional currency. Presentation currency is the currency in which the Company's financial statements are presented. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash. All the financial information presented in Indian Rupees (INR) has been rounded to the nearest of lakhs rupees, except where otherwise stated.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's entities at their

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

(c) Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date except to certain instruments which are measured at Amortized cost/ historic cost.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability,

assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value. External valuers are involved for valuation of significant assets and liabilities. The management selects external valuer on various criteria such as market knowledge, reputation, independence and whether professional standards are maintained by valuer. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

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At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes:

- Disclosures for valuation methods, significant estimates and assumptions (note 29)
- Quantitative disclosures of fair value measurement hierarchy (note 34)
- Financial instruments (including those carried at amortised cost) (note 34)

(d) Revenue recognition

The Company apply Ind AS 115 "Revenue from Contracts with Customers" which establishes a comprehensive framework to depict timing and amount of revenue to be recognised.

In arrangements for room revenue and related services, the Company has applied the guidance in Ind AS 115 for recognition of Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering room revenue and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to

the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements. The specific recognition criteria described below must also be met before revenue is recognized.

Value Added Tax (VAT)/Goods and Service Tax(GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

Rooms, Restaurant, Banquets and Other Services

Income from guest accommodation is recognized on a day to day basis after the guest checks into the Hotels and are stated net of allowances. Incomes from other services are recognized as and when services are rendered. Sales are stated exclusive of Value Added Taxes (VAT), and Goods and Service Tax (GST). Difference of revenue over the billed as at the year-end is carried in financial statement as unbilled revenue separately.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, sale of food and beverage are recognized at the points of serving these items to the guests. Sales are stated exclusive of VAT/ Goods and Service Tax (GST).

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the income statement.

Notes to the Standalone Financial Statements
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Dividends

Revenue is recognized when the Company’s right to receive the payment is established, which is generally when shareholders approve the dividend.

Management and other related fee

The Company provides hotel management services, loyalty program, grant licences to use its trade mark & other intellectual property and other allied services. Revenue from the management services comprises fixed and variable income. The Company recognizes revenue relating to the fixed income over time by measuring the progress towards complete satisfaction of the performance obligation. In respect of variable income, revenue is recognized on an accrual basis in accordance with the terms of the relevant agreement.

(e) Taxes

Tax expense represents Current tax and Deferred tax.

Current tax

The tax currently payable is based on taxable profit for theyear. Taxable profit differs from ‘profit before tax’ as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits (including MAT credit) and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets (including MAT credit available) is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.



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Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date.

If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

(f) Property, plant and equipment(including Capital work in progress)

Property, Plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. Freehold land is not depreciated. Capital work in progress is stated at cost.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate

asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Freehold land is not depreciated. Capital work in progress is stated at cost.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Depreciation on PPE is provided as per Schedule II of Companies Act, 2013 on Straight Line Method over its economic useful life of PPE as follows:

Property, plant and equipment	Useful life considered
Plant & Machinery	15 Years
Building*	60 Years
Electrical equipments and fittings	10 Years
Office Equipments	5 Years
Furniture and Fixtures	8 to 10 Years
Crockery, cutlery and soft furnishings	3 Years
Commercial Vehicles	6 Years
Private Vehicles	8 Years
Computers	3 Years
Network and servers	6 Years

*Refer Note 29 and Note 42

The Company, based on management estimates, depreciates certain items of building, plant and equipment over estimated useful lives which are lower than the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Building on leasehold land (other than perpetual lease)/improvements to leased buildings are depreciated over the useful life or the remaining lease period /expected lease period, whichever is lower.

An item of property, plant and equipment and any significant part initially recognized is derecognized

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upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end, and adjusted prospectively if appropriate.

(g) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as 10 years for Brand (Keys Hotels) and 3 years for other intangible assets which shall be amortised on Straight line basis over its useful life.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment at each year end and whenever there is an indication that the intangible assets may be impaired, either individually or at the cash generating unit level. The assessment of indefinite life is reviewed at each period to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the income statement when the asset is derecognized.

(h) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are

stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Company depreciates building component of investment property over the remaining estimated useful life on the date of purchase after considering total economic useful life of 60 years.

Though the Company measures investment property using deemed cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an evaluation performed by an accredited external independent valuer.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

(i) Borrowing costs

Borrowing cost includes interest expense as per Effective Interest Rate (EIR).

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of the asset until such time that the assets are substantially ready for their intended use. Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the year. Capitalisation of borrowing costs is suspended and charged to profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortised cost of a financial liability after considering all the contractual terms of the financial instrument.

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(j) Leases

The Company assesses that the contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (1) The contract involves the use of an identified asset,
- (2) The Company has substantially all of the economic benefits from use of the identified asset, and
- (3) The Company has the right to direct the use of the identified asset.

Company as a lessee

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated from the commencement date over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments over the lease term. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company adopts the incremental borrowing rate for the entire portfolio of leases as a whole. The lease payments shall include fixed payments, variable lease payments, exercise price of a purchase option and payments of penalties for terminating the lease. The lease liability is subsequently remeasured by increasing

the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to leases for which the underlying asset is of low value. The lease payments associated with these low value leases are recognized as an expense on a straight-line basis over the lease term.

Company as a lessor

Leases where the Company does not transfer substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Lease rentals under operating leases are recognized as income on a straight-line basis over the lease term.

(k) Inventories

Stock of food and beverages, stores and operating supplies are valued at lower of cost and net realisable Value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a first in first out basis. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make sale.

(l) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair valueless costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent

Notes to the Standalone Financial Statements
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of those from other assets or Company's of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five/six years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

Impairment losses including impairment on inventories, are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined,

net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(m) Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent Assets/ Liabilities

Contingent assets are not recognised. However, when realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

Contingent liabilities are disclosed in notes to accounts when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.



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(n) Deferred Revenue

The Company operates a loyalty point's programme, which allows customers to accumulate points when they obtain services in the Company's Hotels. The points can be redeemed for free products/ nights, subject to a minimum number of points being obtained. Consideration received is allocated between the Room Revenue and the points issued, with the consideration allocated to the points equal to their fair value. Fair value of the points is determined by applying a statistical analysis. The fair value of the points issued is deferred and recognised as revenue when the points are redeemed.

(o) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Retirement benefit in the form of gratuity is a defined benefit scheme. Gratuity liability of employees is accounted for on the basis of actuarial valuation on projected unit credit method at the close of the year. Company's contribution made to Life Insurance Corporation is expensed off at the time of payment of premium.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Retirement benefits in the form of Superannuation Fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

The Company treats leaves expected to be carried forward for measurement purposes. Such compensated absences are provided for based on the actuarial valuation using the projected unit credit method at theyear-end. Remeasurement

Notes to the Standalone Financial Statements

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gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

(p) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales 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 that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- Debt instruments at amortised cost
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- Equity instruments in subsidiaries/associates carried at cost

Debt instruments at amortised cost

A debt instrument is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. The difference between the transaction amount and amortized cost in case of interest free loan to subsidiaries based on the expected repayment period is considered as 'deemed investment on account of interest free loan to subsidiaries' (Refer Note 8(i)). After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. If there is any change in estimate for payment of loan (provided that there was no error in original estimate), difference in carrying amount and repayment has been adjusted as return on capital by the parent, based on condition/ situation prevailing on that date. The losses arising from impairment are recognised in the profit or loss.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments.

The Company has designated compulsory redeemable preference shares investments in its subsidiaries at FVTPL. The difference between the transaction amount and amortized cost is considered as 'deemed investment in compulsory redeemable preference shares' (Refer Note 8(i)).

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity instruments

All equity investments (other than equity investments in subsidiaries) in scope of Ind AS 109 are measured at fair value. Equity instruments in subsidiaries are carried at cost in financial statements less impairments if any. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar

Notes to the Standalone Financial Statements

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financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- Trade receivables or any contractual right to receive cash or another financial asset.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head

'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Debt instruments measured at FVTOCI: There are no instruments measured at FVTOCI

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Notes to the Standalone Financial Statements for the year ended March 31, 2026

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Financial liabilities at amortised cost

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 16.

Financial guarantee

Financial guarantees issued by the Company on behalf of group companies are designated as 'Insurance Contracts'. The Company assess at the end of each reporting period whether its recognised insurance liabilities (if any) are adequate, using current estimates of future cash flows under its insurance contracts. If that assessment shows that the carrying amount of its insurance liabilities is inadequate in the light of the estimated future cash flows, the entire deficiency is recognised in profit or loss.

If a financial guarantee is an integral element of debts held by the entity, it is not accounted for separately.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(q) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(r) Share-based payments

Certain employees (including senior executives) of the Company receive part of their remuneration in the form of share based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity settled transactions').

The cost of equity-settled transactions with employees measured at fair value at the date at which they are granted using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for

Notes to the Standalone Financial Statements for the year ended March 31, 2026

a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

(s) Measurement of EBITDA

The Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss) from core business operations. In its measurement, the Company does not include finance costs, finance income, depreciation and amortization, exceptional items, if any and tax expense.

(t) Cash Flow Statement

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and

financing activities of the Company are segregated.

(u) Indirect taxes

Value Added Taxes/Goods & Service Tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

(v) Earnings Per Share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity shareholders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to ordinary equity shareholders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Contingently issuable equity shares are included in the computation of diluted earnings per share where the conditions for issuance are satisfied as at the reporting date, or would be satisfied if the reporting date were the end of the contingency period. Where conditions are not satisfied as at the reporting date, such shares are excluded from the calculation of diluted earnings per share

(w) Exceptional items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and disclosed as such in the financial statements.

- (x) Refer note 29 for Significant accounting judgements, estimates and assumptions.

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

₹ in lakhs												
Particulars	Freehold land	Building on freehold land	Building on leasehold Land (refer note 41)	Plant and Machinery	Electrical fittings	Electrical equipments	Office equipments	Furniture and Fixtures	Crockery, cutlery and soft furnishings	Computers	Vehicles	Total
Deemed cost												
Gross Carrying Amount (I)												
At April 1, 2024	10,153.30	17,179.15	11,967.38	5,206.16	1,940.69	1,326.26	106.53	2,852.77	315.85	327.42	942.63	52,318.14
Additions	-	51.57	64.19	186.71	20.47	147.49	9.55	358.79	-	62.34	252.11	1,153.22
Eliminated on Disposals	-	0.10	-	22.45	-	0.30	1.60	74.04	-	-	89.24	187.73
At March 31, 2025	10,153.30	17,230.62	12,031.57	5,370.42	1,961.16	1,473.45	114.48	3,137.52	315.85	389.76	1,105.50	53,283.63
Additions	-	59.00	28.12	447.38	12.91	196.65	28.73	863.51	2.48	72.93	331.77	2,043.48
Eliminated on Disposals	-	3.69	-	8.42	-	42.71	7.09	250.63	-	6.79	389.55	708.88
At March 31, 2026	10,153.30	17,285.93	12,059.69	5,809.38	1,974.07	1,627.39	136.12	3,750.40	318.33	455.90	1,047.72	54,618.23
Accumulated Depreciation (II)												
At April 1, 2024	-	2,583.46	2,257.26	3,467.20	1,620.76	880.43	93.52	2,185.02	308.33	232.30	465.49	14,093.77
Charge for the year	-	297.60	198.56	266.98	38.60	62.48	6.41	80.50	0.53	43.84	120.36	1,115.86
Eliminated on Disposals	-	1.50	-	16.33	-	0.22	0.94	65.91	-	-	37.05	121.95
At March 31, 2025	-	2,879.56	2,455.82	3,717.85	1,659.36	942.69	98.99	2,199.61	308.86	276.14	548.80	15,087.68
Charge for the year	-	299.68	200.74	246.45	34.30	73.55	10.95	132.33	5.07	55.19	111.17	1,169.43
Eliminated on Disposals	-	1.41	-	7.45	-	30.04	5.24	223.86	-	6.56	248.15	522.71
At March 31, 2026	-	3,177.83	2,656.56	3,956.85	1,693.66	986.20	104.70	2,108.08	313.93	324.77	411.82	15,734.40
III. Net Carrying amount (I-II)												
At March 31, 2026	10,153.30	14,108.10	9,403.13	1,852.53	280.41	641.19	31.42	1,642.32	4.40	131.13	635.90	38,883.83
At March 31, 2025	10,153.30	14,351.06	9,575.75	1,652.57	301.80	530.76	15.49	937.91	6.99	113.62	556.70	38,195.95
Net book value									As at March 31, 2026		As at March 31, 2025	
Property, plant and equipment									38,883.83		38,195.95	

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

4. Capital work-in-progress

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Hotel at Shimla		
Material	6,381.62	3,049.22
Salary wages & bonus	904.21	565.99
Government Fees	19.50	10.69
Professional charges	592.27	363.20
Others	5.70	5.70
	7,903.30	3,994.80

Particulars	Amount ₹ in lakhs
Balance as at April 01, 2024	2,484.24
Additions during the year	1,510.56
Balance as at March 31, 2025	3,994.80
Additions during the year	3,908.50
Balance as at March 31, 2026	7,903.30

CWIP Ageing schedule

As at March 31, 2026

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress [#]	3,908.50	1,510.56	349.19	2,135.05	7,903.30
Total	3,908.50	1,510.56	349.19	2,135.05	7,903.30

As at March 31, 2025

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress [#]	1,510.56	349.19	368.11	1,766.94	3,994.80
Total	1,510.56	349.19	368.11	1,766.94	3,994.80

[#]Represents hotel under construction at Shimla, the expected completion date is financial year 2026-27.

a) Refer Note 31(b) for information on contractual commitments for development of Shimla property.

5. Investment property

Particulars	Total ₹ in lakhs
Gross Carrying Amount (I)	
At April 1, 2024	258.89
Additions	-
At March 31, 2025	258.89
Additions	-
Eliminated on Disposals	210.65
At March 31, 2026	48.24

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

Particulars	Total ₹ in lakhs
Accumulated Depreciation (II)	
At April 1, 2024	39.52
Charge for the year	4.39
At March 31, 2025	43.91
Charge for the year	4.12
Eliminated on Disposals	38.66
At March 31, 2026	9.37
III. Net Carrying amount(I-II)	
At March 31, 2026	38.87
At March 31, 2025	214.98

Information regarding income and expenditure of Investment property:

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
Rental income derived from investment property	20.49	20.49
Direct operating expenses (including repairs and maintenance) that did not generate rental income	(1.05)	(1.05)
Profit arising from investment properties before depreciation and indirect expenses	19.44	19.44
Depreciation	(4.12)	(4.39)
Profit arising from investment properties before indirect expenses	15.32	15.05

The Company’s investment properties consist of a commercial property in Pune, India. The management has determined that the investment property consist of one classes of asset – office space – based on the nature, characteristics and risks of the property.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties.

During the year ended March 31, 2026, the Company sold a part of the investment property with book value amounting to ₹ 210.65 lakhs.

The fair value of the remaining property as at March 31, 2026 is ₹ 48.51 lakhs, based on a valuation performed by an external independent valuer dated March 19, 2026 (March 31, 2025: ₹ 46.00 lakhs, based on a valuation performed by an external independent valuer dated March 25, 2014).

Description of valuation techniques used and key inputs to valuation on investment properties:

Valuation technique	Significant unobservable Inputs
Sales comparable method	Location Size of building Quality of building Visibility of unit Furnished/unfurnished

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

6. Intangible assets

Particulars	Software	Goodwill	Brand (Keys Hotels)	Total ₹ in lakhs
Deemed cost				
Gross Carrying Amount (I)				
At April 1, 2024	544.15	2.63	100.00	646.78
Additions	36.24	-	-	36.24
At March 31, 2025	580.39	2.63	100.00	683.02
Additions	24.28	-	-	24.28
At March 31, 2026	604.67	2.63	100.00	707.30
Accumulated Depreciation (II)				
At April 1, 2024	489.26	2.63	37.50	529.39
Amortisation	9.59	-	10.00	19.59
At March 31, 2025	498.85	2.63	47.50	548.98
Amortisation	17.32	-	10.00	27.32
At March 31, 2026	516.17	2.63	57.50	576.30
III. Net Carrying amount(I-II)				
At March 31, 2026	88.50	-	42.50	131.00
At March 31, 2025	81.54	-	52.50	134.04

Net book value	As at March 31, 2026	As at March 31, 2025
Intangible assets	131.00	134.04

Notes

a) The Intangible assets are valued at cost.The Company has not revalued these assets during the year.

7. Right-of-use asset

Particulars	Amount ₹ in lakhs
Gross Carrying Amount (I)	
At April 1, 2024	23,963.45
Additions	-
At March 31, 2025	23,963.45
Additions	-
At March 31, 2026	23,963.45
Accumulated Depreciation (II)	
At April 1, 2024	10,260.73
Amortisation	813.61
At March 31, 2025	11,074.34
Amortisation	792.41
At March 31, 2026	11,866.75
III. Net Carrying amount(I-II)	
At March 31, 2026	12,096.70
At March 31, 2025	12,889.11

Notes:

- a) The lease agreement for leasehold properties is registered in the name of the Company.
- b) Right-of-use assets are valued at cost.The Company has not revalued these assets during the year.
- c) Refer Note 29 and Note 42 for Critical judgements, estimates and assumptions.

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

8. Financial assets

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
(i) Investments		
(A) Investment in Companies with hotel properties		
Investments at cost		
Unquoted equity shares of subsidiary companies at cost		
57,630,968 (Previous year 57,630,968) equity shares of Fleur Hotels Limited (Formerly known as Fleur Hotels Private Limited) of ₹ 10 each fully paid.	78,887.23	78,887.23
500,945,400 (Previous year 500,945,400) Equity shares of Canary Hotels Private Limited of ₹ 1 each fully paid.	6,774.28	6,774.28
1,01,95,000 (Previous year 1,01,95,000) Equity shares of Sukhsagar Complexes Private Limited of ₹ 10 each fully paid.	3,219.23	3,219.23
57,14,280 (Previous year 57,14,280) Equity shares of Manakin Resorts Private Limited of ₹ 10 each fully paid.	2,730.69	2,730.69
4,100,000 (Previous year 4,100,000) Equity shares of Oriole Dr. Fresh Hotels Private Limited of ₹ 10 each fully paid.	3,008.09	3,008.09
Deemed investment (equity portion) on account of interest free loan to subsidiaries (Repaid)		
Fleur Hotels Limited (Formerly known as Fleur Hotels Private Limited)	59.90	59.90
Oriole Dr Fresh Hotels Private Limited	14.46	14.46
Deemed investment (equity portion) in redeemable preference shares (Repaid)		
Sukhsagar Complexes Private Limited	74.89	74.89
Oriole Dr Fresh Hotels Private Limited	145.56	145.56
Fleur Hotels Limited (Formerly known as Fleur Hotels Private Limited)	98.03	98.03
Canary Hotels Private Limited	22.99	22.99
(I)	95,035.35	95,035.35
(B) Other investments		
Investments at cost		
Unquoted equity shares of subsidiary companies at cost		
934,580 (Previous year 934,580) Equity shares of Carnation Hotels Private Limited of ₹ 1 each fully paid.	1,896.01	1,896.01
350,000 (Previous year 350,000) Equity shares of Lemon Tree Hotel Company Private Limited of ₹1 each fully paid.	3.50	3.50
300,000 (Previous year 300,000) Equity shares of Red Fox Hotel Company Private Limited of ₹ 1 each fully paid.	3.00	3.00
Nil (Previous year 10,000) Equity shares of Nettle Hotels Private Limited of ₹ 10 each fully paid.	-	1.00
Nil (Previous year 10,000) Equity shares of Madder Stays Private Limited of ₹ 10 each fully paid.	-	1.00
80,10,000 (Previous year 80,10,000) Equity shares of Totally Foxed Solutions Private Limited of ₹ 10 each fully paid.*	801.00	801.00
29,500,000 (Previous year 29,500,000) Equity shares of Hamstede Living Private Limited of ₹ 10 each fully paid	887.07	887.07

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Less: Provision of diminution in the value of Investment made in Hamstede Living Private Limited	(592.07)	(592.07)
Unquoted equity shares of associate companies at cost		
340,000 (Previous year 340,000) Equity shares of Mind Leaders Learning India Private Limited of ₹ 1 each fully paid.	3.40	3.40
Deemed investment (equity portion) in redeemable preference shares (Repaid)		
Carnation Hotels Private Limited	224.30	224.30
Quoted mutual funds at fair value through profit and loss		
6,949.65 (Previous Year: Nil) of Axis Liquid fund - Direct Growth Plan	212.98	-
1,85,770.74 units (Previous Year: 72,079.742) of Aditya Birla Sunlife liquid fund - Direct Growth Plan	826.77	301.82
Unquoted equity shares of companies other than subsidiary and associate companies at fair value through profit and loss		
1,937 (Previous Year: 1,937) equity shares of SEP Energy Private Limited of ₹ 10 each fully paid.	0.19	0.19
(II)	4,266.15	3,530.22
(I+II)	99,301.50	98,565.57
*Refer note 29(c)		
Aggregate book value of unquoted investments	99,301.50	98,565.57
Aggregate amount of impairment in value of investments	592.07	592.07
Current	1,039.75	301.82
Non-current	98,261.75	98,263.75
Total	99,301.50	98,565.57
	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
(ii) Loans		
(unsecured considered good unless otherwise stated)		
Loans and advances to subsidiaries (read with note 29(c) and 33)	6,217.51	4,999.65
Loans to employees at amortised cost	18.32	18.52
	6,235.83	5,018.17
	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
(iii) Other non-current financial assets (unsecured, considered good)		
Security deposits	2,198.33	2,272.16
Interest accrued on deposits with banks and others*	85.70	72.56
Fixed deposits under lien*	105.31	100.91
	2,389.34	2,445.63

*Fixed deposits under lien and interest accrued on deposits with banks includes deposits lien marked with banks against guarantees issued in favour of various Government departments.

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

9.1 Deferred tax liabilities (net)

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Property, plant and equipment and intangible assets	4,096.74	4,616.94
Fair value gain on investment	2.62	0.53
Deferred tax liability	4,099.36	4,617.47
Impact of expenditure charged to the statement of profit and loss in the current/ earlier period but allowable for tax purposes on payment basis	195.82	166.70
Lease liability (net impact of Ind AS 116)	2,065.45	2,260.09
Gratuity	223.88	67.74
Leave compensation	52.90	29.54
Loyalty program	23.27	16.77
Provision for contingency	-	29.38
Provision for slow moving inventory	7.40	8.56
Interest on borrowings u/s 43B	278.35	323.51
Security deposits- impact on discounting	583.87	669.27
Amortised processing cost	70.77	72.90
Provision for doubtful debts and advances	38.20	46.36
Deferred tax asset	3,539.91	3,690.82
A. Deferred tax liabilities (net)	(559.45)	(926.65)
B. MAT credit entitlement (Deferred tax asset)	-	1,488.71
Deferred tax (liabilities)/asset (net) (A+B)	(559.45)	562.06

Note: During the year ended March 31, 2026, the Company has remeasured its deferred tax assets and deferred tax liabilities by applying the tax rates prescribed under Section 115BAA of the Income Tax Act, 1961, based on the tax rates expected to be applicable in the periods in which such deferred tax assets and liabilities are expected to be realised or settled.

Reconciliation of tax expense and the accounting profit multiplied by India’s domestic tax rate
for year March 31, 2026 and March 31, 2025:

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
Profit before tax	15,226.68	14,219.21
Tax rate	29.12%	29.12%
Tax at statutory income tax rate	4,434.01	4,140.63
Effect of incomes taxable at nil/lower rate	(7.44)	(7.37)
Effect of non-deductible expenses	30.90	37.21
Impact of Rate change in Deferred tax	(77.80)	-
Net tax expense as per P&L	4,379.67	4,170.47

9.2 Non-Current tax assets (net)

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Advance Income Tax (net of provision for taxation)	711.18	461.86
	711.18	461.86

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

10. Other non-current assets

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Unsecured, considered good		
Capital advances	411.37	230.80
Prepaid expenses	131.37	151.91
Total	542.74	382.71

11. Inventories

(valued at lower of cost and net realisable value, unless otherwise stated)

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Food and beverages (excluding liquor and wine)	38.01	43.07
Liquor and wine	32.64	33.14
Stores, cutlery, crockery, linen, provisions and others (valued at cost)	161.61	173.86
Total	232.26	250.07

Refer footnote to Note 16 for inventories pledged.

12. Financial assets

Particulars	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
(i) Trade receivables**		
Unsecured		
Trade receivables- considered good	3,683.09	3,508.01
Trade Receivables- credit impaired	141.68	150.90
	3,824.77	3,658.91
Less: Provision for doubtful debts	(149.96)	(157.37)
Total	3,674.81	3,501.54
Trade receivables from non- related parties	2,429.03	1,779.08
Tarde receivables from related parties(Refer Note 33)	1,245.78	1,722.46
	3,674.81	3,501.54

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non interest bearing and are generally on terms of 30 to 90 days from the date of invoice.

*read with note number 35(a).

#Trade receivable ageing schedule based on the requirement of Schedule III

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

As at March 31, 2026

₹ in lakhs

Particulars	Not due	Outstanding for following periods from date of transaction					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	30.87	3,495.06	133.83	23.33	-	-	3,683.09
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	8.29	5.16	120.49	133.94
(iii) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	7.74	7.74
Total	30.87	3,495.06	133.83	31.62	5.16	128.23	3,824.77
Less: Provision for doubtful debts	-	(6.45)	(1.81)	(8.31)	(5.16)	(128.23)	(149.96)
Net total	30.87	3,488.61	132.02	23.31	-	-	3,674.81

As at March 31, 2025

₹ in lakhs

Particulars	Not due	Outstanding for following periods from date of transaction					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	19.06	3,392.32	72.05	24.58	-	-	3,508.01
(ii) Undisputed Trade Receivables – credit impaired	-	-	-	20.28	11.66	111.22	143.16
(iii) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – credit impaired	-	-	-	-	-	7.74	7.74
Total	19.06	3,392.32	72.05	44.86	11.66	118.96	3,658.91
Less: Provision for doubtful debts	-	(2.42)	(4.05)	(20.28)	(11.66)	(118.96)	(157.37)
Net total	19.06	3,389.90	68.00	24.58	-	-	3,501.54

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
(ii) Cash and cash equivalents		
Balance with banks		
On current accounts	892.01	1,050.21
Cash on hand	15.35	17.45
Total	907.36	1,067.66

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

Reconciliation of Movements of liabilities to cash flows arising from financing activities

Particulars	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Balance as at beginning of the year-Borrowings and lease liabilities	39,755.22	47,121.77
Movement due to payments made	(10,371.75)	(11,442.09)
Movement due to non cash transactions in lease liabilities and borrowings		
- Accrual of finance cost	3,265.65	4,051.39
- Amortization of processing charges	24.15	24.15
Balance as at end of the year- Borrowings and lease liabilities	32,673.27	39,755.22

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
(iv) Bank balances other than (ii) above		
Deposits with original maturity of more than 3 months and less than 12 months	628.18	215.00
Total	628.18	215.00

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
(v) Loans		
Unsecured, considered good		
Loans and advances to subsidiaries*#	7.12	328.28
Total	7.12	328.28

*read with note 33

#Disclosure of loans or advances given by the company in the nature of loans granted to related parties.

Type of Borrower	March 31, 2026		March 31, 2025	
	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	% of total Loans and Advances in the nature of loans
Loan to Related parties (Subsidiaries)*				
- Non- current (refer note (8(ii)))	6,217.51		4,999.65	
- Current	7.12		328.28	
Total	6,224.62	100%	5,327.93	100%

*Unsecured loan and advances given to related parties are repayable on demand and carries interest rate of 0% to 9% p.a.

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
(vi) Other current financial assets		
Security deposits	0.68	0.68
Interest accrued but not due(refer note 33)	851.98	407.53
Total	852.66	408.21

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

Break up of current financial assets carried at amortised cost

Particulars	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Trade receivables	3,674.81	3,501.54
Cash and cash equivalents	907.36	1,067.66
Security deposits	0.68	0.68
Interest accrued but not due(refer note 33)	851.98	407.53
Loans and advances to subsidiaries	7.12	328.28
Total	5,441.95	5,305.69

13. Other current assets

Particulars	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Advances recoverable	352.01	381.78
Unbilled revenue	428.92	1.54
Balance with statutory/ government authorities	516.33	543.33
Prepaid expenses	392.49	388.45
Total	1,689.75	1,315.10

14. Share capital

Authorised Share Capital

	Equity shares (Face Value of ₹ 10 each)		5% Redeemable Preference shares (Face Value of ₹ 100 each)		Preference shares (Face Value of ₹ 100 each)	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
At April 1, 2024	1,00,73,90,000	1,00,739.00	1,95,000	195.00	4,90,000	490.00
Increase/decrease during the year	-	-	-	-	-	-
At March 31, 2025	1,00,73,90,000	1,00,739.00	1,95,000	195.00	4,90,000	490.00
Increase/decrease during the year	-	-	-	-	-	-
At March 31, 2026	1,00,73,90,000	1,00,739.00	1,95,000	195.00	4,90,000	490.00

Issued equity capital*

Equity shares of ₹10 each issued, subscribed and fully paid	No. of shares	₹ in lakhs
At April 1, 2024	79,18,45,623	79,184.55
Change in shares held by ESOP trust	2,000	0.20
At March 31, 2025	79,18,47,623	79,184.75
Change in shares held by ESOP trust	-	-
At March 31, 2026	79,18,47,623	79,184.75

*excluding 398,841 equity shares (March 31, 2025: 398,841 shares) held by ESOP trust which has been consolidated in accordance with the requirement of IND AS 110. The movement is explained below :-

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

(a) Movement of share capital:

	Share capital		Shares held by ESOP trust		Share capital (excluding ESOP trust)	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
At April 1, 2024	79,22,46,464	79,224.64	4,00,841	40.08	79,18,45,623	79,184.55
Change in shares held by ESOP trust	-	-	(2,000)	(0.20)	2,000	0.20
At March 31, 2025	79,22,46,464	79,224.64	3,98,841	39.88	79,18,47,623	79,184.75
Change in shares held by ESOP trust	-	-	-	-	-	-
At March 31, 2026	79,22,46,464	79,224.64	3,98,841	39.88	79,18,47,623	79,184.75

(b) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at		As at	
	No. of shares	% held as at March 31, 2026*	No. of shares	% held as at March 31, 2025*
Equity shares of ₹ 10 each fully paid up				
Spank Management Services Private Limited	16,72,95,366	21.12%	16,76,24,781	21.16%
APG Strategic Real Estate Pool N.V.	11,87,30,914	14.99%	11,87,30,914	14.99%
Franklin India Flexi Cap Fund	4,22,61,451	5.33%	5,66,20,894	7.15%
SBI Large and Midcap Fund	-	-	3,94,89,812	4.98%

*Calculated on number of share capital (including ESOP trust)

(c) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, please refer note 32

(d) The Company has not issued bonus shares, share issued for consideration other than cash and has not bought back shares during the period of five years immediately preceeding the reporting date.

(e) Detail of shares held by promoter and promoter group

As at March 31, 2026

S. No.	Promoter Name	Category	Number of shares at the beginning of the year	Change during the year	Number of shares at the end of the year	Percentage of Total shares	₹ in lakhs
							Percentage change during the year
1	Spank Management Services Private Limited	Promoter	16,76,24,781	(3,29,415)	16,72,95,366	21.12%	(0.04%)
2	Sparrow Buildwell Private Limited	Promoter Group	67,83,280	-	67,83,280	0.86%	-
3	Lillette Dubey	Promoter Group	1,50,000	-	1,50,000	0.02%	0.00%
4	Ila Dubey	Promoter Group	24,44,292	-	24,44,292	0.31%	0.00%
5	Aditya Madhav Keswani	Promoter Group	-	15,500	15,500	0.00%	0.00%
6	Nayana Ria Keswani	Promoter Group	-	15,000	15,000	0.00%	0.00%
7	Toucan Real Estates Private Limited	Promoter Group	-	58,000	58,000	0.01%	0.01%
8	Patanjali Govind Keswani	Promoter	-	30,000	30,000	0.00%	0.00%
Total			17,70,02,353	(2,10,915)	17,67,91,438	22.33%	(0.03%)

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

As at March 31, 2025

₹ in lakhs							
S. No.	Promoter Name	Category	Number of shares at the beginning of the year	Change during the year	Number of shares at the end of the year	Percentage of Total shares	Percentage change during the year
1	Spank Management Services Private Limited	Promoter	17,18,24,781	(42,00,000)	16,76,24,781	21.16%	(0.53%)
2	Sparrow Buildwell Private Limited	Promoter Group	67,83,280	-	67,83,280	0.86%	-
3	Lillette Dubey	Promoter Group	1,75,000	(25,000)	1,50,000	0.02%	0.00%
4	Ila Dubey	Promoter Group	24,44,292	-	24,44,292	0.31%	-
Total			18,12,27,353	(42,25,000)	17,70,02,353	22.35%	(0.53%)

15. Other equity

₹ in lakhs	
Securities premium	
At April 1, 2024	10,570.59
Change in shares held by ESOP trust	0.24
At March 31, 2025	10,570.83
Change in shares held by ESOP trust	-
At March 31, 2026	10,570.83
Surplus in the Statement of Profit and Loss	
At April 1, 2024	23,128.07
Profit for the year	10,048.74
At March 31, 2025	33,176.81
Profit for the year	10,847.01
At March 31, 2026	44,023.82
Capital Reserve	
At April 1, 2024	(319.12)
Increase/(decrease) during the year	-
At March 31, 2025	(319.12)
Increase/(decrease) during the year	-
At March 31, 2026	(319.12)
Other comprehensive income	
At April 1, 2024	15.58
Increase/(decrease) during the year	5.83
At March 31, 2025	21.41
Increase/(decrease) during the year	(7.73)
At March 31, 2026	13.68
General reserve	
At April 1, 2024	3,035.24
Increase/(decrease) during the year	-
At March 31, 2025	3,035.24
Increase/(decrease) during the year	-
At March 31, 2026	3,035.24

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

₹ in lakhs		
Share based payment reserve		
At April 1, 2024		-
Expense for the year		-
At March 31, 2025		-
Expense for the year (Refer note 32(b))		150.24
At March 31, 2026		150.24
Capital redemption reserve		
At April 1, 2024		45.00
Increase/(decrease) during the year		-
At March 31, 2025		45.00
Increase/(decrease) during the year		-
At March 31, 2026		45.00
Particulars	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Other equity		
Securities premium	10,570.83	10,570.83
Surplus in the Statement of Profit and Loss	44,023.82	33,176.81
Capital Reserve	(319.12)	(319.12)
Other comprehensive income	13.68	21.41
General reserve	3,035.24	3,035.24
Share based payment reserve	150.24	-
Capital redemption reserve	45.00	45.00
Total	57,519.69	46,530.17

Notes:

Securities premium: Securities premium comprises of premium receievd on issue of shares

Surplus in the Statement of Profit and Loss: Surplus in the Statement of Profit and Loss represents balances of profit and loss at each year end.

Other comprehensive income: Other comprehensive income represents accumulated balances of Remeasurement (losses)/gains on defined benefit plans.

General reserve: Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paidup capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn.

Share based payment reserve: The Share based payment reserve is used to recognise the grant date fair value of unit issued to employees under LTHL Stock Appreciation Rights (LTHL SAR) Scheme -2024.

Capital redemption reserve: The Companies Act provides that companies redeeming its preference shares at face value or nominal value is required to transfer an amount into capital redemption reserve. This reserve can be used to issue fully paid-up bonus shares to the shareholders of the Company.

Capital reserve: Capital reserve account is recorded as difference in net worth of the transferee Company merged and investment made in those Companies.

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

16. Borrowings

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Non-current borrowings		
Term Loans		
Loans from Banks (Secured)		
Axis Bank Limited (Refer footnote 1 to 3 below)	38.45	119.44
HDFC Bank Limited (Refer footnote 7 to 11 below)	4,035.03	7,527.78
Vehicle loans (Refer footnote 12 below)	294.72	220.47
Loans from financial institutions (secured)		
Aditya Birla Finance Limited (Refer footnote 4 to 6 below)	6,499.26	7,708.64
Total non-current borrowings	10,867.46	15,576.33
Current maturity of long term loans (secured)		
Axis Bank Limited (Refer footnote 1 to 3 below)	81.50	203.00
HDFC Bank Limited (Refer footnote 7 to 11 below)	3,502.97	5,551.40
Vehicle loans (Refer footnote 12 below)	134.95	88.44
Current maturity of loans from financial institutions		
Aditya Birla Finance Limited (Refer footnote 4 to 6 below)	1,230.00	1,383.50
Total current maturity of loans	4,949.42	7,226.34
Less: Amount clubbed under “Short term borrowings” (refer note 18(i))	(4,949.42)	(7,226.34)
Net current borrowings	-	-

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2026	Carrying rate of Interest as at March 31, 2025	Repayment/ Modification of terms	Security/ Principal terms and conditions
1	Axis Bank Limited	1,770.00	-	8.40% The Loan is repayable in 19 quarterly instalments.		The Group has successfully satisfied below mentioned charge during the previous year: a) Exclusive charge over movable and immovable properties and fixed assets, both present and future, pertaining to Red Fox Hotel situated at Asset No.6 Aerocity Hospitality District, New Delhi-110037(except project land). b) Exclusive charge by way of hypothecation of all the project's movables including movable plant & machinery, machinery spares, tools and accessories. c) Exclusive charge on the project's book debts, operating cash flows, receivables, commissions, bank accounts (wherever held), revenues of whatever nature and wherever arising, present and future subject to prior charge of bankers on specified current assets for securing working capital facilities and subject to prior approval of bank. d) Exclusive charge by way of assignment or creation of charge in favour of the lender of - All the right, title, interest, benefits, claims and demands whatsoever of the borrower in agreements (development agreement, management agreement, construction contract), duly acknowledged and consented to by the counter party; - All the rights, title, interest, benefits, claims and demands whatsoever of the borrower in clearances; - All the rights, title, interest, benefits, claims and demands whatsoever of the borrower in any letter of credit, guarantee, performance bond provided by any party to the project documents - All insurance contracts/insurance proceeds; (e) All Cash Flow routing to be done through Escrow Account maintained with bank. (f) Right of substitution and other rights under the Substitution Agreement, on pari passu basis with other lenders.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2026	Carrying rate of Interest as at March 31, 2025	Repayment/ Modification of terms	Security/ Principal terms and conditions
2	Axis Bank Limited	648.00	7.40%	8.40%	The loan is repayable in 48 equal monthly installments commencing from the next month after completion of moratorium of 24 months.	It is secured by:- (a) Second charge over all the borrower's properties and assets, both present and future, pertaining to Red Fox Hotel Project, situated at asset area 6, Delhi Aerocity Hospitality District, New Delhi (except project land). (b) Second charge by way of hypothecation of all the project's movables, including movable plant & machinery. machinery, spares, tools and accessories. (c) Second charge on project's book debts, operative cashflows, receivables, commissions, bank accounts, revenue of whatever nature and wherever arising, present and future subject to prior, present and future subject to prior change of bankers on specified current assets for securing working capital facilities and subject to prior approval of the bank. (d) Second charge by way of assignment or creation of charge in favour of lenders: - All the right, title, interest, benefits, claims and demands whatsoever of the borrower in agreements (development agreement, management agreement, construction contract), duly acknowledged and consented to by the counter party; - All the rights, title, interest, benefits, claims and demands whatsoever of the borrower in clearances; - All the rights, title, interest, benefits, claims and demands whatsoever of the borrower in any letter of credit, guarantee, performance bond provided by any party to the project documents - All insurance contracts/insurance proceeds; (e) Right to substitution and other rights under substitution agreement, on pari-passu basis with other lenders. (f) All cashflows routing shall continue to be done through TRA Account. (g) 100% Credit Guarantee by National Credit Guarantee Trust Company Limited.
3	Axis Bank Limited	326.00				

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2026	Carrying rate of Interest as at March 31, 2025	Repayment/ Modification of terms	Security/ Principal terms and conditions
4	Aditya Birla Finance Limited	884.00	9.05%	9.65%	The loan is repayable in 48 equal monthly installments after moratorium of 12 months from the date of 1 st disbursement.	It is secured by: 1) Second Charge on all moveable and current assets of the Group in connection with its Red Fox Hotel Hyderabad, both present and future. 2) Second Charge Immovable Property Red Fox Hotel Hyderabad of the Group. It is secured by: a) First exclusive charge on the Immovable Fixed Assets (both present and future) of the Red Fox Hotel Hyderabad, to provide a minimum cover of 1.50x at all times during the tenor of the loan. b) First exclusive charge on all the Movable Fixed Assets (both present and future) of the Red Fox Hotel Hyderabad. c) First exclusive charge on Escrow of entire cash flow of Red Fox Hotel Hyderabad. d) DPN
5	Aditya Birla Finance Limited	4,500.00	9.05%	9.65%	The loan is repayable in 44 structured quarterly installments after moratorium of 12 months from the date of 1 st disbursement.	It is secured by: a) First exclusive charge on the Immovable Fixed Assets (both present and future) of the Red Fox Hotel Hyderabad, to provide a minimum cover of 1.50x at all times during the tenor of the loan. b) First exclusive charge on all the Movable Fixed Assets (both present and future) of the Red Fox Hotel Hyderabad. c) First exclusive charge on Escrow of entire cash flow of Red Fox Hotel Hyderabad. d) DPN
6	Aditya Birla Finance Limited	6,500.00	9.10%	9.70%	31 structured quarterly (except for last installment) installments from the date of first disbursement.	It is secured by: 1. First exclusive charge on Immovable Fixed Assets (both present and future) of the 'Property to provide a minimum Fixed Asset Coverage Ratio (FACR) of 1.25x (Market value of Land, Building and all appurtenances therein) at all times during the tenor of the Facility. 2. First & exclusive charge on Current and Movable Fixed Assets (both present and future) of the Property. 3. First & exclusive charge on Escrow Account for routing of entire cash flow pertaining to the Property. 4. Second Pari passu charge on all the Current Assets, Cashflows of the Group (excluding Current Assets, Cashflows pertaining to the Property and Red Fox Hotel, Hyderabad where Aditya Birla has first and exclusive charge), both present and future.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2026	Carrying rate of Interest as at March 31, 2025	Repayment/ Modification of terms	Security/ Principal terms and conditions
7	HDFC Bank Limited	4,200.00	6.94%	8.12%	Repayable in 48 monthly installments after moratorium of 12 months	Second Charge by way of Hypothecation on the following: 1. All the stock in trade both present and future consisting of raw materials, finished goods, goods in process of manufacturing and any other goods, 2. All the book debts, amounts outstanding, monies receivable, claims and bills which are now due and owing or which may at any time hereafter during, 3. All the plant and machinery both present and future consisting of all 4. The whole of the Security Provider's moveable properties, including its moveable plant and machinery, machinery spares, tools and accessories furniture, Created with charge as below: It is secured by extension of second ranking charge over existing primary and collateral securities including mortgages created in favor of bank. Properties :- - Hotel Lemon Tree, Udyog Vihar - Hotel Lemon Tree, Pune, - Hotel Lemon Tree, Ahmedabad - Hotel Lemon Tree, Chennai - Hotel Lemon Tree, Chandigarh - Lemon Tree Premier, Bangalore

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2026	Carrying rate of Interest as at March 31, 2025	Repayment/ Modification of terms	Security/ Principal terms and conditions
8	HDFC Bank Limited	2,100.00	6.94%	8.12%	The loan is repayable in 39 step-up quarterly installments.	It is secured by: a) First charge on all the fixed assets, both present and future, of the hotel "Lemon Tree" at Plot No. 3 MW, Phase-I, Industrial Area, Chandigarh, including hypothecation of all movables. b) A first & exclusive charge on Projects (Lemon Tree" at Plot No. 3 MW, Phase-I, Industrial Area, Chandigarh) unencumbered-book debts, operating cash flows, receivables, commissions, banks accounts (whenever held) if any-present & future all revenues c) Mortgage of leasehold rights of the projects (Lemon Tree" at Plot No. 3 MW, Phase-I, Industrial Area, Chandigarh) land admeasuring 0.46 acre (2241.38 sq yrd) and building thereon. It is secured by : a) First pari passu charge by way of mortgage on Select properties. The borrower shall ensure asset cover ratio should not be less than 1.50x (based on market value of security) at all times. b) First pari passu charge by way of hypothecation in favor of the lender on all current assets and movable fixed assets including movable plant and machinery, machinery spares, tools and accessories, furniture and fixtures, vehicles and all other movable assets, present and future of Select Properties. Properties:- - Hotel Lemon Tree, Udyog Vihar - Hotel Lemon Tree, Pune, - Hotel Lemon Tree, Ahmedabad - Hotel Lemon Tree, Chennai - Lemon Tree Premier, Bangalore
9	HDFC Bank Limited	10,000.00	6.96%	8.15%	The loan is repayable in 44 consecutive quarterly installments after a moratorium of 1 year.	It is secured by : a) First pari passu charge by way of mortgage on Select properties. The borrower shall ensure asset cover ratio should not be less than 1.50x (based on market value of security) at all times. b) First pari passu charge by way of hypothecation in favor of the lender on all current assets and movable fixed assets including movable plant and machinery, machinery spares, tools and accessories, furniture and fixtures, vehicles and all other movable assets, present and future of Select Properties. Properties:- - Hotel Lemon Tree, Udyog Vihar - Hotel Lemon Tree, Pune, - Hotel Lemon Tree, Ahmedabad - Hotel Lemon Tree, Chennai - Lemon Tree Premier, Bangalore

Note	Lender	Amount Sanctioned	Carrying rate of Interest as at March 31, 2026	Carrying rate of Interest as at March 31, 2025	Repayment/ Modification of terms	Security/ Principal terms and conditions
10	HDFC Bank Limited	11,100.00	6.96%	8.15%	The loan shall be repaid in 27 Consecutive quarterly installments as per the schedule mentioned in sanction letter.	It is secured by : a) First exclusive charge by way of equitable mortgage on select properties. b) First exclusive charge by way of hypothecation in favour of the lender on all current assets and movable fixed assets including movable plant and machinery, machinery spares, tools and accessories, furniture and fixtures, vehicles and all other movable assets, present and future of below mentioned properties: Hotel Lemon Tree, Udyog Vihar, Hotel Lemon Tree, Pune, Hotel Lemon Tree, Ahmedabad, Hotel Lemon Tree, Chennai, Lemon Tree Premier, Bangalore.
11	HDFC Bank Limited	4,192.60	9.00%	9.00%	The loan is repayable in 48 monthly installments after a moratorium of 24 months.	It was secured by second ranking charge over existing primary and collateral securities including mortgages created in favour of the bank and security created over the asset of the borrower purchased out of this facility. Properties :- - Hotel Lemon Tree, Udyog Vihar - Hotel Lemon Tree, Pune, - Hotel Lemon Tree, Ahmedabad - Hotel Lemon Tree, Chennai - Hotel Lemon Tree, Chandigarh - Lemon Tree Premier, Bangalore. The loan has been successfully repaid by the company.
12	Vehicle loan (different banks)	-			These loans are repaid on agreed monthly installments.	Vehicle loan is secured by hypothecation of underlying motor vehicle acquired out of such loans from HDFC Bank Limited and Axis Bank Limited.

- (i) The Company has not defaulted in the repayment of loans and interest as at Balance Sheet date
- (ii) Bank loans availed by the Company are subject to certain covenants relating to interest coverage ratio, debt service coverage ratio, capital gearing ratio, fixed assets coverage ratio.
- (iii) The Company has complied all significant covenants from bank and financial institutions as per the terms of the loan agreement.
- (iv) The Company has used borrowings from banks/financial institutions for the specific purpose of working capital requirement and/or setting new projects.

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

16 (a). Lease liabilities

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Balance at beginning of the year	16,952.55	17,002.33
Interest accrued during the year (refer note 25)	1,580.25	1,584.96
Payment of lease liabilities	1,669.67	1,634.74
Balance at end of the year	16,863.13	16,952.55
Current	404.38	356.95
Non-current	16,458.75	16,595.60

17. Provisions

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Provision for gratuity (Refer note 30)	889.54	232.63
Current	72.11	24.87
Non-current	817.43	207.76
Provision for compensated absences	210.17	101.44
Current	210.17	101.44
Non-current	-	-
Provision for litigations (Refer note 31(d))	-	100.88
Current	-	100.88
Non-current	-	-
Total current	282.28	227.18
Total non-current	817.43	207.76

18. Financial liabilities

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
(i) Short term borrowings	4,949.42	7,226.34
Current maturities of long-term borrowings (refer note 16)	4,949.42	7,226.34

- A. The Cash credit facility and working capital loan from HDFC Bank Limited is repayable on demand and carries interest rate of 7.65% p.a. (March 31, 2025: 8.18%) and is secured by way of:
- a) First Exclusive charge by way of equitable mortgage on Select properties.
- b) First exclusive charge by way of hypothecation in favor of the lender on all current assets and movable fixed assets including movable plant and machinery, machinery spares, tools and accessories, furniture and fixtures, vehicles and all other movable assets, present and future of Select Properties as below:
- Properties:-
- Hotel Lemon Tree, Udyog Vihar
 - Hotel Lemon Tree, Pune,
 - Hotel Lemon Tree, Ahemdabad
 - Hotel Lemon Tree, Chennai
 - Lemon Tree Premier, Bangalore
 - Lemon Tree Premier, Chandigarh

The outstanding balance of cash credit as at March 31, 2026 is Nil (March 31, 2025: Nil).

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

B. Basis on several terms and conditions as specified in sanction letters, the company submits quarterly returns/statements comprising of Operating performance MIS, cash flow mismatch statements and unaudited quarterly statements with banks/ financial institution and these returns/statements are materially in agreement with the books of accounts.

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
(iii) Trade payables		
Trade Payables*#		
- Micro and small enterprises	263.58	413.67
- Other than Micro, small and medium enterprises	2,098.25	1,522.81
*read with note number 44		
	2,361.83	1,936.48
	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Trade payables to other than related parties	2,159.78	1,876.51
Trade payables to related parties (refer note 33)	202.05	59.97
	2,361.83	1,936.48

#Trade payables ageing schedule based on the requirement of Schedule III

As at March 31, 2026

₹ in lakhs

Particulars	Not Due	Outstanding for following periods from date of transaction				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	263.58	-	-	-	263.58
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,112.80	837.82	9.88	13.32	124.43	2,098.25
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-

As at March 31, 2025

₹ in lakhs

Particulars	Not Due	Outstanding for following periods from date of transaction				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	413.67	-	-	-	413.67
Total outstanding dues of creditors other than micro enterprises and small enterprises	648.60	704.36	32.00	34.42	103.43	1,522.81
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
(iv) Other current financial liabilities		
Interest accrued but not due on borrowings	-	5.92
Payable for capital goods	669.19	294.86
Outstanding dues to employees	619.67	661.13
Total	1,288.86	961.91

19. Other current liabilities

	As at March 31, 2026 ₹ in lakhs	As at March 31, 2025 ₹ in lakhs
Advance from customers	315.65	295.08
Deferred revenue- loyalty programme	92.46	57.60
Statutory dues (Provident fund, GST, TDS and other statutory dues)	1,124.02	794.59
Total	1,532.13	1,147.27

20. Revenue from operations

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
Revenue from operations		
Sale of products and services		
- Room rental#	23,740.02	22,673.87
- Food and beverage (excluding liquor and wine)#	3,877.39	3,201.52
- Liquor and wine	222.50	230.38
- Banquet rentals	107.86	111.96
- Other Services (including service charge income)	1,726.80	1,631.76
Other Operating Revenue		
- Management and other related fee*	14,529.36	10,613.28
*Refer note 33		
Revenue from operations	44,203.93	38,462.77

#For the year ended March 31, 2025, revenue from room rental has been reclassified by ₹ 889.01 lakhs to revenue from food and beverages on the basis of fair value as determined by the management for evaluating the Company's performance.

21. Other Income

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
Rent received	85.20	84.35
Profit on sale of investment	29.59	-
Insurance claim received	0.67	1.44
Fair value gain on investment at fair value through profit or loss	10.42	-
Sundry balances written back	2.28	0.89
Profit on sale of investment property	93.01	-
Total	221.17	86.68

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

22. Cost of food and beverages consumed

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
(a) Consumption of food and beverages excluding liquor and wine		
Inventory at the beginning of the year	43.07	43.67
Add: Purchases	1,471.52	1,355.86
	1,514.59	1,399.53
Less: Inventory at the end of the year	38.01	43.07
Cost of food and beverage consumed	1,476.58	1,356.46
(b) Consumption of liquor and wine		
Inventory at the beginning of the year	33.14	35.69
Add: Purchases	78.80	74.89
	111.94	110.58
Less: Inventory at the end of the year	32.64	33.14
Cost of liquor and wine consumed	79.30	77.44
Total (a+b)	1,555.88	1,433.90

23. Employee benefits expense

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
Salaries, wages and bonus	6,998.72	6,480.83
Contribution to provident fund and other funds	274.30	267.60
Share based payments to employees (refer note 32(b))	150.24	-
Gratuity expense (refer note 30)	64.54	47.81
Staff welfare expenses	266.66	268.17
Total	7,754.46	7,064.41

24 (a). Power and fuel

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
Power and fuel	2,224.81	2,188.60
Total	2,224.81	2,188.60

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

24 (b). Other expenses

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
Consumption of stores, cutlery, crockery, linen, provisions and others	744.75	681.89
Guest transportation	247.05	231.86
Spa expenses	60.04	62.36
Subscription charges	56.86	55.02
Repair and maintenance		
- Buildings	2,457.97	955.17
- Plant and machinery	873.65	581.08
- Others	49.41	104.34
Rent (refer note 31(a))	732.75	593.73
Rates and taxes	425.93	379.45
Insurance	160.39	123.96
Communication costs	431.86	477.50
Printing and stationery	93.05	86.63
Traveling and conveyance	49.32	50.38
Vehicle running and maintenance	88.71	88.02
Advertisement, sales and business promotion	244.14	222.35
Architect and design fee	720.45	-
Commission -other than sole selling agent	1,128.85	1,369.28
Security and cleaning expenses	673.77	552.73
Membership and subscriptions	26.61	22.21
Legal and professional fees	1,129.48	1,075.33
Freight and cartage	2.93	3.23
Corporate social responsibility*	265.41	155.51
Loss on write off/sale of property, plant and equipment(net)	83.68	7.95
Payment to auditor (Refer note below)	98.69	94.88
Miscellaneous expenses	88.27	34.35
Total	10,934.02	8,009.21
Payment to auditor (excluding Goods and service tax)		
for statutory audit fees	62.80	58.80
for limited review	30.00	30.00
for special purpose audit fees (refer note 37(A))	24.12	-
for tax audit	1.00	1.00
for certification services	-	1.20
for special purpose certification fees (refer note 37(A))	5.00	-
Out of pocket expenses	4.89	3.88
	127.81	94.88

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

*Details of Corporate social responsibility (CSR) expenditure:

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
(a) Gross amount required to be spent by the Company during the year	265.41	155.51
(b) Amount spent during the year ended on March 31, 2026:	In cash	Yet to be paid in cash
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	265.41	-
(b) Amount spent during the year ended on March 31, 2025:	In cash	Yet to be paid in cash
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	155.51	-

The Company, through CSR initiative focuses on following areas:

- Vocational skilling of Person with disabilities, for mainstream employment.
- Empowerment of weaker section of society through education and skill training.
- Giving special care to disabled's, advocacy for inclusion and early identification of person with disabilities.

25. Finance costs

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
Interest		
- on term loans from banks	816.33	1,402.45
- on loans from others	822.95	952.00
- on vehicle loans	34.56	27.15
- on other credit facilities from banks	11.56	84.83
- on lease liability (refer note 16(a))	1,580.27	1,584.96
- on income tax	-	0.09
Bank charges (including commission on credit card collection)	189.77	191.27
Total	3,455.44	4,242.75

26. Finance income

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
Interest Income from financial assets at amortised cost :		
- Bank deposits	29.74	21.74
- Interest others*	716.71	538.28
Fair value gain on investment at fair value through profit or loss	-	1.82
Interest on income tax refund	-	0.24
Total	746.45	562.08

*Includes interest on loan to related party. Refer note 33.

Notes to the Standalone Financial Statements

for the year ended March 31, 2026

27. Depreciation and amortization expense

	For the year ended March 31, 2026 ₹ in lakhs	For the year ended March 31, 2025 ₹ in lakhs
Depreciation on tangible assets	1,169.43	1,115.86
Amortization on intangible assets	27.32	19.59
Depreciation on investment properties	4.12	4.39
Depreciation on right to use asset	792.41	813.61
Total	1,993.28	1,953.45

28. Earnings per share (Basic EPS and Diluted EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit attributable to equity holders (for basic and diluted) (₹ in lakhs)	10,847.01	10,048.74
Weighted Average Number of Equity Shares (for basic and diluted)*	79,18,47,623	79,18,46,625
Basic and Diluted EPS	1.37	1.27

*The weighted average number of shares takes into account the weighted average effect of changes in share transactions during the year.

29. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities and other commitments. Uncertainty about these judgements, estimates and assumptions could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. The estimates and underlying assumptions are reviewed on an ongoing basis and the revisions to accounting estimates are recognized in the period in which the estimate is revised.

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

Critical judgements, estimates and assumptions

a. Impairment of property, plant and equipment

Each hotel property is an identifiable asset that generates cash inflows and is independent of the cash inflows of the other hotel properties, hence identified as cash generating units. The Company assesses the carrying amount of hotel properties (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Where the carrying amount of CGU exceeds its recoverable amount (being higher of fair value less cost to sell or value in use), the asset is considered impaired and is written down to its recoverable amount. An impairment loss (if any) is recognised in the statement of profit and loss.

The value in use is determined basis discounted cash flow model which requires exercise of significant judgment in determining key assumptions like forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Discount Rate	12.50%	12.00 %
Long Term Growth Rate	5.00%	5.00%

As at March 31, 2026, the estimated recoverable amount of the CGU exceeded its carrying amount.

Sensitivity analysis of assumptions

The Company has performed sensitivity analysis on the key assumptions by +/- 1% for each of the assumptions used and ensured that the valuation is appropriate and there is no further impairment.

b. Impairment of Investment in subsidiaries having hotel properties

The Company assesses the carrying amounts of investment in subsidiaries having hotel properties to determine whether there is any indication that those investments have suffered an impairment loss. Where the carrying amount of investments exceed its recoverable amount, the investment is considered impaired and is written down to its recoverable amount (being higher of fair value less cost to sell or value in use). An impairment loss (if any) is recognised in the statement of profit and loss.

The value in use is determined basis discounted cash flow model which requires exercise of significant judgment in determining key assumptions like forecast of future revenue, operating margins, growth rate and selection of the discount rates. The key assumptions used for the calculations are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Discount Rate	12.50%	12.00 %
Long Term Growth Rate	5.00%	5.00%

As at March 31, 2026, the estimated recoverable amount of the investments exceeded its carrying amount.

Sensitivity analysis of assumptions

The Company has performed sensitivity analysis on the key assumptions by +/- 1% for each of the assumptions used and ensured that the valuation is appropriate and there is no further impairment.

c. Impairment of Investment in Totally Foxed Solutions Private Limited

The Company has made investment in its wholly owned Subsidiary, Totally Foxed Solutions Private Limited amounting to ₹ 801.00 lakhs (March 31, 2025: ₹801.00 lakhs) and have given loan of ₹ 6,217.51 lakhs (March 31, 2025: ₹ 4,999.65 lakhs), which is engaged in development of software solutions for hospitality into revenue management, Sales, customer engagement and business intelligence, which is to be utilised by the group companies and monetised as separate service to managed/ franchised and third party hotels. The net worth of the Company as at March 31, 2026 is ₹ (2,160.40) lakhs (March 31, 2025 is ₹ (401.92) lakhs).

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

The Company has performed impairment analysis of the investment and concluded that the recoverable value of the investment including loans given is higher than its carrying value. The recoverable amount of the Totally Foxed Solutions Private Limited as a cash generating unit is determined based on a value in use calculation which uses cash flow projections based on financial budget prepared by the management for five year period and post which forward looking terminal value has been considered.

Particulars	As at March 31, 2026	As at March 31, 2025
Discount Rate	12.50%	12.00 %
Long Term Growth Rate	5.00%	5.00%

The key assumptions used by the management in setting the financial budgets were as follows:

- Forecast sales growth rates:** Forecast sales growth rates are based on past experience adjusted for historic measures and market trends analysed.
- Operating profits:** Operating profits are forecasted based on historical experience of operating margins, adjusted for the impact of changes to product costs and cost saving initiatives.

Sensitivity analysis: The Company has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount. The management believe that any reasonable possible change in the key assumptions on which the recoverable amount of Totally Foxed Solutions Private Limited is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the Totally Foxed Solutions Private Limited.

d. Leases

The Company has taken certain land and land & building on long term lease basis. The lease agreements generally have an escalation clause and are generally non-cancellable. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company evaluates if an arrangement qualifies to be a lease as per the requirements of IND AS 116. Identification of a lease requires judgment. The Company uses judgement in assessing the lease term and the applicable discount rate. The discount rate is generally based on the incremental borrowing rate.

e. Loss Allowance on trade receivables (Expected credit loss)

An impairment analysis of trade receivables is performed at each reporting period based on the Company's history of collections, customer's creditworthiness, existing market conditions as well as forward looking estimates. Basis this assessment, the allowance for doubtful trade receivables as at March 31, 2026 is considered adequate.

f. Deferred tax asset (DTA)

Deferred tax asset (DTA) is recognized only when and to the extent there is convincing evidence that the Company will have sufficient taxable profits in future against which such assets can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, recent business performance and developments.

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

30. Gratuity

The Company has a defined benefit gratuity plan (funded). The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member’s length of service and salary at retirement age. The fund has the form of a trust and it is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy. The Trust Fund has taken a Scheme of Insurance, whereby these contributions are transferred to the insurer. The Company makes provision of such gratuity liability in the books of accounts on the basis of actuarial valuation as per the Projected unit credit method.

₹ in lakhs		
Benefit Liability	March 31, 2026	March 31, 2025
Gratuity plan	889.54	232.63
Total	889.54	232.63

Risk analysis

The Company is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefits plans and management estimation of the impact of these risks are as follows:

- Investment risk**
The most of the Indian defined benefit plans are funded with Life Insurance Corporation of India. Company does not have any liberty to manage the fund provided to Life Insurance Corporation of India.

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government of India bonds for Company’s Indian operations. If the return on plan asset is below this rate, it will create a plan deficit.
- Interest risk**
A decrease in the interest rate on plan assets will increase the plan liability.
- Longevity risk/life expectancy**
The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. Increases in the life expectancy of the plan participants will increase the plan liability.
- Salary growth risk**
The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

Each year, the Board of Trustees reviews the level of funding in the Gratuity plan. Such a review includes the asset – liability matching strategy and investment risk management policy. The Board of Trustees decides its contribution based on the result of this annual review.

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2026:

	₹ in lakhs									
	Opening Balance	Cost charged to statement of profit or loss		Remeasurement gains/(losses) in other comprehensive income						
	April 1, 2025	Service cost	Past service cost*	Net interest expense/income	Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Remeasurement changes arising from changes in demographic assumptions	Remeasurement changes arising from changes in financial assumptions	Sub-total included in OCI
Defined benefit obligation	515.91	49.65	619.05	33.02	701.72	(70.54)	-	-	22.96	12.48
Fair value of plan assets	283.28	-	-	18.13	18.13	(33.53)	2.15	-	-	2.15
Benefit liability	232.63	49.65	619.05	14.89	683.59	(37.01)	2.15	-	22.96	10.33
*Refer note 37(A)										
										889.54

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2025:

	₹ in lakhs									
	Opening Balance	Cost charged to statement of profit or loss		Remeasurement gains/(losses) in other comprehensive income						
	April 1, 2024	Service cost	Interest expense/income	Net Sub-total included in profit or loss	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Remeasurement changes arising from changes in demographic assumptions	Remeasurement changes arising from changes in financial assumptions	Experience adjustment	Sub-total included in OCI
Defined benefit obligation	484.68	32.17	33.93	66.10	(28.21)	-	-	4.42	(11.08)	(6.66)
Fair value of plan assets	261.20	-	18.29	18.29	(28.21)	1.56	-	-	-	1.56
Benefit liability	223.48	32.17	15.64	47.81	-	1.56	-	4.42	(11.08)	(8.22)
										232.63

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

The major categories of plan assets of the fair value of the total plan assets are as follows:

	March 31, 2026	March 31, 2025
Unquoted investments:		
Asset invested in insurance scheme with the LIC	100%	100%
Total	100%	100%

The principal assumptions used in determining gratuity obligations for the Company’s plans are shown below:

	March 31, 2026	March 31, 2025
Discount rate:		
Pension plan	6.40%	6.40%
Future salary increases:		
Pension plan	6.00%	5.00%
Withdrawal rate:		
Pension plan	26.00%	26.00%
Retirement age:		
Pension plan		
Male	60	60
Female	60	60

A quantitative sensitivity analysis for significant assumption as at March 31, 2026 is as shown below:

India gratuity plan:

	₹ in lakhs			
	March 31, 2026	March 31, 2026	March 31, 2026	March 31, 2026
Assumptions	Discount rate		Future salary increases	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(22.67)	24.12	23.98	(22.96)

A quantitative sensitivity analysis for significant assumption as at March 31, 2025 is as shown below:

	₹ in lakhs			
	March 31, 2025	March 31, 2025	March 31, 2025	March 31, 2025
Assumptions	Discount rate		Future salary increases	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	(6.24)	6.65	6.67	(6.38)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

	₹ in lakhs	
Duration (Years)	For the year ended March 31, 2026	For the year ended March 31, 2025
1	576.77	361.01
2	174.23	49.82
3	144.91	39.21
4	153.87	31.95
5	70.66	28.21
Above 5	225.65	57.02
Total expected payments	1,346.09	567.22

The average duration of the defined benefit plan obligation at the end of the reporting period is 3 years (March 31, 2025: 2 years).

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

31. Commitments and contingencies

a. Leases

Operating lease commitments - Company as lessee

The Company has entered into operating leases on hotel buildings, office premises, staff hostels and others. These are generally cancellable and are renewable by mutual consent on mutually agreed terms except for few properties (including hotel properties at Indore, Aurangabad, Gurgaon, New Delhi, Hyderabad (Banjara Hills) and Chandigarh.) The lease for the hotel property at Indore, Aurangabad, Gurgaon, New Delhi, Hyderabad (Banjara Hills) and Chandigarh are non-cancellable for a period of twenty-nine, twenty-two, thirty, twenty-seven, thirty and sixty years respectively. Refer Note No.7 for carrying value of right to use asset recognised and Refer Note No.16(a) for carrying value of lease liability and the movement during the year.

The weighted average of incremental borrowing rate applied to lease liabilities is 9.39% (March 31, 2025: 9.39%)

b. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for:

Estimated amount of contracts remaining to be executed and not provided as at March 31, 2026 is ₹ 3,367.27 lakhs (March 31, 2025 ₹ 2,682.17 lakhs).

c. Contingent liabilities

Legal claim contingency

	₹ in lakhs	
	As at March 31, 2026	As at March 31, 2025
Counter guarantees issued in respect of guarantees issued by company’s bankers	30.88	25.00
Service tax	133.22	70.05
Total	164.10	95.05

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

For financials guarantee given to banks on behalf of and in respect of term loan facilities availed by its group companies refer note 31(f).

- d. During the earlier years, the Company has taken land on lease for construction of building from one of the subsidiary Company for which South Delhi Municipal Corporation (‘the Authority’) has raised demand of ₹ 68.20 lakhs (for the financial Years 2010-11 to financial years 2013-2014) towards annual value in respect of the hotel property situated in Hospitality District, Aerocity. During the year ended March 31, 2026, the Company has availed a one-time settlement scheme notified by the Municipal Corporation of Delhi for settlement of property tax dues relating to one hotel property. The resultant impact of ₹ 166.93 lakhs has been recognised as an exceptional expense, after adjusting the provision of ₹ 105.43 lakhs already created by the Company towards such liabilities.

e. Note on Provident Fund:

Based upon the legal opinion obtained by the management, the Company is not required to create provisions in books of accounts in view of the judgement of the Hon’ble Supreme court in the case of Vivekananda Vidyamandirvs Regional Provident Fund Commissioner (II), West Bengal and subsequent dismissal of review petition by Hon’ble Supreme court in the case of review petition No. 001972-001973/2019 in civil appeal 3965-3966 in the matter of Surya Roshni Ltd Vs Employees Provident Fund and Another.

Notes to the Standalone Financial Statements
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Considering the equitable cause, the High Courts may give prospective effect to the judgement which can be done in exercise of inherent powers of High Court under Article 226 of the constitution of India.

In case of the Company, retrospective effect is remote and at present uniformity is maintained across all brands/grades.

f. Financial guarantees

The Company has issued financial guarantees to banks on behalf of and in respect of term loan facilities availed by its group companies for construction of new hotel project. In accordance with the policy of the Company (refer note 2.2(p)) the Company has designated such guarantees as ‘Insurance Contracts’ and classified them as contingent liabilities. Since these financial guarantees are an integral element of debts held by entities, hence, these have not been accounted for separately.

Accordingly, there are no assets and liabilities recognized in the balance sheet under these contracts. Refer below for details of the financial guarantees issued:

₹ in lakhs				
Name of Subsidiaries	Loan Outstanding as at	Financial Guarantees as at	Loan Outstanding as at	Financial Guarantees as at
	March 31, 2026	March 31, 2026	March 31, 2025	March 31, 2025
Canary Hotels Private Limited	1,207.99	2,350.00	1,207.99	2,350.00
Oriole Dr. Fresh Hotel Private Limited	1,488.00	2,500.00	1,755.13	2,500.00
Fleur Hotels Limited (formerly known as Fleur Hotels Private Limited)	64,011.11	76,883.00	66,866.70	76,883.00
Carnation Hotels Private Limited	-	1,900.00	-	1,900.00
Iora Hotels Private Limited	43,282.19	46,000.00	43,498.78	46,000.00
Total	109,989.29	129,633.00	113,328.60	129,633.00

32. Share based payments:

a. Stock options granted on and after April 1, 2006.

The Company has provided various share-based payment schemes to its employees. During the year ended March 31, 2026 ESOP Scheme 2006 is in operation:

Date of grant	September 1, 2006, April 1,2007, October 1, 2007, April 1, 2008, January 12, 2009, April 1, 2009, April 1, 2010, October 1, 2010, April 1, 2011, April 1, 2012, April 1, 2015, January 1, 2018
Date of Board Approval of plan	July 18, 2006
Date of Shareholder’s approval of plan	August 25, 2006
Number of options granted	13,249,207
Method of Settlement	Equity
Vesting Period	12-48 months & 15-39 months
Exercise Period	5 years from the date of vesting
Vesting Conditions	Employee remaining in the employment of the enterprise during the vesting period.

Notes to the Standalone Financial Statements
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Details of vesting:

Vesting period from the grant date	Vesting Schedule*
On completion of 12 months	10%
On completion of 24 months	20%
On completion of 36 months	30%
On completion of 48 months	40%

*All ESOP’s under ESOP Plan 2006 are granted as per general vesting schedule defined in the scheme except for ESOP’s granted on January 12, 2009, 328,008 ESOP’s granted on April 1, 2012 and 487,000 ESOP’s granted on January 1, 2018 for which specific vesting schedule was decided.

Company has issued/forfeited Nil shares (March 31, 2025: Nil) during the year on exercise of options granted under the employee stock option plan (ESOP).

b. LTHL Stock Appreciation Rights Scheme –2024

The Company has granted share appreciation rights to eligible employees under LTHL Stock Appreciation Rights Scheme –2024 (“the scheme”). The Scheme was approved by the Board of Directors and the shareholders of the Company on May 29, 2024 and September 26, 2024, respectively, for the grant of 76,00,000 SAR units.

Subsequently, the Scheme was amended with the approval of the Board of Directors and shareholders at their respective meetings held on August 08, 2025 and September 25, 2025, whereby the total number of SAR units under the Scheme was increased from 76,00,000 SAR units to 1,50,00,000 SAR units.

Information with respect to SAR units granted under the scheme is as follows:

S. No	Particulars			
1.	Grant Date	February 06, 2026		
2.	SAR Units granted	99,16,000		
3.	SAR Price per unit	₹ 129.37		
4.	Total number of shares covered by these SAR Units	Number of Shares to be allotted = (Appreciation per SAR x Number of SAR units exercised) / Market Price as on the date of exercise		
5.	Vesting Conditions and Schedule	A. Market linked vesting condition:		
		Milestone	Vesting Condition	Vesting Schedule Expected Vesting Periods
		First Milestone	Achieving Benchmark Market Price equivalent to 1.67x of SAR Price	25% of the SAR Units granted 3.20 years
		Second Milestone	Achieving Benchmark Market Price equivalent to 2.00x of SAR Price	25% of the SAR Units granted 3.48 years
		Third Milestone	Achieving Benchmark Market Price equivalent to 2.34 x of SAR Price	25% of the SAR Units granted 3.77 years
		Fourth Milestone	Achieving Benchmark Market Price equivalent to 2.67x of SAR Price	25% of the SAR Units granted 3.99 years
		B. Service Linked Vesting Condition – Employee should be in employment during vesting period and vesting will start after 2 years from effective date of scheme.		
		The Company has considered graded vesting of the SAR allocated as vesting of each milestone is not linked to the other.		

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S. No	Particulars	
6.	Benchmark Market Price	Benchmark Market price means the average of weekly average price of 4 weeks price (Closing) on a recognized stock exchange on which the Shares of the Company are listed.
7.	Vesting Period	Eight years from effective date of the Scheme i.e. September 26, 2024
8.	Corporate Action	Corporate action means target price to be adjusted based on multiple of SAR price (on approval from Nomination and Remuneration Committee) for any corporate actions in the Company as per terms of the scheme. Corporate Action means any change in the Company's capital structure arising from bonus issue, rights issue, share split, consolidation, merger, demerger, arrangement or other reorganization.
9.	Pricing Formula for SAR price	SAR Price means the closing price on the stock exchange having higher trading volume on the date immediately prior to the grant date. Accordingly, SAR Price for the 99,16,000 SAR units is ₹ 129.37/Per SAR Unit
10.	Exercise Period	1 Year from vesting date
11.	Exercise Price	₹ 10 per share

In the event an employee does not exercise the vested SAR Units within the time specified, the SAR Units shall stand lapsed. Further if an employee leaves the company before vesting period, on the date of cessation vested SAR, shall expire and stand terminated with effect from that date.

The following table represents the number and Weighted Average Exercise Prices (WAEP) of, and movements in, share options during the year for Milestone 1, Milestone 2, Milestone 3 and Milestone 4 together:

Particulars	₹ in lakhs			
	March 31, 2026 (Number)	March 31, 2026 (WAEP)	March 31, 2025 (Number)	March 31, 2025 (WAEP)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	99,16,000	10	-	-
Forfeited during the year	3,81,000	10	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	95,35,000	10	-	-
Exercisable at the end of the year	-	-	-	-

The company has used Monte Carlo model and the assumption used are as follows:

Vesting Start Date	February 06, 2028
Maximum Vesting Date	September 25, 2032
Maximum Time Period	6.64 Years
Expected Volatility	35.00%
Risk Free Rate	6.58%
Dividend Rate	0.00%

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The expected life of the share options and SARs is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

The expense recognised and carrying amount of share based payment reserve for the year ended March 31, 2026 and March 31, 2025 is shown in the following table:

Particulars	March 31, 2026 (₹ In lakhs)	March 31, 2025 (₹ In lakhs)
Expense arising from equity-settled share-based payment transactions	150.24	-
Carrying amount of share based payment reserve	150.24	-

No SARs had vested during the year March 31, 2026 and March 31, 2025.

33. Related Party Transactions

Names of related parties

Subsidiary Company	-	Carnation Hotels Private Limited
	-	Celsia Hotels Private Limited
	-	Fleur Hotels Limited (Formerly known as Fleur Hotels Private Limited)
	-	Hyacinth Hotels Private Limited
	-	Lemon Tree Hotel Company Private Limited
	-	Manakin Resorts Private Limited
	-	Berggruen Hotels Private Limited
	-	Oriole Dr. Fresh Hotels Private Limited
	-	Red Fox Hotel Company Private Limited
	-	Sukhsagar Complexes Private Limited
	-	Hamstede Living Private Limited
	-	Inovoa Hotels and Resorts Limited
	-	Canary Hotels Private Limited
	-	Ophrys Hotels Private Limited
	-	Iora Hotels Private Limited
	-	Bandhav Resorts Private Limited
	-	Nettle Hotels Private Limited
	-	Madder Stays Private Limited
	-	Arum Hotels Private Limited
	-	Totally Foxed Solutions Private Limited

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Names of related parties	
Key Management Personnel/Director	- Mr. Patanjali Govind Keswani (Chairman and Executive Director)
	- Mr. Neelendra Singh (Managing Director) (w.e.f. October 01, 2025)
	- Mr. Kapil Sharma (Executive Director and Chief Financial Officer) (w.e.f. October 01, 2025)
	- Mr. Willem Albertus Hazeleger (Director)
	- Mr. Aditya Madhav Keswani (Director)
	- Mr. Paramartha Saikia (Independent Director)
	- Ms. Freyan Jamshed Desai (Independent Director) (upto March 20, 2026)
	- Dr. Arindam Kumar Bhattacharya (Independent Director) (up to April 10, 2024)
	- Mr. Niten Malhan (Independent Director)
	- Ms Smita Anand (Independent Director)
	- Mr Praveen Garg Independent Director)
	- Mr Sanjiv Nandan Sahai (Independent Director)
	- Toucan Real Estates Private Limited
	- Mind Leaders Learning India Private Limited
	- Pelicaan Facilites Management Private Limited
	- Glendale Marketing Services Private Limited. (subsidiary of pelican)
Enterprises owned or significantly influenced by key management personnel or their relatives	
Associate	- Pelicaan Facilites Management Private Limited
	- Glendale Marketing Services Private Limited. (subsidiary of pelican)
Additional related parties as per Companies Act 2013 with whom transactions have taken place during the year:	
Chief Financial Officer	: Mr. Kapil Sharma
Company Secretary and Compliance Officer	: Ms Jyoti Verma (w.e.f. November 21, 2023 to January 27, 2025)
	: Ms Rashmi Goel (w.e.f. February 05, 2025 to March 07, 2025)
	: Mr. Pawan Kumar Kumawat (w.e.f. May 29, 2025)

Notes to the Standalone Financial Statements
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The following table provides the total amount of transactions that have been entered into with related parties for the relevant year

Transactions with Related Party	Subsidiaries		Key Management Personnel		Shareholder having holding of 10% or more		Associate	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Reimbursement of expenses paid on behalf of party								
Fleur Hotels Limited	0.97	86.39	-	-	-	-	-	-
Hyacinth Hotels Private Limited	0.15	0.40	-	-	-	-	-	-
Oriole Dr. Fresh Hotels Private Limited	0.05	0.08	-	-	-	-	-	-
Berggruen Hotels Private Limited	0.51	0.87	-	-	-	-	-	-
Arum Hotels Private Limited	-	3.16	-	-	-	-	-	-
Totally Foxed Solutions Private Limited	2.86	-	-	-	-	-	-	-
IORA Hotels Private Limited	0.37	1.65	-	-	-	-	-	-
Sukhsagar Complexes Private Limited	0.10	0.15	-	-	-	-	-	-
Others	0.23	5.42	-	-	-	-	-	-
Amount Received by the Party on behalf of the Company								
Fleur Hotels Limited	13.18	7.73	-	-	-	-	-	-
Hyacinth Hotels Private Limited	6.07	15.04	-	-	-	-	-	-
Others	0.05	1.17	-	-	-	-	-	-
Amount received by the Company on behalf of the Party								
Hyacinth Hotels Private Limited	-	4.53	-	-	-	-	-	-
Fleur Hotels Limited	12.62	16.56	-	-	-	-	-	-
Others	0.08	0.64	-	-	-	-	-	-
Loans (given)								
Canary Hotels Private Limited	219.28	310.00	-	-	-	-	-	-
Totally Foxed Solutions Private Limited	6,285.00	5,005.58	-	-	-	-	-	-
Oriole Dr. Fresh Hotels Private Limited	25.29	93.59	-	-	-	-	-	-
Sukhsagar Complexes Private Limited	15.59	30.00	-	-	-	-	-	-
Manakin Resorts Private Limited	0.67	-	-	-	-	-	-	-
Repayment of Loan Given								
Canary Hotels Private Limited	523.19	250.00	-	-	-	-	-	-
Oriole Dr. Fresh Hotels Private Limited	32.54	153.35	-	-	-	-	-	-
Sukhsagar Complexes Private Limited.	25.59	200.00	-	-	-	-	-	-
Totally Foxed Solutions Private Limited	5,070.00	2,802.62	-	-	-	-	-	-
Manakin Resorts Private Limited	0.67	-	-	-	-	-	-	-
Arum Hotels Private Limited	-	1.50	-	-	-	-	-	-
Lease Rent Paid (Gross)								

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Transactions with Related Party	Subsidiaries		Key Management Personnel		Shareholder having holding of 10% or more		Associate	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Hyacinth Hotels Private Limited	268.17	254.19	-	-	-	-	-	-
Rent Receieved (Gross)								
Mind leaders Learning India Private Limited	-	-	-	-	-	-	4.84	13.21
Pelicaan Facilities Management Private Limited	-	-	-	-	-	-	7.85	11.24
Reimbursement of expenses incurred on Company's behalf								
Hyacinth Hotels Private Limited.	544.51	442.46	-	-	-	-	-	-
Remuneration paid								
Mr. Patanjali Govind Keswani	-	-	689.34	399.31	-	-	-	-
Mr. Kapil Sharma	-	-	288.62	133.82	-	-	-	-
Mr. Neelendra Singh	-	-	155.55	-	-	-	-	-
Ms. Jyoti Verma	-	-	-	31.82	-	-	-	-
Ms. Rashi Goel	-	-	-	2.05	-	-	-	-
Mr. Pawan Kumar Kumawat	-	-	22.61	-	-	-	-	-
Sitting Fee paid								
Ms. Freyan Jamshed Desai	-	-	6.40	7.30	-	-	-	-
Mr Paramartha Saikia	-	-	7.75	5.30	-	-	-	-
Mr. Niten Malhan	-	-	4.25	4.10	-	-	-	-
Mr. Praveen Garg	-	-	8.85	5.10	-	-	-	-
Mr. Sanjiv Nandan Sahai	-	-	10.65	6.50	-	-	-	-
Ms. Smita Anand	-	-	7.25	5.00	-	-	-	-
Mr. Willem Albertus Hazeleger	-	-	7.45	5.55	-	-	-	-
Commission accrue to directors								
Ms. Freyan Jamshed Desai	-	-	8.93	-	-	-	-	-
Mr Aditya Madhav Keswani	-	-	8.93	-	-	-	-	-
Mr Paramartha Saikia	-	-	8.93	-	-	-	-	-
Mr. Niten Malhan	-	-	11.17	-	-	-	-	-
Mr. Praveen Garg	-	-	11.17	-	-	-	-	-
Mr. Sanjiv Nandan Sahai	-	-	8.93	-	-	-	-	-
Ms. Smita Anand	-	-	11.17	-	-	-	-	-
Mr. Willem Albertus Hazeleger	-	-	8.93	-	-	-	-	-
Interest Received (Gross)								
Totally Foxed Solutions Private Limited	493.86	332.73	-	-	-	-	-	-
Automation Fee (Gross)								
Totally Foxed Solutions Private Limited	113.89	126.89	-	-	-	-	-	-
Sale of Shares								
Arum Hotels Private Limited (sold to Carnation Hotels Private Limited)	-	1.00	-	-	-	-	-	-
Nettle Hotels Private Limited (Sold to Fleur Hotels Private Limited)	1.00	-	-	-	-	-	-	-

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Transactions with Related Party	Subsidiaries		Key Management Personnel		Shareholder having holding of 10% or more		Associate	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Madder Stays Private Limited (Sold to Fleur Hotels Private Limited)	1.00	-	-	-	-	-	-	-
Management Fees Received								
Fleur Hotels Limited	4,559.79	4,609.42	-	-	-	-	-	-
Hyacinth Hotels Private Limited.	956.54	927.95	-	-	-	-	-	-
Celsia Hotels Private Limited.	347.12	379.91	-	-	-	-	-	-
Berggruen Hotels Private Limited	831.09	666.85	-	-	-	-	-	-
Iora Hotels Private Limited	2,669.06	2,074.39	-	-	-	-	-	-
Others	316.12	301.35	-	-	-	-	-	-
Trademark/License Fee (Gross)								
Carnation Hotels Private Limited	21.46	18.62	-	-	-	-	-	-
Training Fees Paid								
Mind Leaders Learning India Private Limited	-	-	-	-	-	-	21.74	27.65
Guarantees reduced for loan taken by								
Hyacinth Hotels Private Limited	-	3,857	-	-	-	-	-	-
Fleur Hotels Limited	-	15,000	-	-	-	-	-	-
Guarantee given for loan taken by								
Fleur Hotels Limited	-	6,581.00	-	-	-	-	-	-
Balances outstanding at the year end								
A) Trade Receivable								
Fleur Hotels Limited	395.64	814.11	-	-	-	-	-	-
Canary Hotels Private Limited.	30.75	19.95	-	-	-	-	-	-
Hyacinth Hotels Private Limited.	93.49	108.92	-	-	-	-	-	-
Inovoa Hotels & Resorts Limited	48.26	47.89	-	-	-	-	-	-
Sukhsagar Complexes Private Limited.	28.35	19.76	-	-	-	-	-	-
Berggruen Hotels Private Limited	349.14	350.62	-	-	-	-	-	-
IORA Hotels Private Limited	221.62	257.29	-	-	-	-	-	-
Others	78.53	103.92	-	-	-	-	3.08	0.76
B) Loan to Subsidiaries								
Oriole Dr. Fresh Hotels Private Limited	-	7.25	-	-	-	-	-	-
Sukhsagar Complexes Private Limited.	-	10.00	-	-	-	-	-	-
Totally Foxed Solutions Private Limited*	6,217.51	4,999.65	-	-	-	-	-	-
Canary Hotels Private Limited.	-	303.91	-	-	-	-	-	-
Others	7.12	7.12	-	-	-	-	-	-
C) Trade Payable								
Hyacinth Hotels Private Limited.	202.05	43.44	-	-	-	-	-	-

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Transactions with Related Party	Subsidiaries		Key Management Personnel		Shareholder having holding of 10% or more		Associate	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Totally Foxed Solutions Private Limited	-	10.25	-	-	-	-	-	-
Others	-	-	0.90	0.36	-	-	3.03	5.92
D) Security Deposits (Undiscounted)								
Hyacinth Hotels Private Limited.	3,850.00	3,850.00	-	-	-	-	-	-
E) Interest Accrued but not received								
Totally Foxed Solutions Private Limited	842.93	398.46	-	-	-	-	-	-
(F) Commission accrue but not due to Directors								
Ms. Freyan Jamshed Desai	-	-	8.93	-	-	-	-	-
Mr Aditya Madhav Keswani	-	-	8.93	-	-	-	-	-
Mr Paramartha Saikia	-	-	8.93	-	-	-	-	-
Mr. Niten Malhan	-	-	11.17	-	-	-	-	-
Mr. Praveen Garg	-	-	11.17	-	-	-	-	-
Mr. Sanjiv Nandan Sahai	-	-	8.93	-	-	-	-	-
Ms. Smita Anand	-	-	11.17	-	-	-	-	-
Mr. Willem Albertus Hazeleger	-	-	8.93	-	-	-	-	-
(G) Guarantees given for loan taken by								
Fleur Hotels Limited	76,883	76,883	-	-	-	-	-	-
Canary Hotels Private Limited	2,350	2,350	-	-	-	-	-	-
Oriole Dr. Fresh Hotels Private Limited	2,500	2,500	-	-	-	-	-	-
Carnation Hotels Private Limited	1,900	1,900	-	-	-	-	-	-
IORA Hotels Private Limited	46,000	46,000	-	-	-	-	-	-

*Refer note 29(c)

**An expense of ₹ 70.91 lakhs has been recognized in the Statement of Profit and Loss during the year in respect of Stock Appreciation Rights (SARs) granted to Key Managerial Personnel (KMPs)

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm’s length transactions. Outstanding balances with related parties at the year-end are unsecure and settlement occurs in cash. For the year ended March 31, 2026, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2025: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Commitments with related parties

The Company has not entered into any commitments with related parties during the year.

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34. Fair value measurement

This section gives an overview of the significance of financial instruments for the Company and provides additional information on the balance sheet. Details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument.

a. Financial Assets (other than equity investment/deemed investment in subsidiaries and associates carried at cost)

	March 31, 2026		March 31, 2025	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Assets				
Trade Receivables	-	3,674.81	-	3,501.54
Security Deposits (non-current)	-	2,198.33	-	2,272.16
Security Deposits (current)	-	0.68	-	0.68
Fixed Deposits (Including other bank balance)	-	733.49	-	315.91
Cash and Cash Equivalents	-	907.36	-	1,067.66
Interest accrued on deposit with banks and related party	-	937.68	-	480.10
Loans (non-current)	-	6,235.83	-	5,018.17
Loans (current)	-	7.12	-	328.28
Investments	1,039.94	-	302.01	-
Total Financial Assets (other than equity investment/ deemed investment in subsidiaries carried at cost)	1,039.94	14,695.30	302.01	12,984.50

Note: The financial assets above do not include investments in subsidiaries and associates which are measured at cost in accordance with Ind AS 27.

b. Financial Liabilities

	March 31, 2026		March 31, 2025	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost
Financial Liabilities				
Borrowings (Non-current)	-	10,867.46	-	15,576.33
Borrowings (Current)	-	4,949.42	-	7,226.34
Trade Payables	-	2,361.83	-	1,936.48
Lease Liability (Non-current)	-	16,458.75	-	16,595.60
Lease Liability (Current)	-	404.38	-	356.95
Other Current Financial Liabilities	-	1,288.86	-	961.91
Total Financial Liabilities	-	36,330.70	-	42,653.61

c. Fair value measurement hierarchy for assets and liabilities

Fair value measurement

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 under current market conditions.

Notes to the Standalone Financial Statements
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The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

i) **Level 1**

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

ii) **Level 2**

Inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

iii) **Level 3**

Inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

Financial assets and liabilities measured at fair value

₹ in lakhs				
	March 31, 2026			
	Level 1	Level 2	Level 3	Total
Financial investments as FVTPL				
Investment in mutual fund	1,039.75	-	-	1,039.75
Unquoted equity instruments	-	-	0.19	0.19
Total	1,039.75	-	0.19	1,039.94

₹ in lakhs				
	March 31, 2025			
	Level 1	Level 2	Level 3	Total
Financial investments as FVTPL				
Investment in mutual fund	301.82	-	-	301.82
Unquoted equity instruments	-	-	0.19	0.19
Total	301.82	-	0.19	302.01

The following methods and assumptions were used to estimate the fair values:

- The fair values of the unquoted equity shares have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.
- The fair values of compulsorily redeemable preference shares of subsidiaries have been estimated using the fair valuation by independent valuer. The valuation requires management to make certain assumptions about the interest rate, including forecast cash flows, discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments.

35. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include loans, trade and other receivables, and cash & cash equivalents that derive directly from its operations.

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management advises on financial risks and the appropriate financial risk governance framework for the Company. The Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk. Financial instruments affected by market risk include loans and borrowings.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company is carrying its borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

₹ in lakhs		
Particulars	March 31, 2026	March 31, 2025
Variable rate borrowings	15,387.21	22,493.76
Fixed rate borrowings	429.66	308.90

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

₹ in lakhs		
Particulars	Increase/decrease in basis points	Effect on profit before tax
March 31, 2026		
Floating rate borrowings	50	(96.88)
Floating rate borrowings	(50)	96.88
March 31, 2025		
Floating rate borrowings	50	(136.60)
Floating rate borrowings	(50)	136.60

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has no exposure in foreign currency.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and deposits to landlords) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

(a) Trade receivables

Customer credit risk is managed by each business location subject to the Company’s established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 12. The Company does not hold collateral as security.

Reconciliation of provision for doubtful debts – Trade receivables (including provision for expected credit loss)

₹ in lakhs		
Particulars	March 31, 2026	March 31, 2025
As at beginning	157.37	157.37
Addition during the year	-	-
Reversal during the year	(7.41)	-
Utilised during the year	-	-
As at closing	149.96	157.37

(b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company’s treasury department in accordance with the Company’s policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Company’s maximum exposure to credit risk for the components of the balance sheet at March 31, 2026 and March 31, 2025 is the carrying amount as given in Note 12(ii).

Liquidity risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company’s objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding and debt maturity within 12 months can be rolled over with existing lenders. As at March 31, 2026, the Company had no available (March 31, 2025: ₹ Nil) undrawn committed borrowing facilities.

The table below summarises the maturity profile of the Company’s financial liabilities based on contractual undiscounted payments.

₹ in lakhs						
Year ended March 31, 2026	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings*	-	2,116.84	2,827.67	10,903.75	-	15,848.26
Trade and other payables	2,361.83	-	-	-	-	2,361.83
Financial Liabilities	1,288.86	-	-	-	-	1,288.86
	3,650.69	2,116.84	2,827.67	10,903.75	-	19,498.95

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

₹ in lakhs						
Year ended March 31, 2025	On demand	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
Borrowings*	-	1,784.99	5,438.66	13,103.83	2,532.34	22,859.82
Trade and other payables	1,936.48	-	-	-	-	1,936.48
Financial Liabilities	961.91	-	-	-	-	961.91
	2,898.39	1,784.99	5,438.66	13,103.83	2,532.34	25,758.21

*represents un-discounted cashflows

The table provides details regarding the contractual maturities of lease liabilities on undiscounted basis

₹ in lakhs		
	As at March 31, 2026	As at March 31, 2025
Minimum Lease Payments :		
Not later than one year	1,722.83	1,670.82
Later than one year but not later than five years	7,435.76	7,290.55
Later than five years	35,449.24	37,317.29
Total	44,607.83	46,278.66

36. Capital management

For the purpose of the Company’s capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company’s capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade payables, less cash and cash equivalents.

₹ in lakhs		
Particulars	March 31, 2026	March 31, 2025
Borrowings (Net of Processing Fee)	15,816.88	22,802.67
Trade payables	2,361.83	1,936.48
Less: cash and cash equivalents	907.36	1,067.66
Net debt	17,271.35	23,671.49
Total capital	136,704.44	125,714.92
Capital and net debt	153,975.79	149,386.41
Gearing ratio	11%	16%

In order to achieve this overall objective, the Company’s capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no significant breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2026 and March 31, 2025.

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

37. (A) Exceptional items

₹ in lakhs

Particular	March 31, 2026	March31, 2025
- Impact due to Labour Code (Refer note a)	735.02	-
- Impact due to Ex- gratia (Refer note b)	926.92	-
- Settlement of Property Tax matter (Refer note c)	166.93	-
- Expenses related to restructuring of the Company (Refer note d)	198.11	-
Total	2,026.98	-

- a. On November 21, 2025, the Government of India notified 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, ('Labour Codes') which consolidate twenty-nine existing labour laws into a unified framework governing employee benefits during employment and post-employment. The Labour Codes, amongst other things introduces changes, including a uniform definition of wages and enhanced benefits relating to leave. The Company has assessed the financial implications of these changes which has resulted in increase in gratuity liability by ₹ 619.04 lakhs, a defined benefit plan arising out of past service cost relating to plan amendments and increase in compensated absences by ₹ 115.98 lakhs. Considering the impact arising out of an enactment of the new legislation is an event of non-recurring nature, the Company has presented this incremental amount as "Impact of Labour Codes" under "Exceptional Item" in the Statement of Profit and Loss for the year ended March 31, 2026. The Company continues to monitor the developments pertaining to Labour Codes and will evaluate impact if any on the measurement of the employee benefits liability.
- b. During the year ended March 31, 2026 , the Company has recognised a one-time ex-gratia provision amounting to ₹ 926.92 lakhs paid to certain employees as a goodwill gesture in connection with salary rationalisation measures undertaken during the COVID-19 period. The said payment is discretionary in nature, does not arise from any contractual or statutory obligation and is not part of the Company's regular remuneration framework. The payment is non-recurring and accordingly has been disclosed as an exceptional item.
- c. During the year ended ended March 31, 2026, the Company has availed a one-time settlement scheme notified by the Municipal Corporation of Delhi for settlement of property tax dues relating to one hotel property. The resultant impact of ₹ 166.93 lakhs has been recognised as an exceptional expense, after adjusting the provision of ₹ 105.43 lakhs already created by the Company towards such liabilities.
- d. During the year ended March 31, 2026, the Company incurred certain expenses towards legal, professional, advisory and other directly attributable costs in connection with the proposed Composite Scheme of Arrangement involving demerger and restructuring of the Company and its group entities, which was approved by the Board of Directors on January 09, 2026, subject to requisite statutory and regulatory approvals.Considering the non-recurring nature of such expenses and their direct association with the proposed Composite Scheme of Arrangement, the same have been disclosed as exceptional items in the Statement of Profit and Loss for the year ended March 31, 2026.

(B) During the year ended March 31, 2026, the Board of Directors of the Company, at its meeting held on January 09, 2026, approved a proposed Composite Scheme of Arrangement (Scheme) involving merger and demerger of certain group entities, inter alia, resulting in segregation of the hotel ownership & development business and the hotel management & brand business into separate focused platforms.

The proposed Composite Scheme of Arrangement is subject to receipt of necessary statutory, regulatory and shareholder approvals, including approvals from the stock exchanges, National Company Law Tribunal and other applicable authorities. The Scheme (appointed date: April 01, 2026) shall become effective upon receipt of such approvals and filing of the requisite orders with the Registrar of Companies. Subsequent to the year, on April 7, 2026, the Company has received approval from the Competition Commission of India (CCI) on the Scheme.

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

38. Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

- Ind AS 1, Presentation of Financial Statements, applicable w.e.f April 1, 2025 - The amendment relates to classification of liabilities as current or non -current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date, and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company does not have significant impact of the amendment in its classification criteria of current and non-current liabilities.
- Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments - Disclosures, applicable w.e.f April 1, 2025 - The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

There are no new amendements/standards (other than above) that are notified, but not yet effective up to the date of issuance of the Company's financial statements

39. Ratio Analysis and its elements

S. No.	Ratio	Numerator	Denominator	March 2026	March 2025	% Variance	Reason for variance
1	Current Ratio	Current Asset	Current liabilities	0.83	0.62	33.98%	Increase is due to better performance during the year
2	Debt Equity Ratio	Total Debt	Shareholder equity	0.12	0.18	(36.21%)	Decrease in debt on account of regular repayment during the year.
3	Debt service coverage Ratio	Earnings available for debt service	Debt service	1.52	1.41	8.45%	NA
4	Return on Equity	Net profit after taxes	Average shareholders equity	8.27%	8.33%	0.75%	NA
5	Inventory Turnover Ratio	Cost of goods sold	Average Inventory (excluding Stores, cutlery, crockery, linen)	21.19	18.43	14.97%	NA
6	Trade Receivable turnover Ratio	Net total sales	Avg. accounts receivable	12.32	14.01	(12.07%)	NA
7	Trade Payables turnover Ratio	Net credit purchase	Average Trade Payable	NA	NA	NA	Not applicable to the company considering nature of business of the Company
8	Net capital Turnover Ratio	Net Sales	Working capital	(24.74)	(8.61)	187.38%	Increase in turnover during the year

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

S. No.	Ratio	Numerator	Denominator	March 2026	March 2025	% Variance	Reason for variance
9	Net Profit Ratio	Net Profit	Net sales	24.54	26.13	6.06%	NA
10	Return on capital employed	EBIT	Capital employed	13.10	12.06	8.59%	NA
11	Return on investment	Income earned on mutual Funds	Average investment in mutual funds	5.96%	1.20%	395.26%	Increase is due to better performance during the year

(i) Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest (excluding bank charges) + other adjustments like loss on sale of Fixed assets etc which are non cash in nature.

(ii) Debt Service = Interest & Lease Payments + Principal Repayments (excluding prepayments).

(iii) Capital Employed = Net worth+ Total Debt + Deferred Tax Liability-Net Intangible aseets

(iv) Working Capital= Current Assets- Current liabilities

(v) EBIT= Earning before interest, taxes and exceptional items

40. Segment Reporting

The Company is into Hoteliering business. The Board of Directors of the Company, which has been identified as being the chief operating decision maker (CODM), evaluates the Company performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore, there is no reportable segment for the Company as per the requirements of Ind AS 108 – “Operating Segments”.

Information about geographical areas

The Company has only domestic operations and hence no information required for the Company as per the requirements of Ind AS 108 – “Operating Segments”.

Information about major customers

No customer individually accounted for more than 10% of the revenue.

41. As at March 31, 2026, APG Strategic Real Estate Pool N.V. (APG) held 41.09% of the equity share capital of Fleur Hotels Limited (formerly known as Fleur Hotels Private Limited) (Fleur Hotels), a subsidiary of the Company. Fleur Hotels had entered into shareholders agreement with APG which was effective until APG held shares in Fleur Hotels. Subsequent to the balance sheet date, APG has sold its entire shareholding in Fleur Hotels Limited to Coastal Cedar Investments B.V. (Investor) on May 22, 2026. The Company, Fleur Hotels, the Investor, Patanjali Govind Keswani and Spank Management Services Private Limited entered into shareholders’ agreement dated January 9, 2026, effective from May 22, 2026. In terms of the said shareholders’ agreement, new opportunities with respect to Hospitality Asset and any ownership Interest therein is required to be referred to and evaluated at the Fleur Hotels Limited.
42. During earlier years, the Company had entered into a sub license agreement with M/s Hyacinth Hotels Private Limited (a subsidiary of the Company) as part of Infrastructure development and services agreement entered between M/s Hyacinth Hotels Private Limited and Delhi International Airport Limited (DIAL) to develop a hotel at Aero City, New Delhi for an initial term of 27 years, extendable at the option of the Company for an additional period of 30 years provided DIAL gets the extension from Airport Authority of India(‘AAI’). DIAL/AAI may take over the building at ‘Book values’//Net Present Value’, as defined in the aforesaid agreement in case the agreement is not extended further.

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

43. As per the proviso to Rule 3(1) of Companies (Accounts) Rules, 2014, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The Company uses a primary accounting software and revenue management software for recording all the accounting transactions and revenue records for the year ended March 31, 2026. The software has a feature of recording audit trail (edit log) facility which was enabled throughout the year.
- The audit trail that was enabled and operated for the previous years, has been preserved by the Company as per the statutory requirements for record retention.
- The Management has adequate internal controls over financial reporting which were operating effectively for the year ended March 31, 2026.

44. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006.

Particular	₹ in lakhs	
	March 31, 2026	March31, 2025
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	263.58	413.67
The amount of interest paid by the buyer in terms of section 16 of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	Nil	Nil

45. The Company does not have any long term contracts including derivative contracts for which there are any material foreseeable losses.
46. There has been no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

47. Other Statutory Information

- (i). The Company have not traded or invested in Crypto currency or Virtual currency during the financial year.
- (ii). The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (iii). The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

Notes to the Standalone Financial Statements
for the year ended March 31, 2026

- (iv).

The Company has not entered into any transaction with companies struck off.
- (v).

The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (vi).

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- (vii).

During the year on March 31, 2026, the Board of Directors of the Company has approved scheme of arrangements in terms of section 230-232 of the Companies Act, 2013. The scheme is pending for approval from relevant authorities and accordingly, the prescribed disclosures of Schedule III are not required to be given. The Company has not entered into any scheme of arrangements in terms of section 233 to 237 of the Companies Act, 2013. (Refer note 37(B))
- (viii).

The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a)

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,

(b)

provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ix)

The Company have not received any funds from any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a)

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,

(b)

provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

For and on behalf of the Board of Directors of
Lemon Tree Hotels Limited

Sd/-
Patanjali Govind Keswani
(Chairman & Executive Director)
DIN: 00002974

Sd/-
Pawan Kumar Kumawat
(Company Secretary)
Mem. no.- A25377

Place: New Delhi
Date: May 28, 2026

Sd/-
Neelendra Singh
(Managing Director)
DIN: 08491872

Sd/-
Kapil Sharma
(Executive Director & Chief Financial Officer)
DIN: 00352890

Place: New Delhi
Date: May 28, 2026



LEMON TREE HOTELS LIMITED

Registered Office

Lemon Tree Corporate Park, Urban Complex
Ullahawas, Sector 60, Gurugram, Haryana 122011

Corporate Office

Asset No. 6, Aerocity Hospitality District
New Delhi 110037