

To,

Date: 14.08.2024

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|---|---|
| The Manager BSE Limited P. J. Towers, Dalal Street Mumbai-400001 (BSE Scrip Code: 523796) | The Manager, NSE Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai- 400051. (NSE Symbol: VHLTD) |
|---|---|

Dear Sirs,

Sub: Submission of 59th Annual Report for the Financial Year 2023-24 under regulation 34 of SEBI (LODR) Regulation 2015.

Unit: Viceroy Hotels Limited

In Compliance with Regulation 34 of SEBI (LODR) Regulations 2015, we are herewith submitting the 59th Annual Report for the Financial Year 2023-24 of the Company, which is dispatched to our shareholders on 14th August, 2024. The Annual General Meeting of the Company is scheduled to be held on Monday, 09th day of September, 2024 at 11:00 A.M. through Video Conference “VC” / Other Audio-Visual Means.

This is for the information and records of the exchange, please.

Thanking You.

**Yours faithfully,
For Viceroy Hotels Limited**

**Ravinder Reddy Kondareddy
Managing Director and CEO
(DIN: 00040368)**

VICEROY HOTELS LIMITED

CIN: L55101TG1965PLC001048

Regd.Off: 8-2-120/112/88 & 89, Aparna Crest, 3rd Floor, Road No. 2

Banjara Hills, Hyderabad - 500 034, Telangana; Ph: 040 40204383

Website: www.viceroyhotels.in Email: secretarial@viceroyhotels.in



VICEROYHOTELS

Viceroy Hotels Limited



59th Annual Report
2023-24

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Forward-Looking Statement

This Annual Report contains forward-looking statements that reflect the current views and expectations of the management of Viceroy Hotels Limited with respect to future events, financial performance, and industry conditions. These forward-looking statements are based on assumptions and beliefs in light of the information currently available to us and involve known and unknown risks, uncertainties, and other factors that may cause actual results, performance, or achievements to be materially different from those expressed or implied in such statements.

Forward-looking statements can be identified by terminology such as "anticipates," "believes," "estimates," "expects," "intends," "plans," "projects," "may," "will," "would," "could," "should," "potential," "continue," "ongoing," or the negative of these terms or other comparable terminology. These statements are not guarantees of future performance and are subject to certain risks, uncertainties, and

assumptions that are difficult to predict and are beyond our control.

Factors that may cause actual results to differ materially from those contemplated by these forward-looking statements include, but are not limited to, changes in general economic and business conditions, changes in the competitive landscape, fluctuations in currency exchange rates, our ability to attract and retain customers, the impact of natural disasters, pandemics, and other events, and changes in government regulations.

We caution investors not to place undue reliance on the forward-looking statements contained in this report. Viceroy Hotels Limited undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by law.

By their nature, forward-looking statements are inherently subject to uncertainties and

contingencies, and actual results and events could differ materially from those anticipated in such statements. Investors are advised to carefully consider the risks and uncertainties discussed in this report and other documents filed by the Company from time to time with the Securities and Exchange Board of India (SEBI).

We thank you for your continued support and confidence in Viceroy Hotels Limited.

For and on behalf of the Board of Directors,

Viceroy Hotels Limited

Ravinder Reddy Kondareddy
Managing Director and Chief Executive Officer

15th July, 2024

Message from the Managing Director and CEO



Mr. Ravinder Reddy Konda Reddy
Managing Director and CEO

“ We have launched new initiatives to enhance customer loyalty, leveraging technology to offer personalized experiences and streamlined services. ”

Dear Shareholders,

I am pleased to present the Annual Report for the financial year 2023-24 of Viceroy Hotels Limited. This year has been one of significant milestones and challenges, and I am proud of how our team has navigated through these times with resilience and commitment.

Performance Overview

As we reflect on the past year, I am both proud and optimistic about our achievements and future prospects. Despite the challenges we faced, our company has demonstrated remarkable resilience and adaptability, reaffirming our commitment to excellence in the hospitality industry.

This year, we navigated through an evolving landscape with renewed vigor and strategic foresight. Our focus on enhancing guest experiences, embracing technological advancements, and expanding our inventory has positioned us strongly for continued success. The introduction of innovative services and the renovation of properties have been instrumental in setting new standards of luxury and comfort, ensuring that our guests receive unparalleled service. The renovation will help us maximise both revenue and profitability.

Our dedicated team has been the cornerstone of our success. Their unwavering dedication and passion for delivering exceptional experiences have not only exceeded expectations but have also been recognized industry-wide. We remain committed to investing in our people, fostering a culture of growth, and empowering them to achieve their full potential.

Looking ahead, we are excited about the opportunities that lie before us. Our strategic initiatives are geared towards sustainable growth, operational efficiency, and expanding our footprint. We are confident that our strategic vision, combined with our team's dedication and innovation, will continue to drive our success and strengthen our position in the hospitality sector.

Strategic Initiatives

Throughout the year, we have undertaken several key initiatives aimed at positioning Viceroy Hotels Limited for sustainable growth.

We have launched new initiatives to enhance customer loyalty, leveraging technology to offer personalized experiences and streamlined services. Additionally, our marketing strategies have been recalibrated to better engage with our diverse customer base, ensuring we remain top of mind for both leisure and business traveller.

Looking Ahead

As we look to the future, we remain cautiously optimistic. The global economic environment is still evolving, and we see opportunities for growth through strategic acquisitions, greenfield projects and other avenues in the Hospitality sector such as convention centres.

We are committed to expanding our footprint in key markets and exploring new opportunities that align with our growth strategy. Our focus on digital transformation,

sustainable practices, and exceptional guest service will be the cornerstone of our efforts to drive long-term growth and shareholder value.

Acknowledgements

I would like to express my sincere gratitude to our Board of Directors for their unwavering support and guidance. To our dedicated employees, your hard work and passion are the driving force behind our success. And to our valued shareholders, thank you for your continued trust and confidence in Viceroy Hotels Limited.

Together, we will navigate the challenges ahead and seize the opportunities that come our way, ensuring Viceroy Hotels Limited remains a leader in the hospitality industry.

Warm regards,

Mr. Ravinder Reddy Konda Reddy

Managing Director and CEO

Viceroy Hotels Limited

15th July, 2024

Board of Directors



Mr. Puli Venkata Krishna Reddy
Independent Director

Mr. Gorinka Jaganmohan Rao
Chairman and Independent Director

Ms. Pooja Reddy Konda Reddy
Non-Executive Director

Mr. Ravinder Reddy Kondareddy
Managing Director and CEO

Mr. Anirudh Reddy Kondareddy
Non-Executive Director

Mr. Prabhaker Reddy Solipuram
Non-Executive Director

Corporate Information

BOARD OF DIRECTORS

Mr. Ravinder Reddy Kondareddy - *Managing Director and CEO (DIN 00040368)*
Mr. Gorinka Jaganmohan Rao - *Independent Director and Chairman (DIN 06743140)*
Mr. Prabhaker Reddy Solipuram - *Non-Executive Director (DIN 01749615)*
Mr. Anirudh Reddy Kondareddy - *Non-Executive Director (DIN 08638985)*
Mr. Puli Venkata Krishna Reddy - *Independent Director (DIN 08808191)*
Ms. Pooja Reddy Konda Reddy - *Non-Executive Director (DIN 09120053)*

Chief Financial Officer - Mr. Pradyumna Kodali
Company Secretary and Compliance Officer - Mrs. T A Veena

Corporate Identity Number (CIN) - L55101TG1965PLC001048
ISIN - INE048C01025



REGISTERED OFFICE

3rd Floor, Aparna Crest,
 8-2-120/112/88 & 89, Road No.2,
 Banjara Hills, Hyderabad,
 Telangana – 500034.

STATUTORY AUDITORS

M/s. Deva & Co.
 Chartered Accountants
 Flat No.303, Door No 5-9-42/2,
 Siddu Residency, Street No 2,
 Basheer Bagh, Hyderabad
 Telangana - 500063

SECRETARIAL AUDITORS

M/s. UYC & Associates
 Company Secretaries
 Flat No. 202, KBR Manicom Residency,
 H.No.8-3-965, Plot no. 100, Sri Nagar Colony,
 Hyderabad, Telangana – 500 073.

INTERNAL AUDITORS

M/s. Murthy & Kanth
 Chartered Accountants
 8-2-120, 5th Floor, –Aparna Crest, Road No. 2,
 Road No. 2, Banjara Hills, Hyderabad,
 Telangana – 500 034.

BANKERS

Kotak Mahindra Bank
 IDBI Trusteeship Services Limited

AUDIT COMMITTEE:

Mr. G. Jaganmohan Rao - *Chairman*
 Mr. P.V. Krishna Reddy - *Member*
 Mr. K. Anirudh Reddy - *Member*

NOMINATION & REMUNERATION COMMITTEE:

Mr. P.V. Krishna Reddy - *Chairman*
 Mr. G. Jaganmohan Rao - *Member*
 Mr. S. Prabhaker Reddy - *Member*

STAKEHOLDER RELATIONSHIP COMMITTEE:

Mr. K. Anirudh Reddy Kondareddy - *Chairman*
 Mr. S. Prabhaker Reddy - *Member*
 Mr. P.V. Krishna Reddy - *Member*

RISK MANAGEMENT COMMITTEE:

Mr. K. Ravinder Reddy - *Chairman*
 Mr. K. Anirudh Reddy - *Member*
 Ms. K. Pooja Reddy - *Member*
 Mr. S. Prabhaker Reddy - *Member*
 Mr. G. Jaganmohan Rao - *Member*
 Mr. Pradyumna Kodali - *Member (Chief Financial Officer)*

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Mr. K. Ravinder Reddy - *Chairman*
 Mr. K. Anirudh Reddy - *Member*
 Ms. K. Pooja Reddy - *Member*
 Mr. S. Prabhaker Reddy - *Member*
 Mr. P.V. Krishna Reddy - *Member*

LISTING:

- 1) BSE Limited
- 2) National Stock Exchange of India Limited

REGISTRAR & SHARE TRANSFER AGENTS:

M/s. Aarthi Consultants Pvt. Ltd
 1-2-285, Domalguda, Hyderabad – 500029,
 Telangana State, India
 Contact No: 040 - 27638111 / 66611921
 E-mail: info@arthiconsultants.com
 Website: www.arthiconsultants.com

CONTACT DETAILS:

Cell : 040 - 49962982
 E-Mail : info@viceroyhotels.in
 Website: www.viceroyhotels.in

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 59 TH ANNUAL GENERAL MEETING OF THE MEMBERS OF VICEROY HOTELS LIMITED WILL BE HELD ON MONDAY, THE 09TH DAY OF SEPTEMBER, 2024 AT 11.00 A.M. THROUGH VIDEO CONFERENCING/ OTHER AUDIO-VISUAL MEANS (OAVM), TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Standalone and Consolidated Audited Balance Sheets as at 31st March, 2024, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Report of Auditors and Directors thereon.
2. To appoint a director in place of Mr. Anirudh Reddy Kondareddy (DIN: 08638985) who retires by rotation and being eligible, offers himself for re-appointment. (Brief Profile: **Annexure A** to this Notice).

3. TO APPOINT STATUTORY AUDITORS OF THE COMPANY FOR A PERIOD OF FOUR YEARS.

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

“RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and SEBI (LODR) Regulations, 2015 and pursuant to the approvals and recommendations of the Audit Committee and Board of Directors, M/s. Deva & Co., Chartered Accountants, who have submitted their written consent and a certificate indicating that they satisfy the prescribed criteria, be and are hereby appointed as Statutory Auditors of the Company for a period of four (4) years to hold office from the conclusion of this 59th Annual General Meeting until the conclusion of the 63rd Annual General Meeting of the Company at a remuneration of Rs. 6,00,000/- plus GST and out of pocket expenses on actual basis.”

“RESOLVED FURTHER THAT Mr. Ravinder Reddy Kondareddy, Managing Director and CEO and Company Secretary and Compliance Officer be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, including filing of the necessary forms with the Registrar of Companies, Telangana at Hyderabad.”

SPECIAL BUSINESS:

4. ADOPTION OF MEMORANDUM OF ASSOCIATION AS PER COMPANIES ACT, 2013:

To consider and if, thought fit to pass with or without modification(s), the following resolution as a Special Resolution: -

“RESOLVED THAT pursuant to the provisions of Sections 4 & 13 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification or reenactment thereof for the time being in force and the Rules framed thereunder, as amended from time to time and /or any other statutory or regulatory authority, as may be necessary, consent of the members be and is hereby accorded to adopt the new Memorandum of Association of the Company as per the Table A of the Schedule I of the Companies Act, 2013 and subsequent to this alteration, of Memorandum of Association,

- i. Clause I be read as – The Name of the Company is Viceroy Hotels Limited
- ii. Clause II - “The Registered Office of the Company will be in the State of Andhra Pradesh” be altered to read as “The Registered Office of the Company will be in the State of Telangana”
- iii. Clause III be divided / split as “Clause III (A) – The objects to be pursued by the Company are:” and “Clause III (B) – Matters which are necessary for furtherance of the objects specified in Clause III (A) are:” and changing the object numbering in Object clause as may be appropriate without any change in the contents of the Objects of the Company.
- iv. Clause IV to read as “The liability of the members of the Company is limited.”
- v. Clause V (Capital Clause) and VI (Subscription Clause) as per Table A of the Schedule I of the Companies Act, 2013.

“RESOLVED FURTHER THAT Mr. Ravinder Reddy Kondareddy, Managing Director and CEO and /or Company Secretary of the Company be and are hereby severally authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.”

Viceroy Hotels Limited

**For and on behalf of the Board of
Ravinder Reddy Kondareddy**

Managing Director and CEO
(DIN: 00040368)

Place: Hyderabad
Date: 15.07.2024

Notes:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made there under on account of the threat posed by Covid -19", General Circular no. 20/2020 dated May 5, 2020, General Circular nos. 02/2021 and 21/2021 dated January 13, 2021 and December 14, 2021 and Circular no. 9/2023 dated September 25, 2023, Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by SEBI (hereinafter collectively referred to as "the Circulars"), in relation to "Clarification on holding of Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)", (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC/OAVM.

Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote 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 through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

2. The Deemed Venue of the 59th AGM of the Company shall be its Registered Office.
3. Since the AGM will be held through VC / OAVM (e-AGM), the Route Map for venue of AGM is not annexed to the Notice.
4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum of the AGM under Section 103 of the Act.
5. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Ordinary/Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
6. In pursuance of Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings, details in respect of the Directors seeking appointment/re-appointment at the AGM, from part of this Annual Report.
7. 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) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020 and May 13, 2022 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 Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

8. 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 to at least 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.
9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
10. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or Body Corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
11. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://www.viceroyhotels.in/>. The Notice can also be accessed from the website of the Stock Exchanges i.e., BSE Limited at www.bseindia.com and national stock exchange of india at www.nseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
12. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020, May 13, 2022.
13. The Company has appointed Mr. S. Sarveswar Reddy, Practicing Company Secretary, as scrutinizer of the Company to scrutinize the voting process.
14. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from 03.09.2024 to 09.09.2024 (Both days inclusive).

THE INTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on 06/09/2024 at 09.00 A.M and ends on 08/09/2024 at 05.00 P.M (both days inclusive). During this period shareholders of the Company, holding shares

either in physical form or in dematerialized form, as on the cut-off date (record date) of 02/09/2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242** 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 advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

| Type of shareholders | Login Method |
|---|--|
| Individual Shareholders holding securities in Demat mode with CDSL | <ol style="list-style-type: none"> 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 URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 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 i.e. CDSL/NSDL/KARVY/LINKINTIME, 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 https://web.cdslindia.com/myeasi/Registration/EasiRegistration 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 evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| Individual Shareholders holding securities in demat mode with NSDL | <ol style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting Service Provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is 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 |

| Type of shareholders | Login Method |
|---|--|
| | 3) 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 name and you will be redirected to e-Voting Service Provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting |
| 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. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting Service Provider name and you will be redirected to e-Voting Service Provider website 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 above mentioned website.

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

| Login type | Helpdesk details |
|---|--|
| 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 022- 23058738 and 22-23058542-43. |
| 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.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |

(v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

| For Shareholders holding shares in Demat Form and other than individual and Physical Form | |
|---|---|
| PAN | Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> ● Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this

password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Viceroy Hotels Limited> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Shareholders can also cast their vote using CDSL's mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

(xvii) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**

- Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; ssrfcs@gmail.com and secretarial@viceroymotels.in (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at secretarial@viceroymotels.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at secretarial@viceroymotels.in. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are 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 available during the AGM.

10. If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.

1. For Physical Shareholders- please provide necessary details like 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 **Company/RTA email id**.
2. For Demat Shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat Shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
4. If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.
5. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

Viceroy Hotels Limited

**For and on behalf of the Board of
Ravinder Reddy Kondareddy**

Managing Director and CEO
(DIN: 00040368)

Place: Hyderabad
Date: 15.07.2024

Annexure A

As required under regulation 36 (3) of the SEBI (LODR), Regulations, 2015, brief particulars of the Directors seeking appointment/re-appointment are given as under:

| | |
|---|---|
| Name of the Director | Mr. Anirudh Reddy Kondareddy |
| Designation | Non-Executive Director |
| DIN | 08638985 |
| Date of Birth | 17/09/1994 |
| Age | 29 years |
| Date of First Appointment on the Board | 12/10/2023 |
| Brief Resume | <p>Anirudh Reddy Kondareddy, hailing from a family with a 15-year legacy in the real estate business across Hyderabad, Kurnool, and Bangalore, has recently stepped up to lead his family's ventures. In 2012, he pursued his passion for law, starting a BA LLB (Hons.) at Jindal Global Law School. This blend of legal expertise and business heritage positions him uniquely to navigate and expand the family business with innovation and informed leadership.</p> <p>Furthering his legal education, Mr. Anirudh pursued a dual degree program at Jindal Global Law School and Maurer Law School, Indiana University. He earned his Doctor of Jurisprudence (JD) after two years of study in Indiana, United States. His academic accolades include qualifying as an attorney in the State of New York after passing the New York Bar and clearing the Solicitor exam in the UK. He intended to gain a comprehensive understanding of international legal systems, aiding his future business endeavors.</p> <p>Upon returning to India in 2018, Mr. Anirudh worked along with the chambers of Niranjana Reddy, a Senior Counsel at the Supreme Court of India and the High Court of Telangana. Currently, he practices law independently and is a Partner at Bright AD Legal LLP.</p> |
| Qualifications & Experience | BA LLB (Hons.) from Jindal Global Law School, Dual degree program at Jindal Global Law School and Maurer Law School, Indiana University, Doctor of Jurisprudence (JD) from Indiana, US, qualified attorney in the State of New York, Qualified Solicitor – UK. |
| Expertise in Specific functional area | 5 years in the business of Real Estate and has ventured into the Hotel Industry in the year 2023 with Viceroy Hotels. |
| Inter se relationship among Directors | Mr. Anirudh Reddy Kondareddy, Ms. Pooja Reddy Konda Reddy and Mr. Ravinder Reddy Kondareddy are related. |
| Names of the Listed entities in which the person is holding Directorships and the Membership of Committees of the board along with listed entities from the director / appointee has resigned in the past three years | NIL |
| Number of shares held by them | Mr. Anirudh Reddy as a beneficial owner indirectly holds 79% of shares of Viceroy Hotels aggregating to 4,98,96,000 no. of shares of the Company. |
| Skills and capabilities required for the role and the manner in which the Director meet the requirements (Independent Directors) | Not Applicable |

Explanatory Statement

Pursuant to Section 102(1) of the Companies Act, 2013

Item No.3:

3. TO APPOINT STATUTORY AUDITORS OF THE COMPANY FOR A PERIOD OF FOUR YEARS.

M/s. PCN & Associates, Chartered Accountants Hyderabad, have tendered their resignation on 10.11.2023 from the position of Statutory Auditors for the financial year 2023-24. Casual vacancy caused by the resignation of auditor can be filled by the shareholders in General Meeting within three months from the date of recommendation of the Board of Directors of the Company. The Board of Directors of the Company pursuant to the recommendation of the Audit Committee, in their meeting held on 11.12.2023, approved appointment of M/s. Deva & Co., Chartered Accountants, (FRN: 016016S), Hyderabad as the Statutory Auditors of the Company, subject to the consent of the members, to fill the casual vacancy caused by the resignation of M/s. PCN & Associates, Chartered Accountants.

M/s. Deva & Co., Chartered Accountants having conveyed their consent for appointment as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made, will be within the limits specified under section 144 of the Companies Act, 2013. They have also confirmed that they are not disqualified from the appointment as Statutory Auditors in terms of the Provisions of Sections 139 (1), 141 (2) and 141 (3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014 were appointed as Statutory Auditors of the Company under casual vacancy u/s 139 of Companies Act, 2013 to hold office from the date of shareholder approval vide Postal Ballot (results) dated 24.05.2024 till the Annual General Meeting to be held in the year 2024-25.

Accordingly, Board at its meeting held on 15.07.2024 recommended appointment of M/s. Deva & Co. as Statutory Auditors of the Company for 4 years i.e., from the conclusion of 59th Annual General Meeting to conclusion of 63rd Annual General Meeting and to audit the accounts for the Financial Years – 2024-25, 2025-26, 2026-27 and 2027-28.

Further, in terms of requirements of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended effective April 1, 2019, details of proposed remuneration and credentials of the proposed Statutory Auditors are provided below:

| | | |
|---|--|---|
| a | Proposed fees payable to the statutory auditor(s). | The proposed fee to be paid to M/s. Deva & Co., Chartered Accountants towards statutory audit and quarterly financial results and limited review reports along with the issuance of certificates in accordance with guidelines laid down under SEBI and Companies Act, 2013 for the financial year 2023-24 is aggregating to Rs.6,00,000/- plus applicable taxes along with out-of-pocket expenses. |
| b | Terms of appointment | M/s. Deva & Co. were appointed as Statutory Auditors in casual vacancy by the shareholders through postal ballot whose voting results were submitted to the exchanged by the scrutiniser on 24.05.2024 and who hold office until the Annual General Meeting to be held in FY 2024-25. Accordingly, pursuant to sec. 139 of Companies Act, 2013, it is proposed to appoint Deva & Co. to conduct statutory audit for FYs 2024-25, 2025-26, 2026-27 and 2027-28 subject to approval of shareholders at the ensuing AGM. |
| c | any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change | There is no material change in fee to be paid to the incoming Statutory Auditors proposed to be appointed through the ordinary resolution as set out at Item No. 3 of the Notice. The erstwhile auditors received Rs. 4.00 Lakhs as statutory audit fee while the same was increased to Rs. 6.00 for the newly appointed auditors based on the scope of work. |
| d | Basis of Recommendation for appointment/ Re-appointment | The Audit Committee and the Board of Directors, while recommending the appointment of M/s. Deva & Co., as the Statutory Auditor of the Company, have taken into consideration, among other things, the credentials of the firm and partners, track record for the firm and eligibility criteria prescribed under the Act. |
| e | credentials of the statutory auditor(s) proposed to be appointed | M/s. Deva & Co., Chartered Accountants is an ICAI Registered firm (Reg. No. 016016S). The Firm provides range of Advisory for Financial Services, Fraud Investigation & Forensic Services, Corporate Tax Planning, Valuation & Business Modelling, GST and Other Indirect Taxes, Accounting Compliance and Reporting and Risk Advisory services. The audit firm practice has significant experience in auditing listed and unlisted companies and other regulatory compliances. |

None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution.

The Board of Directors recommends the Ordinary Resolution set out in the Notice of AGM for approval of the members.

Item No. 4:

4. ADOPTION OF MEMORANDUM OF ASSOCIATION AS PER COMPANIES ACT, 2013:

The Memorandum of Association of the Company as currently in force was adopted pursuant to the provisions under the Companies Act, 1956. The Companies Act, 1956 has been superseded by the Companies Act, 2013.

The Company has to adopt the Memorandum of association per the Table A of the Schedule I of the Companies Act, 2013 and subsequent to this alteration of Memorandum of Association as per the Companies Act, 2013,

- i. Clause I will read as – The Name of the Company is Viceroy Hotels Limited
- ii. Clause II - “The Registered Office of the Company will be in the State of Andhra Pradesh” will be altered to read as “The Registered Office of the Company will be in the State of Telangana”
- iii. Clause III on objects of the company will be divided / split as

“**Clause III (A)** – The objects to be pursued by the Company are:” and

“**Clause III (B)** – Matters which are necessary for furtherance of the objects specified in Clause III (A) are:”

and changing the object numbering in Object clause as may be appropriate **without any change in the Objects of the Company.**

- iv. Clause IV will read as “The liability of the members of the Company is limited.”
- v. Clause V (Capital Clause) and VI (Subscription Clause) as per Table A of the Schedule I of the Companies Act, 2013.

Copy of Draft Memorandum of Association is placed on the website of the company under tab “Notices and Disclosures” available at <https://www.viceroyhotels.in/>

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way are concerned or interested, financially or otherwise, in the Special Resolution set out at item No. 4 of the Notice.

Viceroy Hotels Limited

**For and on behalf of the Board of
Ravinder Reddy Kondareddy**

Managing Director and CEO
(DIN: 00040368)

Place: Hyderabad
Date: 15.07.2024

Board's Report

To the Members,

The Board of Directors take pleasure in presenting the Fifty Ninth Annual Report including inter-alia Directors' Report, its annexures and audited financial statements (including standalone and consolidated financial statements along with respective Auditors' Report thereon) for the year ended 31st March 2024. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

1. FINANCIAL SUMMARY/HIGHLIGHTS:

The performance during the period ended 31st March, 2024 has been as under:

| Particulars | (Rs. in lakhs) | | | |
|---|-------------------|-------------------|-------------------|-------------------|
| | Standalone | | Consolidated | |
| | As per Ind-AS | | As per Ind-AS | |
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Revenue from operations | 11,844.30 | 9,865.19 | 13,818.41 | 11,952.22 |
| Other Income | 100.97 | 10.11 | 103.70 | 47.58 |
| Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense | 2,333.83 | 1,370.69 | 1,885.18 | 908.89 |
| Less: Depreciation/ Amortisation/ Impairment Costs | 1,382.62 | 844.26 | 1,394.42 | 859.37 |
| Profit/loss before Finance Costs, Exceptional items and Tax Expense | 951.22 | 526.43 | 490.77 | 49.53 |
| Less: Finance Costs | 143.72 | 3.73 | 144.06 | 4.54 |
| Profit/loss before Exceptional items and Tax Expense | 807.49 | 522.71 | 346.70 | 44.99 |
| Add/(less): Exceptional items | -318.00 | - | -318.00 | - |
| Profit/loss before Tax Expense | 489.49 | 522.71 | 28.70 | 44.99 |
| Less: Tax Expense (Current & Deferred) | -213.81 | 46.40 | -210.07 | 50.48 |
| Profit/loss after Tax for the year (1) | 703.30 | 476.31 | 238.77 | -5.49 |
| Other Comprehensive Income/(Loss)(2) | - | - | - | - |
| Total Comprehensive Income for the year (1)+(2) | 703.30 | 476.31 | 238.77 | -5.49 |
| Balance of profit/loss for earlier years | -62,507.97 | -62,984.28 | -66,864.03 | -66,858.54 |
| Less: Difference in opening balances of subsidiaries adjusted | - | - | -966.03 | - |
| Closing Balance of Profit/Loss carried forward to Balance Sheet | -61,804.67 | -62,507.97 | -65,659.23 | -66,864.03 |

2. REVIEW OF OPERATIONS:

Revenues – Standalone

The total revenue of the Company for the financial year on standalone basis under review was Rs.11,945.27 Lakhs as against total revenue of Rs.9,875.30 Lakhs for the previous financial year. The Company incurred a net profit of Rs.703.30 Lakhs for the financial year 2023-24 as against the net profit of Rs.476.31 Lakhs for the previous year.

Revenues – Consolidated

The total revenue of the Company for the financial year on consolidated basis under review was Rs.13,922.11 Lakhs as against total revenue of Rs.11,999.80 lakhs for the previous financial year. The company incurred a net profit of Rs. 238.77 Lakhs for the financial year 2023-24 as against a net loss of Rs.5.49 Lakhs for the previous year.

3. DIVIDEND:

The Directors have decided not to recommend any dividend for the year 2023-24 keeping in mind the capital requirements for the Company.

4. BUSINESS UPDATE AND STATE OF COMPANY'S AFFAIRS:

The information on Company's affairs and related aspects is provided under Management Discussion and Analysis report, which has been prepared, inter-alia, in compliance with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and forms part of this Report.

5. TRANSFER TO RESERVES

As per the approved Resolution Plan, the company has extinguished the Balance Financial Creditors' Debt (including that owed to the Related Parties) and Other Operational Creditor dues on the Effective Date i.e, 10.10.2023 by transferring the difference amount to Capital Reserves Account.

The Closing balance of reserves, including retained earnings, of the Company as at March 31st, 2024 on Standalone basis is Rs.5,599.80 Lakhs and on Consolidated basis is Rs.365.23 Lakhs.

6. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the period under review and the date of Board's Report there was no change in the nature of Business.

7. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There were no material changes and commitments affecting financial position of the Company between 31st March, and the date of Board's Report (i.e. 15.07.2024) except for sale of Wholly Owned Subsidiaries of the Company, the details of which are included elsewhere in this Annual Report.

The company was admitted into the CIRP process during Financial Year 2017-18 which was completed in October, 2023. The details of payment to the financial and operational creditors is detailed in note no. 42 of Standalone Financial Statements.

8. REVISION OF FINANCIAL STATEMENTS:

There was no revision of the financial statements for the year under review.

9. FUND RAISING BY ISSUANCE OF DEBT SECURITIES, IF ANY:

Pursuance to SEBI Circular No. SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018, read with SEBI Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/172 dated October 19, 2023, the Directors confirm that the Company is not defined as a "Large Corporate" as per the framework provided in the said Circular. Further, your Company has not raised any funds by issuance of debt securities.

10. SHARE CAPITAL:

During the financial year 2017-2018, Corporate Insolvency Resolution Process ("CIRP") was initiated pursuant to a petition filed by one of its financial creditors, Asset Reconstruction Company (India) Limited ("ARCIL") under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("IBC"). After the due process that followed, Hon'ble NCLT had rejected the resolution plan dated September 29, 2022 on June 9, 2023 on technical grounds.

The order of NCLT was challenged before the Hon'ble National Company Law Appellate Tribunal, Chennai Bench ("NCLAT"). On October 6, 2023, NCLAT pronounced an order in CA(AT)(CH) (Ins).No.166 of 2023 & 183 of 2023, appeals filed by the AAFL and CoC respectively and allowed the IA (IBC) 1343 of 2022 in CP(IBC) NO.219/2017, an application filed by the RP for approval of the Resolution Plan submitted by AAFL with NCLT under section 30 & 31 of the Insolvency and Bankruptcy Code, 2016.

Accordingly, keeping in view the Order dated October 6, 2023:

- i. As per the Resolution Plan and the order of NCLAT, Monitoring Committee ("MC") consisting of Managing Agent (former RP), 2 representatives from CoC (assenting creditors) and 2 representatives from AAFL were appointed. AAFL, through its SPV, Loko Hospitality Private Limited infused the share capital (first tranche as per Resolution Plan) of Rs.60,00,00,000 (Rupees Sixty Crores only) towards subscription of Equity shares and accordingly

MC confirmed that October 10, 2023 as the Trigger Date for the Resolution Plan and for payment of CIRP cost and employee related dues, and payment to financial creditors in terms of the approved Resolution Plan.

The Monitoring Committee in its meeting held on October 11, 2023 has also approved the following in terms of the Resolution Plan:

1. Cancellation and extinguishment of 56,87,781 Equity shares of Rs.10/- each held by the erstwhile Promoter Group.
2. The Equity Shares held by the Existing Public Shareholders stood restructured, reduced, reorganized, consolidated and extinguished (as required) as a part of this Resolution Plan such that the Equity Shares held by the existing Public Shareholders post such restructuring and reorganization shall be 6,31,579 Equity Shares constituting 1% (one percent) of the issued and paid-up equity share capital of the Company.
3. Issuance of 6,00,00,000 Equity Shares Face Value of Rs.10/- each to the Loko Hospitality Private Limited, the SPV of Resolution Applicant representing 95% of the issued & paid up equity share capital of the Company.
4. The assenting financial creditors were further allotted 25,26,316 equity shares at face value of 10 each aggregating to Rs. 253 Lakhs approx. representing 4% of the issued & paid up equity share capital of the Company.

The current authorized share capital of the Company stands at Rs.90,00,00,000/- divided into 8,00,00,000 equity shares of Rs.10/- each and 10,00,000 Preference Shares of INR 100 each.

The paid-up share capital of the Company stands at Rs.63,15,78,950 /- divided into 6,31,57,895 equity shares of Rs.10/-.

11. UNPAID / UNCLAIMED DIVIDEND:

There is no unpaid or unclaimed dividend with the company till date.

12. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF"), constituted by the Central Government.

During the Year, no amount of dividend was unpaid or unclaimed for a period of seven years and therefore no amount is required to be transferred to Investor Education and Provident Fund under the Section 125(1) and Section 125(2) of the Act.

13. DIRECTORS OR KMP APPOINTED OR RESIGNED:

- i. By virtue of the Resolution Plan approved by Hon'ble NCLAT, Chennai dated 06.10.2023, the then Board of Directors and KMPs of the Company were replaced with the following Directors and KMPs:

Appointments:

| Name | Designation | Date |
|--------------------------------|---|------------|
| Mr. Gorinka Jaganmohan Rao | Independent Director, Chairman | 12.10.2023 |
| Mr. Ravinder Reddy Kondareddy | Managing Director and Chief Executive Officer | 12.10.2023 |
| Mr. Prabhaker Reddy Solipuram | Non-Executive Director | 12.10.2023 |
| Mr. Anirudh Reddy Kondareddy | Non-Executive Director | 12.10.2023 |
| Mr. Puli Venkata Krishna Reddy | Independent Director | 12.10.2023 |
| Ms. Pooja Reddy Konda Reddy | Non-Executive Director | 12.10.2023 |
| Mr. Pradyumna Kodali | Chief Financial Officer | 12.10.2023 |
| Mr. Shivaiah Palla | Company Secretary and Compliance Officer | 08.09.2023 |
| Ms. T.A Veena | Company Secretary and Compliance Officer | 12.02.2024 |

Cessations and Resignations:

| Name | Designation | Date |
|------------------------|--|------------|
| Mr. P. Prabhakar Reddy | Chairman and Managing Director | 12.10.2023 |
| Mrs. P. Kameswari | Non-Executive Director | 12.10.2023 |
| K. Narsimha Rao | Non-Executive Director | 12.10.2023 |
| Devraj Govind Raj | Non-Executive Independent Director | 12.10.2023 |
| Mr. Shivaiah Palla | Company Secretary and Compliance Officer | 12.02.2024 |

*Cessation of directors was pursuant to Resolution Plan approved by Hon'ble NCLAT vide order dated 06.10.2023

14. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has, inter alia, received the following declarations from all the Independent Directors as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16(1)(b) read with Regulation 25 of the SEBI (LODR), Regulations, 2015 confirming that:

- they meet the criteria of independence as prescribed under the provisions of the Act, read with Schedule IV and Rules issued thereunder, and the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company;
- they have complied with the Code for Independent Directors prescribed under Schedule IV to the Act; and
- they have registered themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs and have qualified the online proficiency self-assessment test or are exempted from passing the test as required in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.
- they had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board of Directors and Committee(s).

The Board of Directors of the Company has taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same.

15. BOARD MEETINGS:

The Board of Directors duly met Seven (7) times on 29.05.2023, 14.08.2023, 08.09.2023, 20.10.2023, 10.11.2023, 11.12.2023 and 12.02.2024 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

16. BOARD EVALUATION:

Performance of the Board and Board Committees was evaluated on various parameters such as structure, composition, diversity, experience, corporate governance competencies, performance of specific duties and obligations, quality of decision-making and overall Board effectiveness. Performance of individual Directors was evaluated on parameters such as meeting attendance, participation and contribution, engagement with colleagues on the Board, responsibility towards stakeholders and independent judgement. All the Directors were subjected to peer-evaluation.

All the Directors participated in the evaluation process. The results of evaluation were discussed in the Board meeting held on 12th February 2024. The Board discussed the performance evaluation reports of the Board, Board Committees, Individual Directors, and Independent External Persons. The Board upon discussion noted the suggestions / inputs of the Directors. Recommendations arising from this entire process were deliberated upon by the Board to augment its effectiveness and optimize individual strengths of the Directors.

The detailed procedure followed for the performance evaluation of the Board, Committees and Individual Directors is enumerated in the Corporate Governance Report.

17. MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT:

The Management Discussion and Analysis Report, pursuant to the SEBI (LODR) Regulation provides an overview of the affairs of the Company, its legal status and autonomy, business environment, mission & objectives, sectoral and segment-wise operational performance, strengths, opportunities, constraints, strategy and risks and concerns, as well as human resource and internal control systems is appended as **Annexure -6** for information of the Members.

18. STATEMENT SHOWING THE NAMES OF THE TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN AND THE NAME OF EVERY EMPLOYEE AS PER RULE 5(2) & (3) OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014:

Disclosure pertaining to remuneration and other details as required under section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in **Annexure -1** to this Report.

The Statement containing the particulars of employees as required under section 197(12) of the Companies Act, 2013 read with rule 5(2) and other applicable rules (if any) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in **Annexure -2** to this report.

During the year, NONE of the employees is drawing a remuneration of Rs.1,02,00,000/- and above per annum or Rs.8,50,000/- and above in aggregate per month, the limits specified under the Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

19. RATIO OF REMUNERATION TO EACH DIRECTOR:

Under section 197(12) of the Companies Act, 2013, and Rule 5(1) (2) & (3) of the Companies (Appointment & Remuneration) Rules, 2014 read with Schedule V of the Companies Act, 2013 the ratio of remuneration of Mr. Ravinder Reddy Konda Reddy, Managing Director of the Company to the median remuneration of the employee is not applicable since the Managing Director has not drawn any remuneration during the year under review.

20. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- (b) The Directors had selected such accounting policies 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 and of the profit and loss of the company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis; and
- (e) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

21. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. The Company maintains appropriate system of internal control, including monitoring procedures, to ensure that all assets are safeguarded against loss from unauthorized use or disposition. Company policies, guidelines and procedures provide for adequate checks and balances, and are meant to ensure that all transactions are authorized, recorded and reported correctly.

During the period under review, there is no material or serious observations have been noticed for inefficiency or inadequacy of such controls.

22. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:

There have been no frauds reported by the auditors u/s 143(12).

23. CEO/ CFO CERTIFICATION:

The Managing Director and Chief Financial Officer Certification on the financial statements as Annexure 10 under regulation 17 (8) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 for the year 2023-2024 is annexed in this Annual Report.

24. INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JOINT VENTURES:

The company had 5 subsidiaries and the same were sold on 02.07.2024 in overall interest of the company and to concentrate on the core business post CIRP proceedings. The details of which are mentioned below:

| S. No. | Name of the subsidiary | No. of shares held by the VHL | Consideration In Rs. |
|--------|--|-------------------------------|----------------------|
| 1. | Crustum Products Private Limited | 40,00,000 | 10,00,000/- |
| 2. | Cafe D' Lake Private Limited | 27,44,530 | 20,00,000/- |
| 3. | Minerva Hospitalities Private Limited | 46,69,267 | 5,00,000/- |
| 4. | Viceroy Chennai Hotels & Resorts Private Limited | 10,000 | 1,00,000/- |
| 5. | Banjara Hospitalities Private Limited | 31,80,000 | 30,00,000/- |

As per the provisions of Section 129 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the financial statements of the Subsidiary companies is prepared in Form AOC-1 and is attached as **Annexure - 3** and forms part of this report.

25. DETAILS OF DEPOSITS NOT IN COMPLIANCE WITH THE REQUIREMENTS OF THE ACT:

Since the Company has not accepted any deposits under Chapter of the Companies Act, 2013 read with the Rule 8(v) of Companies (Accounts) Rules 2014, during the financial year under review.

Pursuant to the Ministry of Corporate Affairs (MCA) notification dated 22nd January 2019 amending the Companies (Acceptance of Deposits) Rules, 2014, the Company is required to file with the Registrar of Companies (ROC) requisite returns in Form DPT-3 for outstanding receipt of money/loan by the Company, which is not considered as deposits.

The Company complied with this requirement within the prescribed timelines.

26. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not given any loan, guarantees or made any investments attracting the provisions as prescribed in Section 186 of the Companies Act, 2013 except the ones mentioned below:

Guarantee:

The company has made first and exclusive hypothecation charge on all existing and future current assets and moveable fixed assets (excluding vehicles) of Viceroy Hotels Limited in favour of M/s. Loko Hospitality Private Limited for sanction of term loan amounting to Rs. 5,000/- Lakhs from Kotak Mahindra Bank.

27. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. During the financial year 2023-24, there were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict

with the interest of the Company at large other than infusion of Rs. 6000.00 Lakhs by Loko Hospitality Private Limited towards subscription of 6,00,00,000 shares of the company as promoter and loan of Rs. 7,589.27 Lakhs towards repayment of debts as approved in the Resolution Plan approved by the Hon'ble NCLAT dated 06.10.2023.

In line with the provisions of Section 177 of the Act read with the Companies (Meetings of the Board and its Powers) Rules, 2014, prior approval for the estimated value of transactions with the related parties for the financial year is obtained from the Audit Committee. The transactions with the related parties are routine and repetitive in nature.

The summary statement of transactions entered into with the related parties pursuant to the omnibus approval so granted are reviewed and approved by the Audit Committee and the Board of Directors on a quarterly basis. The summary statements are supported by an independent audit report certifying that the transactions are at an arm's length basis and in the ordinary course of business.

The Form AOC-2 pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure - 4** to this report.

28. DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

The required information as per Sec.134 (3)(m) of the Companies Act, 2013 is provided hereunder:

A. Conservation of Energy: Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment

B. Research & Development and Technology Absorption: All the Factors mentioned in Rule 8 (3) (b) Technology absorption are not applicable to the Company.

1. Research and Development (R&D): **NIL**
2. Technology absorption, adoption and innovation: **NIL**

C. Foreign Exchange Earnings and Out Go:

1. Foreign Exchange Earnings: ---- **Rs. 2,725.28 Lakhs**
2. Foreign Exchange Outgo: ---- **Rs. 1,348.16 Lakhs**

29. COMMITTEES:

(I). AUDIT COMMITTEE: The Audit Committee of the Company is constituted in line with the provisions of Regulation 18(1) of SEBI (LODR) Regulations with the Stock Exchanges read with Section 177 of the Companies Act, 2013 are included in the Corporate Governance report, which forms part of this report.

(II). NOMINATION AND REMUNERATION COMMITTEE: The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19(1) of SEBI (LODR) Regulations with the Stock Exchanges read with Section 178 of the Companies Act, 2013 are included in the Corporate Governance report, which forms part of this report.

(III). STAKEHOLDERS RELATIONSHIP COMMITTEE: The Stakeholders Relationship Committee of the Company is constituted in line with the provisions of Regulation 20 of SEBI (LODR) Regulations with the Stock Exchanges read with Section 178 of the Companies Act, 2013 are included in the Corporate Governance report, which forms part of this report.

(IV). RISK MANAGEMENT COMMITTEE:

The Company had been undertaking the activity of identifying key business and sustainability risks and taking actions to mitigate such risks from time to time. The matters related to risks and their management has been shared with the Board of Directors from time to time. The Company has put in place a Risk Management Policy under which various risks associated with the business operations is identified and risk mitigation plans have been put in place and has constituted a Risk Management Committee of the Board. The details of constitution of the Committee and its terms of reference are set out in the Report on Corporate Governance policy.

(V). CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Company has constituted Corporate Social Responsibility Committee of the Company in line with the provisions of Section 135 of the Companies Act, 2013 and the composition of the Committee is included in the Corporate Governance report, which forms part of this report

30. AUDIT COMMITTEE RECOMMENDATIONS:

During the year, all recommendations of Audit Committee were approved by the Board of Directors.

31. COMPOSITION OF CSR COMMITTEE AND CONTENTS OF CSR POLICY:

The Company attracted the provision of Corporate Social Responsibility u/s 135 of the Companies Act, 2013 as on 31st March, 2023, however since the company's losses during the preceding two years exceeded its profits, the company did not have to spend any amount towards Corporate Social Responsibility during the year under review.

32. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Board of Directors has formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. The Company promotes ethical behavior and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil Mechanism and Whistle-Blower Policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Employees may report their genuine concerns to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

Vigil Mechanism Policy has been established by the Company for directors and employees to report genuine concerns pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013. The same has been placed on the website of the Company www.viceroyhotels.in

33. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

The only significant order passed by the regulators or courts was order by the Hon'ble NCLT dated June 9, 2023 and by Hon'ble NCLAT dated October 10, 2023 pertaining to Corporate Insolvency Resolution Process ("CIRP"), the details of which are mentioned elsewhere in the report.

The company also received an order from the Hon'ble High Court of Telangana in its favour against Waqf Board on a land dispute case .

34. STATUTORY AUDITORS AND STATUTORY AUDITORS REPORT:

- At the Board Meeting held on 10.11.2023, M/s. PCN & Associates, resigned as Statutory Auditors of the Company causing Casual Vacancy.
- The Board of Directors in its meeting held on 11.12.2023 appointed M/s. Deva & Co., Chartered Accountants as the Statutory Auditors of the Company till the conclusion of 59th Annual General Meeting to fill the above casual vacancy.
- Accordingly, vide postal ballot results dated 24.05.2024, the members of the company approved the appointment of M/s. Deva & Co, Chartered Accountants as Statutory Auditors of the company until the conclusion of forthcoming 59th Annual General Meeting for the financial year 2023-24.

The Auditors' Report for fiscal 2024 does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report. The Company has received audit report with unmodified opinion for on basis of audited financial results of the Company for the Financial Year ended March 31, 2024 from the Statutory Auditors of the Company.

The Auditors have confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold valid certificate issued by the Peer Review Board of the ICAI.

35. ANNUAL SECRETARIAL COMPLIANCE REPORT:

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial Compliance Audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. Further, Secretarial Compliance Report dated 30.05.2024, was given by Mr. Seshadri Vasam Gollur, Practicing Company Secretary which was submitted to Stock Exchanges within 60 days of the end of the financial year.

36. SECRETARIAL AUDIT REPORT:

In terms of section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, based upon the recommendations of the Audit Committee, the Board of Directors had appointed Mr. Seshadri Vasam Gollur, Practicing Company Secretary (CP No. 26490) as the Secretarial Auditor of the Company, for conducting the Secretarial Audit for financial year ended March 31, 2024.

The Report given by the Secretarial Auditor is annexed herewith as **Annexure - 5** and forms integral part of this Report.

The observations in the Secretarial Audit Report are self-explanatory and do not require any comments thereon.

37. INTERNAL AUDITORS:

Pursuant to provisions of Section 138 read with Rule 13 of the Companies (Accounts) Rules, 2014 and Section 179 read with Rule 8(4) of the Companies (Meetings of Board and its Powers) Rules, 2014; during the year under review the Internal Audit of the functions and activities of the Company was undertaken by the Internal Auditor of the Company on quarterly basis by M/s. Murthy & Kanth, Chartered Accountants., the Internal Auditors of the Company.

Deviations are reviewed periodically and due compliance ensured. Summary of Significant Audit Observations along with recommendations and its implementations are reviewed by the Audit Committee and concerns, if any, are reported to Board. There were no adverse remarks or qualification on accounts of the Company from the Internal Auditor.

The Board has re-appointed by M/s. Murthy & Kanth, Chartered Accountants, Hyderabad as Internal Auditors for the Financial Year 2023-24.

38. SECRETARIAL STANDARDS:

The Company is in compliance with the applicable secretarial standards.

39. DECLARATION BY THE COMPANY:

The Company has issued a certificate to its Directors, confirming that it has not made any default under Section 164(2) of the Companies Act, 2013, as on March 31, 2024.

40. DECLARATION FROM DIRECTORS

None of the Directors of the Company are disqualified from being appointed as Directors as specified under Section 164(1) and 164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force) or are debarred or disqualified by the Securities and Exchange Board of India ("SEBI"), Ministry of Corporate Affairs ("MCA") or any other such statutory authority.

All members of the Board and Senior Management have affirmed compliance with the Code of Conduct for Board and Senior Management for the financial year 2023-24. The Company had sought the following certificates from independent and reputed Practicing Company Secretaries confirming that:

a. none of the Director on the Board of the Company has been debarred or disqualified from being appointed and/or continuing as Directors by the SEBI/MCA or any other such statutory authority.

b. independence of the Directors of the Company in terms of the provisions of the Act, read with Schedule IV and Rules issued thereunder and the Listing Regulations.

41. ANNUAL RETURN:

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an annual return is uploaded on website of the Company www.viceroyhotels.in.

42. DISCLOSURE ABOUT COST AUDIT:

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act, are not applicable for the business activities carried out by the Company.

43. FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS:

The Company familiarises its Independent Directors on their appointment as such on the Board with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc. through familiarisation programme. The Company also conducts orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis. The familiarisation

programme for Independent Directors is disclosed on the Company's website <https://www.viceroyhotels.in/>

44. INSURANCE:

The company has adequate insurance coverage against its assets covering all perils and employee's group mediclaim insurance.

45. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

The Company has implemented all of its major stipulations as applicable to the Company. As stipulated under Regulation 34 read with schedule V of SEBI (LODR) Regulations, 2015, a report on Corporate Governance is appended as **Annexure - 7** for information of the Members. A requisite certificate from the Secretarial Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the Report on Corporate Governance.

46. NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

No compensation was paid to the Independent and Non-Executive Directors except for the sitting fee that they are entitled to.

47. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178:

The assessment and appointment of Members to the Board is based on a combination of criterion that includes ethics, personal and professional stature, domain expertise, gender diversity and specific qualification required for the position. The potential Board Member is also assessed on the basis of independence criteria defined in Section 149(6) of the Companies Act, 2013 and Regulation 27 of SEBI (LODR) Regulations, 2015. In accordance with Section 178(3) of the Companies Act, 2013 and Regulation 19(4) of SEBI (LODR) Regulations, 2015, on the recommendations of the Nomination and Remuneration Committee, the Board adopted a remuneration policy for Directors, Key Management Personnel (KMPs) and Senior Management. The Policy is attached a part of Corporate Governance Report. We affirm that the remuneration paid, if any to the Directors will be as per the terms laid down in the Nomination and Remuneration Policy of the Company.

48. DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS, IF ANY:

During the year under review, there has been no one-time settlement of loans taken from banks and financial Institutions.

49. CREDIT RATING:

Since the Company, as on date of this report does not have any Debt Instruments or Fixed Deposit Programme, therefore company has not obtained any Credit Ratings during the Financial Year.

50. AGREEMENTS/MOU ENTERED BY THE COMPANY:

There are no major agreements / MoUs entered by the company except for the ones included as part of the CIRP process.

51. CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING:

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015 and the applicable Securities laws. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading is available on our website (www.viceroyhotels.in).

52. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Committee (IC) has been duly constituted as mentioned below:

During the year 2023-24, there were no complaints received by the Company.

Constitution of Committee:

| Name | Designation |
|-----------------------------|-------------------|
| Penugonda Naga Divya | Presiding Officer |
| Ranjit Sadashiv Shirgaonkar | Member |
| Sachin Sandu Jadhav | Member |
| Swati Dey | Member |
| N. Seeta Laxmi | External Member |

All employees are covered under this policy. During the financial year 2023-24, there were no complaints received by the Committee.

53. INDUSTRY BASED DISCLOSURES AS MANDATED BY THE RESPECTIVE LAWS GOVERNING THE COMPANY:

The Company is not a NBFC, Housing Companies etc., and hence Industry based disclosures is not required.

54. FAILURE TO IMPLEMENT CORPORATE ACTIONS:

During the year under review, no corporate actions were done by the Company which were failed to be implemented.

55. DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:

During the financial year 2017-2018, Corporate insolvency resolution process ("CIRP") was initiated pursuant to a petition filed by one of its financial creditors, Asset Reconstruction Company (India) Limited ("ARCIL") under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("IBC"). ARCIL filed the petition before the National Company Law Tribunal, State Bench, Hyderabad ("Adjudicating Authority") vide Company Petition No. (IB)-219/7/(HBD)/2017 on July 03, 2017. The Adjudicating Authority admitted the said petition and the CIRP for the Company commenced on March 12, 2018. Pursuant to this, based on the application made by the Committee of Creditors of the Company ("COC"), the Hon'ble NCLT appointed Dr G.V. Narasimha Rao ("RP") as the new Resolution Professional for conducting Corporate Insolvency Resolution Process vide order dated April 13, 2022. Pursuant to COC's approval of resolution plan dated September 29, 2022 as submitted by the Resolution Applicant, Anirudh Agro Farms Limited ("AAFL"), RP has filed an application for the approval of the resolution plan as submitted by AAFL before Hon'ble NCLT on November 11, 2022. NCLT rejected the said resolution plan on June 9, 2023 on technical grounds. The order of NCLT was challenged before the Hon'ble National Company Law Appellate Tribunal, Chennai Bench ("NCLAT"). On October 6, 2023, NCLAT pronounced an order in CA(AT)(CH) (Ins).No.166 of 2023 & 183 of 2023, appeals filed by the AAFL and COC respectively and allowed the IA (IBC) 1343 of 2022 in CP(IB) NO.219/2017, an application filed by the RP for approval of the Resolution Plan submitted by AAFL with NCLT under section 30 & 31 of the Insolvency and Bankruptcy Code, 2016.

The impact of the NCLAT Order is effective from the Trigger Date, i.e. October 10, 2023 and the same is reflected in the financial results for the year ended March 31, 2024.

Accordingly, keeping in view the Order dated October 10, 2023:

- ii. As per the Resolution Plan and the order of NCLAT, Monitoring Committee ("MC") consisting of Managing Agent (former RP), 2 representatives from CoC (assenting creditors) and 2 representatives from AAFL were appointed. AAFL, through its SPV, Loko Hospitality Private Limited

infused the share capital (first tranche as per Resolution Plan) of Rs.60,00,00,000 (Rupees Sixty Crores only) towards subscription of Equity shares and accordingly MC confirmed that October 10, 2023 as the Trigger Date for the Resolution Plan and for payment of CIRP cost and employee related dues, and payment to financial creditors in terms of the approved Resolution Plan.

The Monitoring Committee in its meeting held on October 11, 2023 has also approved the following in terms of the Resolution Plan:

5. Cancellation and extinguishment of 56,87,781 Equity shares of Rs.10/- each held by the erstwhile Promoter Group.
6. The Equity Shares held by the Existing Public Shareholders were stand restructured, reduced, reorganized, consolidated and extinguished (as required) as a part of this Resolution Plan such that the Equity Shares held by the existing Public Shareholders post such restructuring and reorganization shall be 6,31,579 Equity Shares constituting 1% (one percent) of the issued and paid-up equity share capital of the Company.
7. Issuance of 6,00,00,000 Equity Shares Face Value of Rs.10/- each to the Loko Hospitality Private Limited, the SPV of Resolution Applicant representing 95% of the issued & paid up equity share capital of the Company.
8. The assenting financial creditors were further allotted 25,26,316 equity shares at face value of 10 each aggregating to 253 Lakhs approx. representing 4% of the issued & paid up equity share capital of the Company.

56. POLICIES:

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the policies are available on our website www.viceroyhotels.in.

57. EVENT BASED DISCLOSURES:

During the year under review, the Company has not taken up any of the following activities except as mentioned:

1. Issue of sweat equity share: **NA**
2. Issue of shares with differential rights: **NA**
3. Issue of shares under employee's stock option scheme: **NA**
4. Disclosure on purchase by Company or giving of loans by it for purchase of its shares: **NA**
5. Buy back shares: **NA**
6. Disclosure about revision: **NA**
7. Preferential Allotment of Shares: 6,00,00,000 shares were allotted to Loko Hospitality Private Limited as part of infusing funds in the company and 25,26,316 to financial creditors by way of preferential allotment as per approved Resolution Plan by Hon'ble NCLAT.

58. INTERNAL AUDIT AND FINANCIAL CONTROLS:

The Company has adequate internal controls consistent with the nature of business and size of the operations, to effectively provide for safety of its assets, reliability of financial transactions with adequate checks and balances, adherence to applicable statutes, accounting policies, approval procedures and to ensure optimum use of available resources. These systems are reviewed and improved on a regular basis. It has a comprehensive budgetary control system to monitor revenue and expenditure against approved budget on an ongoing basis.

59. CONSOLIDATED FINANCIAL STATEMENTS:

The company had 5 subsidiaries at the end of financial year under review. However, it does not have an associate company and in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Listing Regulations') and Section 129 of the Companies Act, 2013, the Consolidated Financial Statements have been prepared by the Company in accordance with the applicable provisions of the Companies Act, 2013 and the applicable Indian Accounting Standards (Ind AS) and forms part of this Annual Report.

60. NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR:

During the year no company have become or ceased to be its Joint Ventures or Associate Companies. However, Company had 5 wholly owned subsidiaries which were sold and ceased to be its wholly owned subsidiaries pursuant to shareholder's approval dated 24.05.2024 but not during the financial year 2023-24.

| S. No. | Designation |
|--------|--|
| 1. | Crustum Products Private Limited |
| 2. | Cafe D' Lake Private Limited |
| 3. | Minerva Hospitalities Private Limited |
| 4. | Viceroy Chennai Hotels & Resorts Private Limited |
| 5. | Banjara Hospitalities Private Limited |

61. DETAILS RELATING TO DEPOSITS, COVERING THE FOLLOWING:

The Company has not accepted any public deposits during the Financial Year ended March 31, 2024 and as such, no amount of principal or interest on public deposits was outstanding as on the date of the balance sheet.

62. CREDIT & GUARANTEE FACILITIES:

The Company has not availed credit and guarantee facilities.

63. RISK MANAGEMENT POLICY:

Your Company follows a comprehensive system of Risk Management. Your Company has adopted a procedure for assessment and minimization of probable risks. It ensures that all the risks are timely defined and mitigated in accordance with the well-structured risk management process.

64. ENVIRONMENTS AND HUMAN RESOURCE DEVELOPMENT:

Your Company always believes in keeping the environment pollution free and is fully committed to its social responsibility. The Company has been taking utmost care in complying with all pollution control measures from time to time strictly as per the directions of the Government.

We would like to place on record our appreciation for the efforts made by the management and the keen interest shown by the Employees of your Company in this regard.

65. STATUTORY COMPLIANCE:

The Company has complied with the required provisions relating to statutory compliance with regard to the affairs of the Company in all respects.

66. DEVIATIONS, IF ANY OBSERVED-ON FUNDS RAISED THROUGH PUBLIC ISSUE, PREFERENTIAL ISSUE ETC:

During the year under review, company has not raised any funds from public or through preferential allotment except for as part of the preferential allotment of 6,00,00,000 equity shares allotted to Loko Hospitality Private Limited, the new promoters of the company as per the resolution plan.

67. ACKNOWLEDGEMENTS:

Your Directors place on record their appreciation for the overwhelming co-operation and assistance received from the investors, customers, business associates, bankers, vendors, as well as regulatory and governmental authorities. Your Directors also thanks the employees at all levels, who through their dedication, co-operation, support and smart work have enabled the company to achieve a moderate growth and is determined to poise a rapid and remarkable growth in the year to come.

Your Directors also wish to place on record their appreciation of business constituents, banks and other financial institutions and shareholders of the Company, SEBI, BSE, NSE, NSDL, CDSL, Banks, RBI etc. for their continued support for the growth of the Company.

For and on behalf of the Board of
Viceroy Hotels Limited

Ravinder Reddy Kondareddy
Managing Director & CEO
(DIN: 00040368)

Gorinka Jagannohan Rao
Chairman and Independent Director
(DIN: 06743140)

Place: Hyderabad
Date: 15.07.2024

Annexure - 1

Statement showing the names of the Top ten Employees in terms of Remuneration drawn as per Rule 5 (3) Of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014

| S No. | Name of the Employee | Designation of the employee | Remuneration received | Nature of employment whether contractual or otherwise | Qualification and experience of the employee | Date of commencement of employment | The age of the employee | The last employment held by such employee before joining the Company | The percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub rule (2) of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. | Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager |
|-------|-----------------------------|--|-----------------------|---|---|------------------------------------|-------------------------|--|---|---|
| 1 | AMIT SACHDEVA | CLUSTER GENERAL MANAGER | 96,85,953 | PERMANENT | Bachelors in Hotel Management-24 yrs | 06-Jul-22 | 44 | DLF Gurgaon | Nil | No |
| 2 | ASHWIN SUNIL VAIDYA | DIRECTOR OF OPERATIONS | 53,49,067 | PERMANENT | Bachelors in Hotel Management-17 yrs | 10-Oct-22 | 38 | Grand Hyatt Mumbai | Nil | No |
| 3 | A K SUDEESH NAIR | MULTI PROPERTY DIRECTOR OF FINANCE | 42,75,894 | PERMANENT | Bachelor of Commerce - 30 yrs | 15-Nov-2021 | 52 | Crowne Plaza Nairobi Airport, Kenya | Nil | No |
| 4 | KIRANPREET KAUR | MULTI PROPERTY DIRECTOR OF HUMAN RESOURCES | 36,18,392 | PERMANENT | MBA - HR-18 yrs | 30-Aug-2022 | 39 | Raffles Udaipur (Accor) | Nil | No |
| 5 | RANJIT SADASHIV SHIRGAONKAR | DIRECTOR OF ENGINEERING | 28,70,911 | PERMANENT | Diploma in (N.C.I.T - Mechanical) -32 yrs | 26-Jul-2022 | 54 | The Orchid Hotel Mumbai | Nil | No |
| 6 | SAUMIK SUR | DIRECTOR OF ROOMS | 15,65,159 | PERMANENT | Diploma in Aviation, Hospitality and Travel Management-18 yrs | 16-Feb-2023 | 38 | JW Marriott (Chandigarh) | Nil | No |
| 7 | PENUGONDA NAGA DIVYA | ASSOCIATE DIRECTOR OF SALES | 15,23,135 | PERMANENT | MBA - 10 yrs | 01-08-2022 | 32 | Sheraton - Hyderabad | Nil | No |
| 8 | PRADYUMNA KODALI | CHIEF FINANCIAL OFFICER | 13,66,123 | PERMANENT | BE and MSC BITS PILANI - 8 yrs | 01-Nov-23 | 31 | OYO Hotels | Nil | No |
| 9 | RAGHAV SOMANI | | 12,96,333 | PERMANENT | M.COM -16.5 yrs | 28-Nov-22 | 39 | Fairmont Hotels & Resorts | Nil | No |
| 10 | MAHESH BHOJA SALIAN | DIRECTOR OF SALES | 11,79,581 | PERMANENT | Bachelors in Hotel Management-18 yrs | 09-Oct-2023 | 39 | Hyatt Regency - Gurgaon | Nil | No |

Annexure - 2

Statement showing the names of top ten employees pursuant to sec. 197 Read with rule 5 (1) (2) and (3) of the companies (appointment and remuneration of managerial personnel) rules, 2014.

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

| Director | Total Remuneration | Ratio to median remuneration |
|----------|--------------------|------------------------------|
| NA | NA | NA |

*Since the company was under CIRP and the New Board of Directors took charge in Oct 2023, during the FY 2023-24 none of the directors have drawn remuneration from the company.

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

(Amount in INR)

| Name of the person | Designation | 2023-24 | 2022-23 | Increase/Decrease % |
|---------------------------|--------------------------------|-----------|----------|---|
| Kondareddy Ravinder Reddy | Managing Director and CEO | Nil | Nil | NA, Joined during the year 2023-24 |
| Kondareddy Anirudh Reddy | Director | Nil | Nil | NA, Joined during the year 2023-24 |
| Kondareddy Pooja Reddy | Director | Nil | Nil | NA, Joined during the year 2023-24 |
| S. Prabhaker Reddy | Director | Nil | Nil | NA, Joined during the year 2023-24 |
| G Jagan Mohan Rao | Independent Director | Nil | Nil | NA, Joined during the year 2023-24 |
| Krishna Reddy PV | Independent Director | Nil | Nil | NA, Joined during the year 2023-24 |
| P.Prabhakar Reddy | Chairman and Managing Director | Nil | Nil | NA, Left during the year 2023-24 |
| P. Kameswari | Director | Nil | Nil | NA, Left during the year 2023-24 |
| Govindrajan Devraj | Independent Director | Nil | Nil | NA, Left during the year 2023-24 |
| Pradyumna Kodali | Chief Financial Officer | 13,66,123 | Nil | NA, Joined during the year 2023-24 |
| Sivaiah Palla | Company Secretary | 3,19,668 | Nil | NA, Joined and Left during the year 2023-24 |
| T A Veen Aravind | Company Secretary | 40,517 | Nil | NA, Joined during the year 2023-24 |
| Sneha Sharan | Company Secretary | Nil | 1,50,000 | NA, Left during the year 2022-23 |

3. The percentage increase in the median remuneration of employees in the financial year

(Amount in INR)

| Particulars | Remuneration | | Increase/(Decrease)% |
|---|--------------|------------|----------------------|
| | FY 2023-24 | FY 2022-23 | |
| Median Remuneration of all the employees per annum* | 2,84,317 | 3,66,492 | (22.42%) |

*Employees who have served for whole of the respective financial years have been considered for calculation of the median

4. No. of Employees on the Roll of Company:

| Particulars | Number |
|--|--------|
| The number of employees on the rolls of the company as on March 31, 2024 | 404 |

5. Average percentile increase 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 details if there are any exceptional circumstances for increase in the managerial remuneration

| Particulars | Increase/(Decrease) % |
|---|--|
| Average percentage increase in the remuneration of all Employees* (Other than Key Managerial Personnel) | 8.88% |
| Average Percentage increase in the Remuneration of Key Managerial Personnel | Since none of the KMPs have served for the entire Financial Year, the possibility of calculating the increase in Remuneration of KMP was not possible. |

*Employees who have served for whole of the respective financial years have been considered.

6. Affirmation that the remuneration is as per the remuneration policy of the company.

The Company is in compliance with its remuneration policy.

Annexure - 3

Form AOC – 1

Statement containing salient features of the financial statements of Subsidiaries (Pursuant to proviso to sub-section (3) of section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

- Name of the Subsidiaries:
- Reporting Period: 01.04.2023 to 31.03.2024
- Reporting Currency: Indian Rupee

| (Rs. in Lakhs) | | | | | | |
|----------------|--|-----------------------|---------------------------|--------------------------------|--|--------------------------------|
| S. No. | Particulars | Cafe D'Lake Pvt. Ltd. | Crustum Products Pvt. Ltd | Minerva Hospitalities Pvt. Ltd | Viceroy Chennai Hotels & Resorts Pvt Ltd | Banjara Hospitalities Pvt Ltd. |
| 1. | Sahre Capital | 274.45 | 400.00 | 466.93 | 1.00 | 318.00 |
| 2. | Reserves and surplus for the year ending | -1,726.35 | -878.74 | -465.12 | -1.06 | -1,733.81 |
| 3. | Total Assets | 950.49 | 3,049.45 | 8.48 | 1.00 | 4,813.56 |
| 4. | Total Liabilities | 2,402.39 | 3,528.19 | 6.67 | 1.07 | 6,229.37 |
| 5. | Investments | Nil | Nil | Nil | Nil | Nil |
| 6. | Turnover (Income) | 69.75 | 0.00 | 0.00 | 0.00 | 1,907.09 |
| 7. | Profit / loss before Taxation | -106.63 | -0.12 | -0.12 | -0.12 | -354.18 |
| 8. | Provision for Taxation | 3.74 | 0.00 | 0.00 | 0.00 | 0.00 |
| 9. | Profit / loss after Taxation | -110.37 | -0.12 | -0.12 | -0.12 | -354.18 |
| 10. | Proposed Dividend | Nil | Nil | Nil | Nil | Nil |
| 11. | % of Shareholding | 100% | 100% | 100% | 100% | 100% |

- Names of Subsidiaries which are yet to commence operation: **NA**
- Names of subsidiaries which have been liquidated or sold during the year: **All the 5 subsidiaries mentioned above were sold on 02.07.2024**

For Deva & Co.

Chartered Accountants

Firm Registration Number: 000722S

For and on behalf of the Board Viceroy Hotels Limited

M Devaraja Reddy

Partner

Ravinder Reddy Kondareddy

Managing Director and CEO

G Jaganmohan Rao

Chairman and Independent Director

Pradyumna Kodali

Chief Financial Officer

TA Veena

Company Secretary and Compliance Officer

Place: Hyderabad

Date: 15.07.2024

Annexure - 4

Form No. AOC - 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

i. Details of contracts or arrangements or transactions not at arm's length basis: **Not Applicable as all the Related Party Transactions have been entered into at an arm's length basis.**

- Name(s) of the related party and nature of relationship:
- Nature of contracts/arrangements/transactions:
- Duration of the contracts/arrangements/transactions:
- Salient terms of the contracts or arrangements or transactions including the value, if any:
- Justification for entering into such contracts or arrangements or transactions:
- Date of approval by the Board:
- Amount paid as advances, if any:
- Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

ii. Details of contracts or arrangements or transactions at arm's length basis:

(a) Name(s) of the related party and nature of relationship:

List of related parties over which control exist and status of transactions entered during the year:

| S. No. | Name of the subsidiary company | Nature of relationship | Transaction entered during the year (Yes/No) |
|--------|--|-------------------------|--|
| 1. | Cafe D'Lake Pvt. Ltd | Wholly owned Subsidiary | Yes |
| 2. | Crustum Products Pvt. Ltd | Wholly owned Subsidiary | NO |
| 3. | Minerva Hospitality Pvt. Ltd | Wholly owned Subsidiary | NO |
| 4. | Viceroy Chennai Hotels & Resorts Pvt Ltd | Wholly owned Subsidiary | NO |
| 5. | Banjara Hospitality Private Limited | Wholly owned Subsidiary | NO |

(b) List of related parties which has control and status of transactions entered during the year:

| S. No. | Name of the subsidiary company | Nature of relationship | Transaction entered during the year (Yes/No) |
|--------|--------------------------------|-------------------------|--|
| 1 | Loko Hospitality Pvt Ltd | Special Purpose Vehicle | Yes |

(b) Nature of contracts/arrangements/transactions:

Transactions entered during the year with related party

| S. No. | Name of the Person | Nature of transaction | Duration of the contract | Amount in lakhs. |
|--------|-----------------------------|-----------------------|---------------------------------|------------------|
| 1 | Loko Hospitality Pvt Ltd | Unsecured loan | Repayment of loan till Jan 2034 | Rs. 7,589.27/- |
| 2 | Café D'Lake Private Limited | Rent Expense | Closed in Sep 2023 | Rs.50.41/- |

- (c) Duration of the contracts/arrangements/transactions: as per above
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: NA
- (e) Date(s) of approval by the Board, if any: 12.02.2024
- (f) Amount paid as advances, if any: Not Applicable

During the financial year 2023-24, all related party transactions entered into by the Company were in the ordinary course of business and on an arm's length basis and were approved by the Audit Committee of the Company.

For and on behalf of Board of
Viceroy Hotels Limited

Sd/-

G. Jaganmohan Rao

Chairman and Independent Director
(DIN: 06743140)

Sd/-

Ravinder Reddy Kondareddy

Managing Director & CEO
(DIN: 00040368)

Place: Hyderabad
Date: 15.07.2024

Annexure - 5

FORM MR-3

SECRETARIAL AUDIT REPORT

{Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014}
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

To

The Members

Viceroy Hotels Limited

(CIN: L55101TG1965PLC001048)

8-2-120/112/88 & 89, Aparna Crest, 3rd Floor, Road No.2

Banjara Hills, Hyderabad – 500 034, Telangana

I had conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Viceroy Hotels Limited** (hereinafter referred to as “the Company”) for the financial year ended **March 31, 2024**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that, in my opinion, the Company has, during the audit period covering the financial year ended March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanisms in place to the extent, in the manner and subject to the reporting made hereinafter:

I 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, 2024** according to the provisions of:

1. The Companies Act, 2013 (the Act) (applicable Sections as on date) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
3. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder: **Not Applicable to the Company during the Audit Period.**
5. The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’)
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (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- **Not applicable as the Company has not issued any shares/options to Directors / employees during the year under review.**
 - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999- **Not applicable as the Company has not issued any options to Directors / employees during the year under review.**
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- Not applicable during the reporting period.
 - (g) The Securities and Exchange Board of India (Registration to an Issue and Share Transfers Agents) Regulations, 1993
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **Not applicable as the Company has not delisted/proposed to delist its equity shares during the year under review:**
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- **Not applicable as the Company has not bought back/proposed to buy-back any of its securities during the year under review:**
6. Other industry specific laws, as applicable to the Company, in our opinion and based on the representation made by the Management:
 - a. Food Safety and Standards Act, 2006 and Food Safety and Standards Rules, 2011; and
 - b. Food Safety and Standards (Packing & Labeling) Regulations, 2011.
 - c. Pollution Control Act, Air and Water Pollution Acts.
 - d. Fire safety Acts.

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

- i) Secretarial Standards issued by the Institute of Company Secretaries of India with respect to the meetings of Board of Directors (SS-1) and general meeting (SS-2).
- ii) The Securities and Exchange Board of India (Listing Obligations Requirements) Regulations, 2015 ("Listing Regulations") and the Listing Agreements entered into by the Company with the BSE Limited and National Stock Exchange of India Limited.

The corporate insolvency resolution process ("CIRP") was initiated in respect of the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 ("IBC") by an order of the Hon'ble National Company Law Tribunal, Hyderabad Bench ("NCLT") with effect from March 12, 2018. During the CIRP, the powers of the Board of Directors stood suspended and the powers were vested with the interim resolution professional/ resolution professional. The Hon'ble National Company Law Appellate Tribunal, Chennai Bench ("NCLAT") vide its order dated October 6, 2023, approved the resolution plan submitted by Anirudh Agro Farms Limited ("the successful resolution applicant"). As a part of implementation of the approved resolution plan, the erstwhile Board of Directors of the Company were replaced by the new Board of Directors with effect from October 12, 2023 and took control over the management of the Company on a fresh slate principle. Further, pursuant to the Hon'ble NCLAT order dated October 6, 2023, any penalty or fines, if any, imposed by the stock exchanges prior to the order date shall stand waived.

During the period under review and as per the explanations and clarifications given to us and there presentations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc.

I have not examined the compliance by the Company with applicable financial laws, like Direct & Indirect tax laws, Labour Laws, General and other specific Laws, since the same have been subject to review by statutory financial audit and other designated professionals.

I further report that:

During the CIRP period, the powers of the Board of Directors stood suspended and the powers were vested with the interim resolution professional/ resolution professional. As a part of implementation of the approved resolution plan, the erstwhile Board of Directors of the Company were replaced by the new Board of Directors with effect from October 12, 2023. Post completion of CIRP, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Directors. The changes in the composition of Board of Directors that took place during the year under review, were carried out in compliance with the provisions of the Act, Listing Regulations and the Hon'ble NCLAT, order dated October 6, 2023. During the CIRP period, meetings were convened by the resolution professional in lieu of Board of Directors and post completion of CIRP, Board Meetings were convened for which notices were given, agenda and detailed notes on agenda were sent in advance before the meeting, 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 the decisions to manage the affairs of the Company were carried out by resolution professional during the period from March 2018 to October 6, 2023 and by the monitoring committee (as per the approved resolution plan) during the period from October 6, 2023 to October 12, 2023 and by the newly constituted Board of Directors after October 12, 2023. All the decisions were carried out with requisite majority and there were no dissenting views and hence not recorded as part of the minutes.

I further report that, there appear 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

I further report that,

- a) A monitoring committee was constituted in accordance with the Resolution Plan approved by Hon'ble NCLAT, order dated, March 12, 2023.
- b) Loko Hospitality Private Limited (Subsidiary of Successful Resolution Applicant Anirudh Agro Farms Limited) had infused the funds in the Company as per the approved resolution plan. Thus, the Company became the subsidiary of Loko Hospitality Private Limited.
- c) the erstwhile Board of Directors of the Company were dissolved and all the Directors under the erstwhile Board deemed to have resigned with effect from October 12, 2023.
- d) the Monitoring committee as its closing meeting held on October 12, 2023 had re-constituted the Board of Company with the Directors nominated by the Resolution Applicant.
- e) The reconstituted Board of Directors of the Company took control over the management of the Company with effect from October 12, 2023 on a fresh state principle.
- f) the following corporate actions were approved by the monitoring committee on October 12, 2023 and by the newly constituted Board on October 12, 2023:
 - i) Extinguishment and cancellation of 56,87,781 Equity shares of Rs.10/- each held by erst while promoters.
 - ii) Allotment of 6,31,579 shares of Rs.10/- each to the public shareholders.
 - iii) Allotment of 6,00,00,000 equity shares of Rs.10/- each to Loko Hospitality Private Limited (Subsidiary of Successful Resolution Applicant Anirudh Agro Farms Limited)
 - iv) Allotment of 25,26,316 equity shares of Rs.10/- to the Assenting Creditors.
 - v) The exchanges have granted the trading approval and the trading the Company's equity shares on the Stock Exchange has recommenced with effect from 3rd day of April, 2024

I further report that during the audit Period, there were no instances of :

- a) Redemption/ buy back of securities
- b) Major decisions taken by the members in pursuance to Section 180 of the Act.
- c) Merger/ amalgamation / constitution etc.,
- d) Foreign technical collaborations.

I, further report that during the audit period, except for

- a) the approval of the Resolution Plan by the National Company Law Appellate Tribunal, Chennai Bench, and consequent reduction and extinguishment of the equity share capital held by the erstwhile promoters and the public shareholders,
- b) reconstitution of Board of Directors, Committees and change in Key Managerial Personnel, in compliance with the Act and SEBI (Listing Obligations Requirements) Regulations, 2015,

there were no specific events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc., except as provided in Auditors Report

Seshadri Vasan Gollur

Company Secretary in Practice

FCS No: 11842/ CP No: 26490

PR No: 3374/2023

UDIN: F011842F000506644

Date: 30.05.2024

Place: Hyderabad

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

'Annexure A'

To

The Members

Viceroy Hotels Limited

(CIN: CIN: L55101TG1965PLC001048)

8-2-120/112/88 & 89, Aparna Crest, 3rd Floor, Road No.2

Banjara Hills, Hyderabad – 500 034, Telangana

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 these secretarial records based on our audit.
2. I have followed the audit practices and process 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, I believe that the processes and practices, followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I had obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. 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 test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
7. I further report that the compliance by the Company of applicable fiscal laws like Direct & Indirect tax laws, Labour Laws, General and other specific Laws as may be applicable to the Company, have not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

Date: 30.05.2024

Place: Hyderabad

Seshadri Vasam Gollur

Company Secretary in Practice

FCS No: 11842/ CP No: 26490

PR No: 3374/2023

UDIN: F011842F000506644

Annexure - 6

Management Discussion & Analysis Report



We, the Management & Board of your Company, take this opportunity to bring the 59th Annual Report to you while it is the first Annual Report post Corporate Insolvency and Resolution Process ('CIRP') process.

As you all know, CIRP was initiated against your company on March 12, 2018 and the Resolution Plan, submitted by Anirudh Agro Farms Limited, was approved by Committee of Creditors and later it was approved by Hon'ble NCLAT on October 06, 2023. After the Resolution Plan was successfully implemented, we, the new management took over the company's operations.

As we move forward, by giving a new start to the company, your Board and the management of your company intend to channelize company's expertise, experience, and resources to shape new future of the company. We believe any business in today's world needs to be flexible enough to change its course with changing times and for this, the Board wants to make this company agile enough to seize any winning opportunities.

Overview of the Company

Viceroy Hotels Ltd is in the hospitality business and owns and operates 2 hotels in Hyderabad with the Brand Name of Marriott and Courtyard by Marriott. These hotels are located in the Central Business District of Hyderabad and cater to both the luxury and business segments. Our vision is to be the premier choice for travellers seeking luxury and comfort at affordable price, and our mission is to exceed guest expectations through impeccable service and innovative offerings.

Financial Performance



Revenue Analysis

For the fiscal year ended March 31, 2024, Viceroy Hotels Limited reported total revenue of ₹11,945.27 Lakhs, an increase of 21% compared to ₹9,875.30 Lakhs in the previous year. The increase in revenue is due to increase in occupancy and ARR.



Profitability

The company reported an EBITDA of ₹2,333.83 Lakhs for the fiscal year, from ₹1,370.69 Lakhs in the previous year. The net profit for the year was ₹703.30 Lakhs, compared to a net profit of ₹476.31 Lakhs in the prior year. The increase in net profit was driven by increase in the revenue of the Company.



Expense Analysis

Total expenses for the fiscal year amounted to ₹11,137.77 Lakhs, from ₹9,352.59 Lakhs in the previous year. This increase in expense is due to increase in Employee Benefit Expense and Operating Expenses.



Balance Sheet

As of March 31, 2024, VHL's total assets stood at ₹23,878.75 Lakhs, an increase from ₹23,565.09 Lakhs in the previous year, largely due to increase in cash and Cash Equivalents from operations. Total liabilities decreased significantly to ₹11,963.16 Lakhs from ₹63,680.71 Lakhs, reflecting the extinguishment of balance liabilities to financial creditors and other operational creditors.



Cash Flow

Cash flow from operating activities was positive at ₹1,858.97 Lakhs, up from ₹940.38 Lakhs in the previous year, demonstrating improved operational performance. Cash flow used in investing activities was ₹1,445.80 Lakhs, primarily for property maintenance and upgrades. Cash flow from financing activities amounted to ₹1,445.88 Lakhs, mainly from new borrowings. The net cash flow for the year was positive at ₹1,859.05 Lakhs.

Operational Performance

Our operational performance was robust, with several key metrics showing positive trends. The overall occupancy rate for the year was 66.8%, with the Average Daily Rate ₹6707 and Revenue Per Available Room (RevPAR) of ₹4383 showing resilience despite market challenges.

Industry Trends

The hospitality industry saw a varied performance during the year, influenced by global economic conditions and travel patterns. The industry is experiencing a rebound in travel demand post-pandemic, with increased domestic and international tourism. However, rising operating costs and labor shortages remain significant challenges.

Risks and Opportunities

Key risks include economic fluctuations, regulatory changes, and potential geopolitical impacts on travel. To mitigate these risks, VHL has implemented comprehensive risk management strategies, focusing on operational efficiency and cost control. Opportunities for growth include expanding into emerging markets, enhancing digital capabilities, and developing new service offerings to meet evolving customer needs.

Future Outlook

Looking ahead, VHL is committed to expanding its footprint with new properties. We are investing in digital transformation to enhance guest experiences and streamline operations. The hospitality industry's outlook remains positive, with expected growth in travel and tourism activities, and VHL is well-positioned to capitalize on these opportunities.

Corporate Governance

Our board of directors comprises of experienced professionals with diverse backgrounds, ensuring robust governance and strategic oversight. VHL is committed to maintaining high standards of corporate governance and ethical conduct, fostering transparency and accountability in all our operations.

Conclusion

Despite facing challenges, Viceroy Hotels Limited has demonstrated resilience through effective cost management and strategic investments. We are optimistic about the future and remain dedicated to delivering exceptional hospitality experiences and driving sustainable growth for our stakeholders.

This comprehensive Management Discussion and Analysis report provides a clear and detailed overview of Viceroy Hotels Limited's financial and operational performance, strategic direction, and future outlook for the fiscal year ended March 31, 2024.

Annexure - 7

Corporate Governance Report

In accordance with Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report containing the details of Corporate Governance systems and processes at Viceroy Hotels Limited as follows:

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on Code of Governance is backed by Principles of Concern, Commitment, Ethics, Excellence and Learning in all its acts and relationships with Stakeholders, Associates and Community at large. This philosophy revolves around fair and transparent governance and disclosure practices in line with the principles of Good Corporate Governance. The Corporate Governance Structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the Senior Management, Employees, etc. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

DATE OF REPORT

The information provided in the Report on Corporate Governance for the purpose of unanimity is as on 31st March, 2024. The Report is updated as on the date of the report wherever applicable.

BOARD DIVERSITY:

The Company recognizes and embraces the importance of a diverse Board in its success. We believe that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and

industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Policy of Board Diversity is available on our website i.e www.viceroyhotels.in.

BOARD OF DIRECTORS

A. COMPOSITION OF THE BOARD

The Company is managed and controlled through a professional body of Board of Directors which comprises of an optimum combination of Executive and Independent Directors headed by the Chairman & Managing Director. As on date of this report, the Board of Directors of the Company has 6 members (including two independent Non-Executive Directors) with vast experience and knowledge. None of the Directors on the Board is a Member of more than 10 committees or Chairman of more than 5 companies across all the Companies in which he/she is a Director.

The Board has been enriched with the advices and skills of the Independent Directors. The composition of the Board of Directors and details of number of Directorships/committee chairmanships/memberships attendance particulars is as under:

B. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS HELD AND DATES ON WHICH HELD:

Dates on which Board meetings were held: 29.05.2023, 14.08.2023, 08.09.2023, 20.10.2023, 10.11.2023, 11.12.2023, and 12.02.2024.

C. ATTENDANCE AND DIRECTORSHIPS HELD:

| Name | Category | Attendance at the AGM held on 30.09.2023 | Attendance in Board Meetings | | No. of Directorships in other companies (name of the listed company to be mentioned) | | No. of committee positions held in other public companies | |
|-------------------------------|--------------------------------|--|------------------------------|---------|--|----------|---|-------------------------------|
| | | | Held ^A | Present | Chairman | Director | Chairman | Member (include chairmanship) |
| Mr. Ravinder Reddy Kondareddy | Promoter and Managing Director | Not Applicable | 4 | 4 | - | 9 | - | - |
| Mr. Gorinka | Independent | Not | 4 | 4 | - | 1 | - | - |
| Jaganmohan Rao | Director, Chairman | Applicable | | | | | | |
| Mr.Puli Venkata Krishna Reddy | Independent Director | Not Applicable | 4 | 4 | - | - | - | - |
| Mr. Prabhaker Reddy Solipuram | Non-Executive Director | Not Applicable | 4 | 4 | - | 8 | - | - |

| Name | Category | Attendance at the AGM held on 30.09.2023 | Attendance in Board Meetings | | No. of Directorships in other companies (name of the listed company to be mentioned) | | No. of committee positions held in other public companies | |
|------------------------------|---------------|--|------------------------------|---------|--|----------|---|-------------------------------|
| | | | Held ^A | Present | Chairman | Director | Chairman | Member (include chairmanship) |
| Mr. Anirudh Reddy Kondareddy | Non-Executive | Not | 4 | 4 | - | 7 | - | - |
| Ms. Pooja Reddy Konda Reddy | Director | Applicable | | | | | | |
| Ms. Pooja Reddy | Non-Executive | Not | 4 | 4 | - | 2 | -- | -- |
| Konda Reddy | Director | Applicable | | | | | | |

Note: Chairmanship and Directorship excluding Viceroy Hotels Limited was considered for the purpose of this report. No. of meetings includes meetings after 12.10.2023, i.e meetings conducted after constitution of the new Board.

The Name of other listed entities where directors of the company are directors and the category of directorship are shown in **Table 2**.

| Name of Director | Name of listed entities in which the concerned Director is a Director | Category of Directorship |
|------------------|---|--------------------------|
| NA | NA | NA |

D. A CHART OR A MATRIX SETTING OUT THE SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS:

| S. No. | Skills / Expertise / Competence of the Board of Directors are required in the context of business of the Company | Names of the Directors who have such skills / expertise / competence |
|--------|--|---|
| 1 | Strategic planning & Management | Mr. Ravinder Reddy Kondareddy, Mr. Anirudh Reddy Kondareddy, Mr. Prabhaker Reddy Solipuram, Ms. Pooja Reddy Konda Reddy |
| 2 | Accounting, Finance & Taxation | Mr. Gorinka Jaganmohan Rao, Mr. Reddy Puli Venkata Krishna |
| 3 | Regulatory, Corporate Governance & Compliance Management | Mr. Gorinka Jaganmohan Rao, Mr. Reddy Puli Venkata Krishna, Mr. Prabhaker Reddy Solipuram |
| 4 | Industry Expertise | Mr. Ravinder Reddy Kondareddy, Mr. Prabhaker Reddy Solipuram |

E. DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE:

Mr. Ravinder Reddy Kondareddy, Mr. Anirudh Reddy Kondareddy and Ms. Pooja Reddy Konda Reddy who are immediate relatives, none of the other directors are related.

F. NUMBER OF SHARES HELD BY NON-EXECUTIVE DIRECTORS:

As on date, none of the Non-Executive directors of the company directly holds any Equity Shares in the company. However, Mr. Anirudh Reddy Konda Reddy holds 4,98,96,000 equity shares of the company in capacity of a beneficial owner.

G. DECLARATION BY INDEPENDENT DIRECTORS:

The Company has complied with the definition of Independence as per Regulation 16(1) (b) of the SEBI (LODR), Regulations, 2015 and according to the Provisions of Section 149(6) of the Companies Act, 2013.

The Company has also obtained declarations from all the Independent Directors pursuant to Section 149(7) of the Companies Act, 2013. It is also confirmed that in the opinion of the Board, the Independent Directors fulfil the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

H. INDEPENDENT DIRECTORS' MEETING:

As per Clause 7 of the Schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent Directors) was held on 12.02.2024, and discussed the following:

1. Evaluation of the performance of Non-Independent Directors and the Board of Directors as whole;
2. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors of the Company eligible to attend were present at the meeting.

As required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company regularly familiarizes Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc.

I. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

Independent Directors are familiarized about the Company's operations and businesses. Interaction with the Business heads and key executives of the Company is also facilitated. Detailed presentations on important policies of the Company are also made to the directors.

The details of Familiarization Programme held in FY 2023-24 are also disclosed on the Company's website at www.viceroyhotels.in.

J. INFORMATION SUPPLIED TO THE BOARD:

The Board has complete access to all information of the Company and is regularly provided advanced detailed information as a part of the agenda papers or is tabled therein. In addition, detailed quarterly performance report is presented in the quarterly Board meeting, encompassing all facets of the Company's operations during the quarter, including update of key projects, outlook and matters relating to environment, health & safety, corporate social responsibility etc.

K. DECLARATION BY BOARD

The Board has confirmed that in its opinion, the Independent Directors fulfil the conditions specified in these regulations and are independent of the management

L. COMMITTEES OF THE BOARD:

The Company has three Board-level Committees - Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee and Risk Management Committee.

All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of service for Committee members are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided in this report below:

- 1. AUDIT COMMITTEE:** Audit Committee was constituted in terms of Section 177 of Companies Act, 2013 read with Regulation 18 of SEBI (LODR) Regulations, 2015 by the new management subsequent to CIRP proceedings on 12.10.2023.

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:

The terms of reference of the Audit Committee encompasses the requirements of Section 177 of Companies Act, 2013 and as per Regulation 18 of SEBI (LODR) Regulations, 2015 and, inter alia, includes:

B. THE AUDIT COMMITTEE SHALL MANDATORILY REVIEW THE FOLLOWING INFORMATION

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- ii. Recommending the appointment and removal of External Auditors, fixation of audit fee and approval for payment for any other services;
- iii. Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding Rs.100 Crores 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.
- iv. Review with the management and statutory auditors of the annual financial statements before submission to the Board with particular reference to:
 - (a) Matters required to be included in the directors' responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
 - (b) Changes, if any, in accounting policies and practices and reasons for the same;
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) Significant adjustments made in the financial statements arising out of audit findings;
 - (e) Compliance with listing and other legal requirements relating to financial statements;
 - (f) Disclosure of any related party transactions;
 - (g) Modified opinion(s) in the draft audit report;

- v. Review of the quarterly and half yearly financial results with the management before submission to the board for approval;
- vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- vii. Review and monitor statutory auditor's independence and performance and effectiveness of audit process;
- viii. Approval or any subsequent modification of transactions with related parties;
- ix. Scrutiny of inter-corporate loans and investments;
- x. Review of valuation of undertakings or assets of the company wherever it is necessary;
- xi. Evaluation of internal financial controls and risk management systems;
- xii. Review with the management, statutory auditors and the internal auditors about the nature and scope of audits and of the adequacy of internal control systems;
- xiii. 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;
- xiv. Discussion with internal auditors of any significant findings and follow up there on;
- xv. 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;
- xvi. 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;
- xvii. Look into the reasons for any substantial defaults in payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividend) and creditors, if any;
- xviii. Review the functioning of the whistle blower mechanism;
- xix. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate
- xx. Review of the following information:
- (a) Management discussion and analysis of financial condition and results of operations;
- (b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- (c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- (d) Internal audit reports relating to internal control weaknesses;
- (e) The appointment, removal and terms of remuneration of the Chief Internal Auditor;
- (f) Statement of deviations:
- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.
 - Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus in terms of Regulation 32(7) of the Listing Regulations.
- xxi. Carrying out any other function as may be referred to the Committee by the Board.
- xxii. Authority to review / investigate into any matter covered by Section 177 of the Companies Act, 2013 and matters specified in Part C of Schedule II of the Listing Regulations.
- xxiii. Authority to review / investigate into any matter covered by Section 177 of the Companies Act, 2013 and matters specified in Part C of Schedule II of the Listing Regulations.

C. COMPOSITION, MEETINGS & ATTENDANCE

There were three (3) Audit Committee Meetings held under the new management with the reconstituted Board of Directors and Audit Committee during the year on 10.11.2023, 11.12.2023 and 12.02.2024.

| Name | Designation | Category | Number of meetings during the year 2023-24 | |
|------------------------------|--------------------------|----------|--|---------|
| | | | Held | present |
| Mr. G. Jaganmohan Rao | Independent Director | Chairman | 3 | 3 |
| Mr. PV Krishna Reddy | Independent Director | Member | 3 | 3 |
| Mr. Anirudh Reddy Kondareddy | Non - Executive Director | Member | 3 | 3 |

Note: No. of meetings includes meetings after 12.10.2023, i.e meetings conducted after constitution of the new Board.

- D.** Previous Annual General Meeting of the Company was held on 30th September 2023 and Mr. G. Jagannathan Rao, Chairman of the present Audit Committee was appointed on 12.10.2023 and therefore did not attend previous Annual General Meeting.

2. NOMINATION AND REMUNERATION COMMITTEE:

Nomination and Remuneration Committee was constituted in terms of Section 178 of Companies Act, 2013 read with Regulation 19 of SEBI (LODR) Regulations, 2015 by the new management subsequent to CIRP proceedings on 12.10.2023.

The terms of reference of the Nomination and Remuneration committee constituted in terms of Section 178 of Companies Act, 2013 and as per Regulation 19 of SEBI (LODR) Regulations, 2015 are as under:

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE

To approve the fixation/revision of remuneration of Executive Directors of the Company and while approving:

- To take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
- To bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.
- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and /or removal.
- To carry out evaluation of every Director's performance.

- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.

- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - use the services of an external agencies, if required;
 - consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - consider the time commitments of the candidates.

- use the services of an external agencies, if required;

- consider candidates from a wide range of backgrounds, having due regard to diversity; and

- consider the time commitments of the candidates.

- To formulate the criteria for evaluation of Independent Directors and the Board.

- To recommend/review remuneration of the Managing Director and Whole-time Director(s) based on their performance and defined assessment criteria.

- Devising a policy on diversity of board of directors;

- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

- Recommend to the board, all remuneration, in whatever form, payable to senior management.

B. COMPOSITION OF THE NOMINATION AND REMUNERATION COMMITTEE, MEETINGS & ATTENDANCE

Two Nomination and Remuneration Committee Meetings were held during the financial year on 11.12.2023 and 12.02.2024

| Name | Designation | Category | Number of meetings during the year 2023-24 | |
|------------------------|----------------------------|----------|--|---------|
| | | | Held | present |
| Mr. P.V. Krishna Reddy | Independent, Non-Executive | Chairman | 2 | 2 |
| Mr. G. Jagannathan Rao | Independent, Non-Executive | Member | 2 | 2 |
| Mr. S. Prabhakar Reddy | Non-Executive | Member | 2 | 2 |

Note: No. of meetings includes meetings after 12.10.2023, i.e meetings conducted after constitution of the new Board.

C. REMUNERATION POLICY:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit. The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered and individual performance.

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE:

1. Scope:

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as Independent Directors of the Company.

2. Terms and References:

2.1 "Director" means a Director appointed to the Board of a Company.

2.2 "Nomination and Remuneration Committee" means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2.3 "Independent Director" means a Director referred to in sub-Section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. Policy:

Qualifications and criteria

3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.

3.1.2 In evaluating the suitability of individual Board member the Nomination and Remuneration Committee may take into account factors, such as:

- General understanding of the Company's business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

3.1.3 The proposed appointee shall also fulfil the following requirements:

- shall possess a Director Identification Number;
- shall not be disqualified under the companies Act, 2013;
- shall Endeavour to attend all Board Meeting and wherever he is appointed as a Committee member, the committee meeting;

- shall abide by the code of conduct established by the company for Directors and senior management personnel;
- shall disclose his concern or interest in any Company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as any prescribed, from time to time, under the Companies Act, 2013,

Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant laws.

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

3.2 Criteria of Independence

3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2.2 The criteria of independence shall be in accordance with the guidelines as laid down in Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

An Independent Director in relation to a Company, means a Director other than a Managing Director or a whole-Time Director or a Nominee Director -

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- b. (i) who is or was not a promoters of the Company or its holding, subsidiary or associate Company or member of the promoter group of the listed entity;
- (ii) who is not related to promoters or Directors of the Company its holding, subsidiary or associate Company
- c. who, apart from receiving director's remuneration, who has or had no pecuniary relationship with the Company, its Holding, Subsidiary or Associate Company, or their promoters, or Director, during the two immediately preceding financial year or during the current financial year;
- d. none of whose relative
 - (A) is holding securities of or interest in the listed entity, its holding, subsidiary or associate company during the three immediately preceding financial years or during the current financial year of face value in excess of fifty lakh rupees or two percent of the paid-

up capital of the listed entity, its holding, subsidiary or associate company, respectively, or such higher sum as may be specified;

- (B) is indebted to the listed entity, its holding, subsidiary or associate company or their promoters or directors, in excess of such amount as may be specified during the three immediately preceding financial years or during the current financial year;
- (C) has given a guarantee or provided any security in connection with the indebtedness of any third person to the listed entity, its holding, subsidiary or associate company or their promoters or directors, for such amount as may be specified during the three immediately preceding financial years or during the current financial year; or
- (D) has any other pecuniary transaction or relationship with the listed entity, its holding, subsidiary or associate company amounting to two percent or more of its gross turnover or total income:

Provided that the pecuniary relationship or transaction with the listed entity, its holding, subsidiary or associate company or their promoters, or directors in relation to points (A) to (D) above shall not exceed two percent of its gross turnover or total income or fifty lakh rupees or such higher amount as may be specified from time to time, whichever is lower.

- e. who, neither himself nor any of his relative-
 - (i) Holds or has held the position of a key managerial personnel or is or has been employee of the or associate Company or any company belonging to the promoter group of the listed entity in any of the three finance years immediately preceding the finance year in which he is proposed to be appointed;

Provided that in case of a relative, who is an employee other than key managerial personnel, the restriction under this clause shall not apply for his / her employment
 - (ii) Is or has been an employee or proprietor or a partner, in any of the three finance year immediately preceding the financial year in which he is proposed to be appointed of-
 - (A) a firm of auditors or Company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate Company; or
 - (B) any legal or a consulting firm that has or had any transaction with the Company, its holding subsidiary or associate Company amounting to ten per cent or more of the gross turnover of more of the gross turnover of such firm;
 - (i) holds together with his relatives two per cent or more of the total voting power of the Company;

Or

- (ii) is a chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipt from the Company any of its promoters, Directors or its holding subsidiary or associate Company or that holds two per cent or more of the total voting power of the Company; or
- (iii) is a material supplier, service provider or customer or a lesser or lessee of the Company.
- f. Shall possess appropriate skills experience and knowledge in one or more field of finance, law Management, sales, marketing administration, research, corporate governance, technical operations, corporate social responsibility or this disciplines related to the Company's business.
- g. Shall possess such other qualifications as may be prescribed from time to time, under the Companies Act, 2013.
- h. Who is not less than 21 years of age.
- i. Who is not a non-independent Director of another company on the Board of which any non-independent director of the listed entity is an independent director.

3.2.3 The independent Director shall abide by the "code for independent Directors "as specified in Schedule IV to the Companies Act, 2013.

3.3 Other Directorships/ Committee Memberships:

3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance Accordingly, members should voluntarily limit their Directorships in other listed public limited companies in such a way that it does not interfere with their role as Director of the Company. The Nomination and Remuneration Committee shall take into account the nature of, and the time involved in a director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

3.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be public limited companies.

3.3.3 A Director shall not serve as an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed Company.

3.3.4 A Director shall not be a member in more than 10 committee or act as chairman of more than 5 committee across all companies in which he holds Directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign

companies and companies under Section 8 of the companies Act, 2013 shall be excluded.

D. REMUNERATION POLICY FOR DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit. The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered and individual performance.

PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS VIS-À-VIS THE LISTED COMPANY:

1. Scope:

This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the Directors, key managerial personnel and other employees of the Company.

2. Terms and Reference: In this policy the following terms shall have the following meanings:

2.1 "Director" means a Director appointed to the Board of the Company.

2.2 "key managerial personnel" means

- (i) The Chief Executive Officer or the managing Director or the manager;
- (ii) The Company Secretary;
- (iii) The Whole-time Director;
- (iv) The Chief Financial Officer; and
- (v) Such other office as may be prescribed under the companies Act, 2013

2.3 "Nomination and Remuneration committee" means the committee constituted by Board in accordance with the provisions of Section 178 of the companies Act, 2013, clause 49 of the Equity Listing Agreement and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. Policy:

3.1 Remuneration to Executive Director and key managerial personnel:

3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR).

3.1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the Company.

3.1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:

- (i) Basic pay

(ii) Perquisites and Allowances

(iii) Stock Options

(iv) Commission (Applicable in case of Executive Directors)

(v) Retrial benefits

(vi) Annual performance Bonus

3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the Nomination and Remuneration committee and Annual performance bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

3.2 Remuneration to Non – Executive Directors

3.2.1 The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders as per the provisions of the Companies Act.

3.2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

3.3. Remuneration to other employees:

3.3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

E. MECHANISM FOR EVALUATION OF THE BOARD:

Pursuant to provisions of Regulation 17(10) of the SEBI Listing Regulations and the provisions of the Act, an annual Board effectiveness evaluation was conducted for FY 2023-24 on 12th February 2024, involving the following:

- ii. Evaluation of IDs, in their absence, by the entire Board was undertaken, based on their performance and fulfillment of the independence criteria prescribed under the Act and SEBI Listing Regulations; and
- iii. Evaluation of the Board of Directors, its Committees and individual Directors, including the role of the Board Chairman. An IDs' meeting, in accordance with the provisions of Section 149(8) read with Schedule IV of the Act and Regulation 25(3) and 25(4) of the SEBI Listing Regulations, was convened on 12th February 2024, mainly to review the performance of Independent Directors and the Chairman & Managing Director as also the Board as a whole.

i) Board: Composition, responsibilities, stakeholder value and responsibility, Board development, diversity, governance, leadership, directions, strategic input, etc.

- ii) Executive Directors:** Skill, knowledge, performance, compliances, ethical standards, risk mitigation, sustainability, strategy formulation and execution, financial planning & performance, managing human relations, appropriate succession plan, external relations including CSR, community involvement and image building, etc.
- iii) Independent Directors:** Participation, managing relationship, ethics and integrity, Objectivity, brining independent judgement, time devotion, protecting interest of minority shareholders, domain knowledge contribution, etc.
- iv) Chairman:** Managing relationships, commitment, leadership effectiveness, promotion of training and development of directors etc.

- v) Committees:** Terms of reference, participation of members, responsibility delegated, functions and duties, objectives alignment with company strategy, composition of committee, committee meetings and procedures, management relations.

Disclosures as prescribed under SEBI circular SEBI/HO/CFD/CMD/CIR/P/2018/79 dated 10th May 2018 are given below:

| | |
|--|---|
| Observations of Board evaluation carried out for the year | No observations. |
| Previous year's observations and actions taken | Since no observations were received, no actions were taken. |
| Proposed actions based on current year observations | Since no observations were received, no actions were taken. |

F. REMUNERATION TO DIRECTORS

| Name of the Director | Remuneration (Rs) | Sitting Fee (Rs) | Total (Rs) | No. of Equity Shares held |
|--------------------------------|-------------------|------------------|------------|---|
| Mr. Ravinder Reddy Kondareddy | - | - | - | - |
| Mr. Gorinka Jaganmohan Rao | - | 1,40,000 | - | - |
| Mr. Prabhaker Reddy Solipuram | - | 80,000 | - | - |
| Mr. Anirudh Reddy Kondareddy | - | 1,40,000 | - | Indirectly holds 79% of shares of Viceroy Hotels amounting to 4,98,96,000 no. of shares of the company in capacity of a beneficial owner. |
| Mr. Puli Venkata Krishna Reddy | - | 1,40,000 | - | - |
| Ms. Pooja Reddy Konda Reddy | - | 80,000 | - | - |

Except for the remuneration details mentioned above, there is no other pecuniary relationship or transactions of the non-executive Director's vis-à-vis the listed entity in terms of salary, benefits, bonuses, stock options, pension, fixed component and performance linked incentives.

interfere with their role as director of the company. The NR Committee shall take into account the nature of and the time involved in a director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

G. PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

The performance evaluation criteria for Independent Directors are already mentioned under the head "Board Evaluation" in Directors' Report.

- ii. Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.
- iii. Director shall not serve as an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.
- iv. Director shall not be a member in more than 10 committees or act as chairman of more than 5 committees across all companies in which he holds directorships.

H. WEB LINK FOR CRITERIA OF MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS: www.viceroyhotels.in

I. OTHER DIRECTORSHIPS/ COMMITTEE MEMBERSHIPS:

- i. The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under section 8 of the Companies Act, 2013 shall be excluded.

3. STAKEHOLDERS RELATIONSHIP COMMITTEE:

Stakeholders Relationship Committee was constituted in terms of Section 178(5) of Companies Act, 2013 read with Regulation 20 of SEBI (LODR) Regulations, 2015 by the new management subsequent to CIRP proceedings on 12.10.2023.

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE: The Committee's role includes:

- i. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- ii. Review of measures taken for effective exercise of voting rights by shareholders;

- iii. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- iv. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company;
- v. Such other matter as may be specified by the Board from time to time.
- vi. Authority to review / investigate into any matter covered by Section 178 of the Companies Act, 2013 and matters specified in Part D of Schedule II of the Listing Regulations. During the Financial Year April 2023 to March 2024, One (1) Stakeholders Relationship Committee Meeting was held. The date on which the said meetings were held is 12.02.2024.

B. COMPOSITION OF THE STAKEHOLDER RELATIONSHIP COMMITTEE, MEETINGS & ATTENDANCE

There was one Stakeholder Relationship Committee Meetings held during the financial year on 12.02.2024.

| Name | Designation | Category | Number of meetings during the year 2023-24 | |
|------------------------------|----------------------------|----------|--|---------|
| | | | Held | Present |
| Mr. Anirudh Reddy Kondareddy | Non-Executive | Chairman | 1 | 1 |
| Mr. P.V. Krishna Reddy | Independent, Non-Executive | Member | 1 | 1 |
| Mr. S.Prabhakar Reddy | Non-Executive | Member | 1 | 1 |

C. NAME AND DESIGNATION OF COMPLIANCE OFFICER

Mrs. T A Veena, Company Secretary of the Company is the Compliance Officer of the Company.

D. DETAILS OF COMPLAINTS/REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR 2023-24:

| INVESTOR COMPLAINTS | |
|---|-----------------------|
| Particulars | Year ended 31.03.2024 |
| Pending at the beginning of the year | 0 |
| Received during the year | 0 |
| Disposed of during the year | 0 |
| Remaining unresolved at the end of the year | 0 |

4. RISK MANAGEMENT COMMITTEE:**A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:**

The Committee's role includes:

The role of the committee shall, inter alia, include 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,

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.

B. COMPOSITION OF THE COMMITTEE, MEETINGS AND ATTENDANCE DURING THE YEAR:

There were no Risk Management Committee Meetings held during the year as the company did not qualify under top 1000 company as per Market Capitalization criteria.

| Name | Designation | Category | No of Meetings held | No of Meetings attended |
|------------------------|-------------|-------------------------|---------------------|-------------------------|
| Mr. K. Ravinder Reddy | Chairman | Executive Director | - | - |
| Mr. K. Anirudh Reddy | Member | Non-Executive | - | - |
| Ms. K. Pooja Reddy | Member | Independent | - | - |
| Mr. S. Prabhaker Reddy | Member | Independent | - | - |
| Mr. G. Jagannmohan Rao | Member | Independent | - | - |
| Mr. Pradyumna Kodali | Member | Chief Financial Officer | - | - |

5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Committee comprising of Non-Executive Directors including two Independent Directors was constituted by the new management subsequent o CIRP proceedings on 12.10.2023 to:

- a. 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 Act;
- b. Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- c. Monitor the Corporate Social Responsibility Policy of the Company from time to time.

The CSR Policy is uploaded on the Company's website as required under the provisions of Section 135 of the Act and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

COMPOSITION OF THE COMMITTEE, MEETINGS AND ATTENDANCE DURING THE YEAR:

The company did not hold any CSR committee meeting during the FY 2023-24.

| Name | Designation | Category | No of Meetings held | No of Meetings attended |
|------------------------|-------------|------------------------|---------------------|-------------------------|
| Mr. Ravinder Reddy | Chairman | Executive Director | - | - |
| Mr. K. Anirudh Reddy | Member | Non-Executive Director | - | - |
| Ms. K. Pooja Reddy | Member | Non-Executive Director | - | - |
| Mr. S. Prabhaker Reddy | Member | Non-Executive Director | - | - |
| Mr. P.V. Krishna Reddy | Member | Independent Director | - | - |

6. SENIOR MANAGEMENT:

Particulars of senior management including the changes therein since the close of the previous financial year:

The Nomination and Remuneration Policy of the Company defines Senior Management of the Company. Below is the list of Senior Management Personnel of the Company as on 31st March 2024.

| S. No. | Name of the Senior Management Personnel | Designation |
|--------|---|--|
| 1 | Amit Sachdeva | Cluster General Manager |
| 2 | Ashwin Sunil Vaidya | Director Of Operations |
| 3 | A K Sudeesh Nair | Multi Property Director Of Finance |
| 4 | Kiranpreet Kaur | Multi Property Director Of Human Resources |
| 5 | *Tushar Garg | Director Of Sales & Marketing |

*Appointed w.e.f 10.01.2023.

7. DIRECTORS AND OFFICERS INSURANCE:

In line with the requirements of Regulation 25(10) of the Listing Regulations, the Company has in place a Directors and Officers Liability Insurance policy.

8. GENERAL BODY MEETINGS

1. LOCATION, DATE AND TIME OF LAST THREE AGMS / EGMS AND SPECIAL RESOLUTIONS THERE AT AS UNDER:

| Financial Year | Date | Type of Meeting | Time | Venue | Special Resolution Passed |
|----------------|------------|-----------------|----------|--------------------------|---------------------------|
| 2020-21 | 30.12.2021 | AGM | 09.00 am | Through Video conference | No |
| 2021-22 | 30.12.2022 | AGM | 11.00 am | Through Video conference | No |
| 2022-23 | 30.09.2023 | AGM | 09.00 am | Through video conference | No |

2. PASSING OF RESOLUTIONS BY POSTAL BALLOT

There were no resolutions passed by the Company through Postal Ballot during the Financial Year 2023-24.

F. MEANS OF COMMUNICATION:

The Company promptly discloses information on material corporate developments and other events as required under the Listing Regulations. Such timely disclosures indicate the good corporate governance practices of the Company. For this purpose, it provides multiple channels of communications through dissemination of information on the online portal of the Stock Exchanges, Annual Reports and by placing relevant information on its website.

i. Publication of financial results: Quarterly, half-yearly and annual financial results of the Company are published in leading English and Telugu language newspaper,.

ii. Website and News Releases: In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section under 'Investor Relations' i.e. 'Disclosure under Regulation 46 of SEBI (LODR) Regulations' on the Company's website gives information on various announcements made by the Company, Annual Reports, financial results along with the applicable policies of the Company.

Quarterly Compliance Reports on Corporate Governance and other relevant information of interest to the Investors are also placed under the Investors section on the Company's website.

iii. Stock Exchange: The Company has a Policy for determination of Materiality of Events/Information for the purpose of making disclosure to the Stock Exchanges. The

Managing Director and CFO are severally authorised to decide on the materiality of information for the purpose of making disclosures to the Stock Exchanges. The Company makes timely disclosures of necessary information to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), where shares of the Company are listed, in terms of the Listing Regulations and other applicable rules and regulations issued by the SEBI. The Policy for determination of Materiality of Events/Information is available on the Company's website at www.viceroyhotels.in

iv. Exclusive email ID for investors: The Company has a designated email id i.e. secretarial@viceroyhotels.in exclusively for investor services, and the same is prominently displayed on the Company's website.

v. NEAPS (NSE Electronic Application Processing System) and BSE Listing Centre: NEAPS and BSE Listing are web-based application designed by NSE and BSE, respectively, for corporates to make submissions. All periodical compliance filings, inter alia, shareholding pattern, compliance report on corporate governance, corporate announcements, amongst others, are filed electronically in accordance with the Listing Regulations. Further, in compliance with the provisions of the Listing Regulations, all the disclosures made to the Stock Exchanges are in a format that allows users to find relevant information easily through a searching tool.

10. IN CASE THE SECURITIES ARE SUSPENDED FROM TRADING, THE DIRECTORS REPORT SHALL EXPLAIN THE REASON THEREOF The company was suspended for trading for the purpose of capital reduction in the month of October 2023 which was revoked w.e.f 03.04.2024, the details of which are mentioned elsewhere in the report. However, as on the date of this report, the company is not suspended.

11. GENERAL SHAREHOLDERS INFORMATION:

| Financial Year | Date |
|------------------------------|---|
| Company Registration Details | The Company is registered in the State of Telangana, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L85110TG1996PLC099198 |
| Date | 09.09.2024 |
| Time | 11.00 A.M |
| Venue of AGM | Through video conference |

| Financial Year | Date | | | | | | | | | | | | |
|---|--|----------------|---------|-------------------------|------------|--------------------------|-------------------------|-------------------------|-------------------------|--------------------------|-------------------------|--|-------------------------|
| Tentative Schedule for considering Financial Results: | | | | | | | | | | | | | |
| | <table border="1"> <thead> <tr> <th>Financial Year</th> <th>2024-25</th> </tr> </thead> <tbody> <tr> <td>First Quarterly Results</td> <td>15.07.2024</td> </tr> <tr> <td>Second Quarterly Results</td> <td>On or before 14.11.2024</td> </tr> <tr> <td>Third Quarterly Results</td> <td>On or before 14.02.2025</td> </tr> <tr> <td>Fourth Quarterly Results</td> <td>On or before 30.05.2025</td> </tr> <tr> <td>Annual General Meeting for year ending 31 March 2025</td> <td>On or before 30.09.2025</td> </tr> </tbody> </table> | Financial Year | 2024-25 | First Quarterly Results | 15.07.2024 | Second Quarterly Results | On or before 14.11.2024 | Third Quarterly Results | On or before 14.02.2025 | Fourth Quarterly Results | On or before 30.05.2025 | Annual General Meeting for year ending 31 March 2025 | On or before 30.09.2025 |
| Financial Year | 2024-25 | | | | | | | | | | | | |
| First Quarterly Results | 15.07.2024 | | | | | | | | | | | | |
| Second Quarterly Results | On or before 14.11.2024 | | | | | | | | | | | | |
| Third Quarterly Results | On or before 14.02.2025 | | | | | | | | | | | | |
| Fourth Quarterly Results | On or before 30.05.2025 | | | | | | | | | | | | |
| Annual General Meeting for year ending 31 March 2025 | On or before 30.09.2025 | | | | | | | | | | | | |
| Name and address of each stock exchange(s) at which the Company's securities are listed | <ol style="list-style-type: none"> BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400023. National Stock Exchange of India Limited C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 | | | | | | | | | | | | |
| Confirmation of Payment of annual listing fees to stock exchanges | Paid to BSE Limited & National Stock Exchange of India Limited, where the shares of the Company are listed | | | | | | | | | | | | |
| Scrip Code | BSE – 523796, NSE - VHLTD | | | | | | | | | | | | |
| ISIN Number for NSDL & CDSL | INE048C01025 | | | | | | | | | | | | |
| Branch office/Plant Location | Nil | | | | | | | | | | | | |
| Address for correspondence: | 8-2-120/112/88 & 89, Aparna Crest, 3rd Floor, Road No.2, Banjara Hills, Hyderabad, Telangana, 500034 | | | | | | | | | | | | |
| 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. | Since the Company, as on date of this report does not have any Debt Instruments or Fixed Deposit Programme, therefore company has not obtained any Credit Ratings during the Financial Year. | | | | | | | | | | | | |
| Address for Correspondence RTA | M/s. Aarthi Consultants Pvt. Ltd 1-2-85, Domalguda, Hyderabad, Telangana, 500029 Contact No: 040 27638111 / 66611921 E-mail: info@arthiconsultants.com Website: www.arthiconsultants.com | | | | | | | | | | | | |
| Investor Correspondence / Query on Annual Report, etc. | Company Secretary and Compliance Officer 8-2-120/112/88 & 89, Aparna Crest, 3rd Floor, Road No.2, Banjara Hills, Hyderabad, Telangana, 500034 Cell: 040 49962982 E-Mail : secretarial@viceroymhotels.in Website: www.viceroymhotels.in | | | | | | | | | | | | |

12. REGISTRARS & TRANSFER AGENTS:

M/s. Aarthi Consultants Pvt. Ltd
1-2-285, Domalguda, Hyderabad, Telangana-500029
Contact No: 040 27638111 / 66611921
E-mail: info@arthiconsultants.com
Website: www.arthiconsultants.com

13. SHARE TRANSFER SYSTEM:

The transfers are normally processed within 10-12 days from the date of receipt, if the documents are complete in all respects. The Company Secretary has been empowered to approve the transfer of shares.

Effective April 1, 2019, SEBI has amended Regulation 40 of the SEBI Listing Regulations, which deals with transfer, transmission or transposition of securities. According to this amendment, the requests for effecting the transfer of listed securities shall not be processed unless the securities are

held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form.

Shares received for transfer by the Company or its Registrar and Share Transfer Agent in physical mode are processed and all valid transfers are approved. The share certificate(s) is/are duly transferred and dispatched within a period of 15 days from the date of receipt.

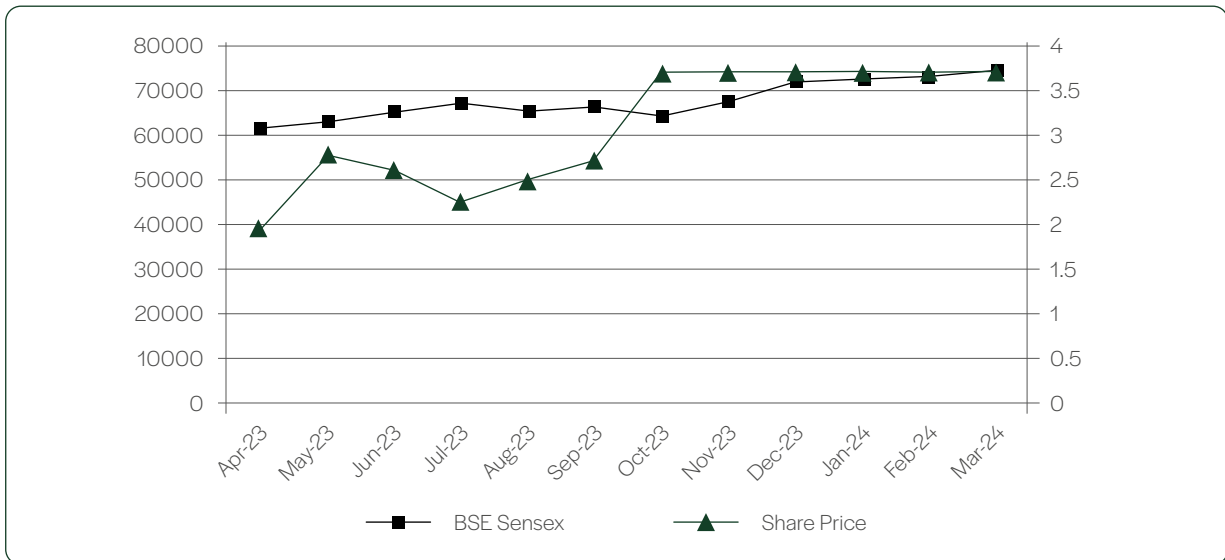
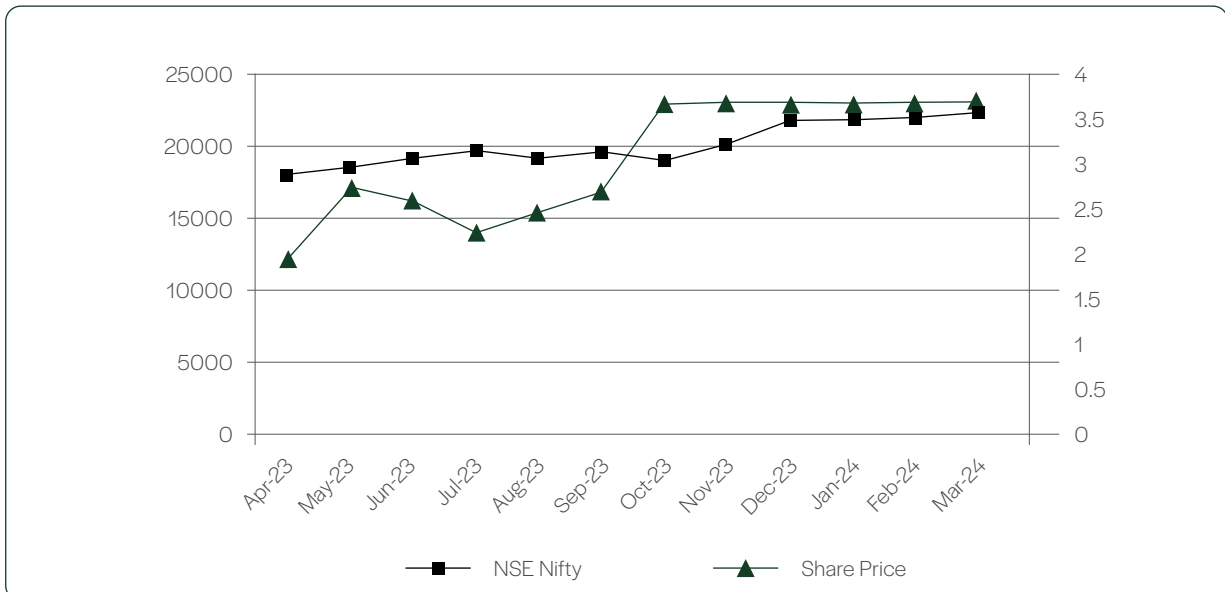
According to SEBI, this amendment will bring the following benefits:

- It shall curb fraud and manipulation risk in physical transfer of securities by unscrupulous entities.
- Transfer of securities only in demat form will improve ease, convenience and safety of transactions for investors.

14. MARKET PRICE DATA:

MONTHLY HIGH/LOW OF MARKET PRICE OF THE COMPANY'S SHARES TRADED ON THE BSE LIMITED and NSE Limited.

| S. No | Month | Open Price | High Price | Low Price | Close Price |
|-------|--------|------------|------------|-----------|-------------|
| 1 | Apr-23 | 2.10 | 2.37 | 1.91 | 1.95 |
| 2 | May-23 | 1.96 | 2.75 | 1.81 | 2.75 |
| 3 | Jun-23 | 2.88 | 3.02 | 2.60 | 2.60 |
| 4 | Jul-23 | 2.47 | 2.47 | 2.05 | 2.23 |
| 5 | Aug-23 | 2.12 | 2.58 | 2.08 | 2.46 |
| 6 | Sep-23 | 2.58 | 3.11 | 2.40 | 2.68 |
| 7 | Oct-23 | 2.60 | 3.67 | 2.52 | 3.67 |
| 8 | Nov-23 | -- | -- | -- | -- |
| 9 | Dec-23 | -- | -- | -- | -- |
| 10 | Jan-24 | -- | -- | -- | -- |
| 11 | Feb-24 | -- | -- | -- | -- |
| 12 | Mar-24 | -- | -- | -- | -- |

Performance compared to BSE Sensex***Performance compared to NIFTY 50**

*The company was suspended for trading on account of CIRP which was revoked w.e.f 03.04.2024.

15. SHAREHOLDING PATTERN AS ON 31ST MARCH, 2024:

| S. No | Category | Total no. shares held | Shareholding as a % of total no. of shares |
|--|--------------------------|-----------------------|--|
| A SHAREHOLDING OF PROMOTER AND PROMOTER GROUP | | | |
| 1. | Indian | | |
| | Individual | - | - |
| | Body Corporate | 6,00,00,000 | 95.00 |
| 2. | Foreign | | |
| | Individual | - | - |
| | Sub-Total A | 6,00,00,000 | 95.00 |
| B PUBLIC SHAREHOLDING | | | |
| 1. | Institutions | 9,98,872 | 1.58 |
| 2. | Non-Institutions | 21,59,023 | 3.42 |
| | Sub Total B | 31,57,895 | 5.00 |
| | Grand Total (A+B) | 6,31,57,895 | 100.00 |

16. DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2024:

| S. No | CATEGORY | HOLDERS | HOLDERS PERCENTAGE | SHARES | AMOUNT | AMOUNT PERCENTAGE |
|-------|----------------|--------------|--------------------|-----------------|------------------|-------------------|
| 1 | 1 - 5000 | 17229 | 99.21 | 352006 | 3520060 | 0.56 |
| 2 | 5001 - 10000 | 77 | 0.44 | 53988 | 539880 | 0.09 |
| 3 | 10001 - 20000 | 24 | 0.14 | 35360 | 353600 | 0.06 |
| 4 | 20001 - 30000 | 9 | 0.05 | 19702 | 197020 | 0.03 |
| 5 | 30001 - 40000 | 11 | 0.06 | 39156 | 391560 | 0.06 |
| 6 | 40001 - 50000 | 3 | 0.02 | 13944 | 139440 | 0.02 |
| 7 | 50001 - 100000 | 3 | 0.02 | 24760 | 247600 | 0.04 |
| 8 | 100001 & Above | 11 | 0.06 | 62618979 | 626189790 | 99.15 |
| | Total: | 17367 | 100 | 63157895 | 631578950 | 100 |

17. DEMATERIALISATION & LIQUIDITY OF SHARES:

Trading in Company's shares is permitted only in dematerialized form for all investors. Investors are therefore advised to open a demat account with a Depository participant of their choice to trade in dematerialized form.

| Particulars | No. of Shares | % Share Capital |
|--------------|-----------------|-----------------|
| NSDL | 27,90,605 | 4.41846 |
| CDSL | 6,03,67,290 | 95.58154 |
| Physical | Nil | Nil |
| TOTAL | 63157895 | 100.00 |

18. OUTSTANDING GLOBAL DEPOSITORY RECEIPTS OR AMERICAN DEPOSITORY RECEIPTS OR WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:

The Company has not issued these types of securities.

19. ELECTRONIC CONNECTIVITY : Demat ISIN Number:
INE048C01025

20. NATIONAL SECURITIES DEPOSITORY LIMITED

Trade World, Kamala Mills Compound
Senapati Bapat Marg, Lower Parel
Mumbai - 400 013.

CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED

Marathon Futurex, A-Wing,
25th floor, NM Joshi Marg,
Lower Parel, Mumbai 400013

21. DISCLOSURES:
a. MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:

During the year under review, there are no other materially significant related party transactions other than those disclosed in form AOC-2 attached to this report as **Annexure - 4**.

The policy on related party transactions is available in the Company's website www.viceroyhotels.in

b. DETAILS OF NON-COMPLIANCE BY THE LISTED ENTITY, PENALTIES, STRICTURES IMPOSED ON THE LISTED ENTITY BY STOCK EXCHANGE(S) OR THE BOARD OR ANY STATUTORY AUTHORITY, ON ANY MATTER RELATED TO CAPITAL MARKETS, DURING THE LAST THREE YEARS:

The company had received notice from the exchanges for SOP fines aggregating to Rs. 98.94 Lakhs from BSE and Rs. 1.01 Crores and NSE. However, the exchanges were requested to waive the said penalties owing to the CIRP proceedings and therefore, the company received approval for waiver of penalties levied for the non-compliances from BSE dated 16.02.2024 and NSE dated 16.04.2024.

c. WEB LINK WHERE POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES IS DISCLOSED;

The Company does has material subsidiary as defined under Listing Regulations, however, the policy for determining its 'Material' Subsidiaries was formulated and the same is available on the website of the Company www.viceroyhotels.in

d. WEB LINK WHERE POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS:

www.viceroyhotels.in

e. DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES:

The company does not have any significant exposure to commodity price risk and hedging activities.

f. DETAILS OF UTILIZATION OF FUNDS RAISED THOROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT:

During the year, the Company has not raised any funds by the way of preferential allotment or qualified institutions placement except for as part of CIRP. Details of which are mentioned elsewhere in this report.

g. WHISTLE BLOWER POLICY:

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined in Regulation 22 of SEBI (LODR) Regulations 2015 and in terms of Section 177 of the Companies Act, 2013.

With a view to adopt the highest ethical standards in the course of business, the Company has a whistle blower policy in place for reporting the 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 the whistle blowers are not subjected to any discrimination. No person has been denied access to the Chairman of the Audit Committee.

h. CERTIFICATE FROM PRACTICING COMPANY SECRETARY

The Company has obtained certificate from Practicing Company Secretary that none of the Directors on the Board of the Company are debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such authority. And the Certificate to this effect, duly signed by the Practicing Company Secretary is annexed to this Report.

i. RECOMMENDATIONS OF COMMITTEES

The Board has accepted and acted upon all the recommendations by the Audit & Nomination and Remuneration Committees.

j. TOTAL FEES FOR ALL SERVICES PAID BY THE COMPANY, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITOR.

The fees paid by the Company to its Statutory Auditors is Rs. 6,00,000/- p.a plus applicable taxes and out of pocket expenses.

k. DISCLOSURE IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The following is the summary of sexual harassment complaints received and disposed during the calendar year.

- No. of complaints received during the financial year: Nil
- No. of complaints disposed off during the financial year: Nil
- No. of complaints pending at the end of the financial year: Nil

l. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT.

The company has complied with the requirement of Corporate Governance Report of sub-paras (2) to (10) of Schedule-V of the Securities Exchange Board of India (LODR) Regulations, 2015.

m. ADOPTION OF DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II OF SEBI (LODR) REGULATIONS, 2015.

The company has adopted discretionary requirements to the extent of Internal Auditors reporting to the Audit Committee.

n. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATIONS 17 TO 27 AND CLAUSES (b) TO (i) OF SUB-REGULATION (2) OF REGULATION 46 ARE AS FOLLOWS:

| Regulation | Particulars | Compliance Status |
|-----------------|--|-------------------|
| 17 | Board of Directors | yes |
| 18 | Audit Committee | yes |
| 19 | Nomination and Remuneration Committee | yes |
| 20 | Stakeholders Relationship Committee | yes |
| 21 | Risk Management Committee | NA |
| 22 | Vigil Mechanism | yes |
| 23 | Related Party Transactions | yes |
| 24 | Corporate Governance requirements with respect to subsidiary of Listed company | NA |
| 25 | Obligations with respect to Independent Directors | yes |
| 26 | Obligations with respect to Directors and Senior Management | yes |
| 27 | Other Corporate Governance Requirements | yes |
| 46(2)(b) to (i) | Website | yes |

o. DISCLOSURE BY LISTED ENTITY AND ITS SUBSIDIARIES OF 'LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT: Nil

p. CODE OF CONDUCT:

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

q. DECLARATION ON CODE OF CONDUCT FOR THE YEAR 2023-24:

This is to confirm that the Board has laid down a code of conduct for all Board members and senior management personnel of the Company. The code of Conduct has also been posted on the website of the Company. It is further confirmed that all Directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended on March 31, 2024 as envisaged in Regulation 26(3) of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015.

r. MD/ CFO Certification

The Managing Director / CFO certification of the financial statements as specified in Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the Financial Year 2023-2024 is provided elsewhere in this Annual Report.

s. NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

And no such director is getting any remuneration.

t. RECONCILIATION OF SHARE CAPITAL:

A qualified Practicing Company Secretary carry out audit to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. Reconciliation of Share Capital Audit Report confirms that the total paid up capital was in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

u. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT :

There are no unclaimed or unpaid dividend and therefor no Suspense account / unclaimed suspense account.

v. DISCLOSURE OF ACCOUNTING TREATMENT

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently. There have been no deviations from the treatment prescribed in the Accounting Standards notified under Section 133 of the Companies Act, 2013.

w. GREEN INITIATIVE IN THE COPORATE GOVERNANCE

As part of the green initiative process, the Company has taken an initiative of sending documents like notice calling Annual General Meeting, Corporate Governance Report, Directors Report, Audited financial Statements, Auditors Report, Dividend intimations etc., by email are sent only to those shareholders whose email addresses are not registered with the Company and for bounced mail cases. Shareholders are requested to register their email id with Registrar and Share Transfer Agent/concerned depository to enable the Company to send the documents in electronic form or inform the Company, in writing, in case they wish to receive the above documents in paper mode.

x. COMPLIANCE WITH THE DISCRETIONARY REQUIREMENTS UNDER LISTING REGULATIONS:

The Board of Directors periodically reviewed the compliance of all applicable laws and steps taken by the Company to rectify

instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of Listing Regulations. In addition, the Company has also adopted the following non-mandatory requirements to the extent mentioned below:

- **Audit qualifications:** Company's financial statements have no qualifications.
- **Reporting of Internal Auditor:** The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.

The Company has submitted quarterly compliance report on Corporate Governance with the Stock Exchanges, in accordance with the requirements of Regulation 27(2) (a) of the Listing Regulations.

For and on behalf of the Board of
Viceroy Hotels Limited

Ravinder Reddy Kondareddy
Managing Director & CEO
(DIN: 00040368)

Gorinka Jaganmohan Rao
Chairman and Independent Director
(DIN: 06743140)

Place: Hyderabad
Date: 15.07.2024

ANNEXURE -8

Certificate on Corporate Governance

To
The Members Of
Viceroy Hotels Limited

We have examined the compliance of the conditions of Corporate Governance by **Viceroy Hotels Limited ('the Company')** for the year ended on March 31, 2024, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para-C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

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

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2024.

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

For **S.S. Reddy & Associates**

S. Sarveswar Reddy

Proprietor

M. No. F12619 C.P.No: 7478

UDIN: F012619F000905291

Peer Review Cer. No.: 1450/2021

Date: 15-07-2024

Place: Hyderabad

ANNEXURE-9

Certificate of Non-Disqualification of Directors

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

To,
The Members of
Viceroy Hotels Limited
Hyderabad

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Viceroy Hotels Limited** having **CIN: L55101TG1965PLC001048** and having registered office situated at 3rd Floor, Aparna Crest, 8-2-120/112/88 & 89, Road No.2, Banjara Hills, Banjara Hills, Hyderabad, Telangana, India, 500034 (hereinafter referred to as 'the Company'), 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 Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers. We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| Sr. No. | Name of Director | DIN | Date of Appointment in Company |
|---------|-------------------------------|----------|--------------------------------|
| 1. | Mr. Ravinder Reddy Kondareddy | 00040368 | 12/10/2023 |
| 2. | Mr. Gorinka Jaganmohan Rao | 06743140 | 12/10/2023 |
| 3. | Mr. Prabhaker Reddy | 01749615 | 12/10/2023 |
| 4. | Mr. Anirudh Reddy Kondareddy | 08638985 | 12/10/2023 |
| 5. | Ms. Pooja Reddy Konda Reddy | 09120053 | 12/10/2023 |
| 6. | Mr Puli Venkata Krishna Reddy | 08808191 | 12/10/2023 |

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

For **S.S. Reddy & Associates**

S. Sarveswar Reddy

Proprietor

M. No. F12619 C.P. No: 7478

UDIN: F012619F000905258

Peer Review Cer. No.: 1450/2021

Date: 15-07-2024

Place: Hyderabad

ANNEXURE-10

Certificate by the Managing Director and CFO of the Company

To
The Board of Directors
Viceroy Hotels Limited
Hyderabad

Dear Sirs,

As required under Regulation 17(8) read with Part B, Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we state that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 24 and to the best of our knowledge and belief;
 - a. These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
 - b. These statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of my 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.
3. We accept responsibility for establishing and maintaining internal controls, I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which I was aware and the steps that I have taken or propose to take and rectify the identified deficiencies and,
4. That we have informed the auditors and the audit committee of:
 - a) Significant changes in the internal control during the year;
 - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) Instances of significant fraud of which we have become aware and the involvement of any employee having a significant role in the company's internal control system.

For and on behalf of the Board of
For Viceroy Hotels Limited

Place: Hyderabad
Date: 15.07.2024

Ravinder Reddy Kondareddy
Managing Director & CEO
(DIN: 00040368)

Pradyumna Kodali
Chief Financial Officer

ANNEXURE 11

Declaration on Code of Conduct as Required by Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

I, Ravinder Reddy Kondareddy, Managing Director and CEO of **Viceroy Hotels Limited (“The Company”)** hereby state and affirm Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management of the company during Financial Year 2023-2024.

For and on behalf of the Board of
For Viceroy Hotels Limited

Ravinder Reddy Kondareddy
Managing Director & CEO
(DIN: 00040368)

Place: Hyderabad
Date: 15.07.2024

Financial Statements

Independent Auditor's Report

To,
The Members of
M/s VICEROY HOTELS LIMITED, HYDERABAD

Report on the Audit of Ind AS Standalone Financial Statements

Opinion

We have audited the accompanying Ind AS Standalone Financial Statements of M/s VICEROY HOTELS LIMITED ("the company"), which comprises of the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of changes in equity and the Statement of Cash Flows for the year then ended on that date and notes to financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and on the other financial information, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IndAS") and other accounting principles generally accepted in India, of the state of affairs of "the Company" as at March 31, 2024 and its Profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion:

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (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 report referred to in the other Matter section below is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS 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 financial statements of the current period. These matters were addressed in the context of our audit of financial statements as a whole, and in forming opinion thereon and we do not provide a separate opinion on these matters.

Key audit matters

Impairment assessment of investment in wholly owned subsidiaries

In respect of investments and Corporate Guarantees given to subsidiaries that have significant accumulated Losses as at March 31st 2024, and the Loans and advances given to those subsidiaries.

The management based on their evaluation has made full provision on such amounts.

How our audit addressed the key audit matter

Our audit procedures included the following:

- Evaluated the key judgments /assumptions underlying management's assessment of potential indicators of impairment.
- Discussed and obtained assessment of recoverable value of PPE and inventory from component auditor of Subsidiaries.
- Evaluated management's methodology, assumptions and estimates used in these calculations.
- Evaluated internal assessment of management is of the view that the carrying value of the investments and provision of Impairment on Investments in its subsidiary Companies as at March 31, 2024 is appropriate in the accompanying Ind AS financial statements.
- Assessed the recoverability of investment with regard to underlying value in use of PPE and net realizable value of inventory if there in subsidiaries.

Recoverability of amounts paid against on-going litigations

Refer Note 37 to the standalone financial statements.

Prior to the approval of the resolution plan ("the Resolution Plan") under the Corporate Insolvency Resolution Process of the Insolvency and Bankruptcy Code, 2016 on 15 May 2018 as described in the aforesaid note, the Company was a party to certain litigations. Pursuant to the approval of the Resolution Plan, it was determined that no amounts are payable in respect of those litigations as they stand extinguished.

We have performed the following procedures, among others, to test the recoverability of payments made by the Company in relation to litigations instituted against it prior to the approval of the Resolution Plan:

- Verified the underlying documents related to litigations and other correspondences with the statutory authorities;
- Involved direct and indirect tax specialists to review the process used by the management to determine estimates and to test the judgments applied by management in developing the accounting estimates;

| Key audit matters | How our audit addressed the key audit matter |
|---|---|
| <p>The Company had also made certain payments to the relevant authorities in respect of those litigations which were presented as recoverable under “Other noncurrent financial assets” in the standalone financial statements.</p> <p>The estimates related to expect outcome of litigations and recoverability of payments made in respect thereof have high degree of inherent uncertainty due to insufficient judicial precedents in India in respect of disposal of litigations involving companies admitted to Corporate Insolvency Resolution Process.</p> | <ul style="list-style-type: none"> ● Determined whether the methods for making estimates have been applied consistently; ● Evaluated whether the accounting principles applied by the management fairly present the amounts recoverable from relevant authorities in financial statements in accordance with the principles of Ind AS. ● Assessed management’s estimate of recoverability, supported by an opinion obtained by the management from a legal expert, by determining whether; <ol style="list-style-type: none"> 1. The method of measurement used is appropriate in the circumstances; and 2. The assumptions used by management are reasonable in light of the measurement principles of Ind AS. |

We have determined that there are no other key audit matters to communicate in our report.

Other matter

The comparative annual financial information of the company for the year ended 31st March 2023 is based on the previously issued standalone financial statements which has been audited by predecessor Auditor and had expressed qualified opinion vide report dated.29th May,2023. Our opinion is not modified in that matter.

Information Other than the Standalone Financial Statements and Auditor’s Report Thereon

The Company’s is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexure to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the 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 identified above when it becomes available 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.

Management’s Responsibility 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally

accepted in India, including the accounting Standards 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 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 is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is also responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Standalone Financial Statements

Our objective is to obtain reasonable assurance whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit 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 Standards on Auditing 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 our audit is conducted in accordance with Standards on Auditing, 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 system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 entity or business activities of the Company to express an opinion on the financial statements.

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 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 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 control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow 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, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March, 31, 2024 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 Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report. The said Annexure expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone Ind AS financial statements.
 - g) In our opinion, to the best of our information and according to the explanations given to us, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. There were no pending litigation which would impact the financial position of the company.
- ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The company did not declare interim dividend during the year and until the date of this audit report.
- v. Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2024 Edition) issued by the Institute of Chartered Accountants of India, which included test checks and that performed by us during our audit of financial statements under the Act, we report that the company have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

- vi. a) The Management has represented that, to the best of knowledge and belief, as disclosed in the note 55(v) to the standalone Ind AS 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, whether,

directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 55(vi) to the standalone Ind AS 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures that were 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.

For Deva & Co,

Chartered Accountants,
Firm reg. No: 000722S

(M Devaraja Reddy)

Partner

Membership No. 026202

UDIN: 24026202BKCNCZI9365

Place : Hyderabad
Date: 30th May 2024

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of VICEROY HOTELS LIMITED of even date)

- i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company does not have any Intangible Assets. Accordingly, this clause of the Order is not applicable.
- (b) As per the information and explanations given by the management, the Property, Plant and Equipment have been physically verified by the management in a periodical manner. According to the information and explanation given to us, no material discrepancies were noticed on such verification. According to the information and explanation given to us and on verification of documents provided to us, we are of the opinion that the title deed of all immovable property are held in the name of Viceroy Hotels Limited and it is disclosed in notes to financial statements.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (d) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under.
- ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by the management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, clause 3(iii) of the Order is not applicable to the Company.
- iv) The Company has provided guarantee to the parties covered under section 185 and 186 of the Act during the year. (Note 33)
- | Related party | Amount in Lakhs |
|----------------------------------|-----------------|
| Loko Hospitality Private Limited | 5000 |
- v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable to the Company.
- vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of The Companies Act, 2013.
- vii) a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues namely, Provident Fund, Employees’ State Insurance, Income-tax, with the appropriate authorities in India. There were no undisputed amounts payable as on March 31,2024 for a period of more than 6 months from the date they became payable.
- (b) According to the information and explanations given to us and based on the records of the company examined by us, there are no pending disputed dues which are required to be deposited.
- viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to further report on clause 3(viii) of the Order is not applicable to the Company.
- ix) According to the information and explanations given to us and as the books and records produced by the company, it has not defaulted in repayment of dues to any lender during the year.
- a. The company has not been declared as wilful defaulter by the banks/Financial institutions.
- b. Term loans availed by the Company were applied by the Company during the year for the purposes for which the loans were obtained.
- c. On an overall examination of the standalone Ind AS financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- d. On an overall examination of the standalone Ind AS 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 associate. The Company does not have any joint venture.
- e. The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company. The Company does not have any joint venture.
- x) a) The Company has raised moneys by way of further public offer during the year under consideration i.e, 31st March,2024.
- (b) In our opinion and according to the information and explanations given to us, the company has utilised the money raised by way of initial public offer/ further public offer for the purpose which they were raised.
- xi) a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- x) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- xi) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 wherever applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting standards (Refer Note no. 40)
- xii) a) Based on information and explanations given to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of the business.
- b) We have considered the internal audit reports of the company issued till date for the period under audit.
- xiii) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- xiv) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act,1934. Accordingly, clause 3(xvi) of the Order is not applicable.
- xv) The Company has not incurred any cash losses during the immediately preceding financial year and during the current financial year.
- xvi) There has been resignation of the statutory auditors of the Company during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors.
- xvii) On the basis of the financial ratios disclosed in Note 39 to the Standalone Ind AS Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone 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.
- xviii) Provisions of section 135 of the Companies Act, 2013 i.e., "Corporate Social Responsibility" is not applicable for the year ended 31st March, 2024 hence the requirement to report on clause 3(xx) of the Order is not applicable to the standalone financial statements of the Company.
- xix) The requirement to report on clause 3(xxi) of the Order is not applicable to the standalone financial statements of the Company.

For Deva & Co,

Chartered Accountants,
Firm reg. No: 000722S

(M Devaraja Reddy)

Partner

Membership No. 026202

UDIN: 24026202BKCNZ19365

Place : Hyderabad

Date: 30th May 2024

Annexure “B”

to the Independent Auditor’s Report

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of VICEROY HOTELS LIMITED of even date)

Report on the Internal Financial Controls over Financial Reporting under clause(i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **VICEROY HOTELS LIMITED** (“the Company”) as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 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 over financial reporting 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. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating process. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls with reference to these standalone Ind AS financial statements

A company’s internal financial control over financial reporting 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 over financial reporting 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 the explanations given to us and, the company has in all material respects, an adequate internal financial controls with reference to standalone Ind AS financial statements were operating effectively as at March 31st 2024, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Deva & Co,

Chartered Accountants,
Firm reg. No: 000722S

(M Devaraja Reddy)

Partner

Place : Hyderabad
Date: 30th May 2024

Membership No. 026202
UDIN: 24026202BKCNZI9365

Standalone Balance Sheet

as at 31st March, 2024

| Particulars | Note No. | (Amount. In Lakhs) | |
|--------------------------------------|----------|--------------------|-------------------|
| | | As at 31/03/2024 | As at 31/03/2023 |
| I Assets | | | |
| 1 Non current assets | | | |
| a) Property plant and equipment | 3 | 18,284.61 | 19,009.95 |
| b) Capital work in progress | 4 | 153.74 | - |
| c) Financial assets | | | |
| i) Investments | 5 | - | 318.00 |
| ii) Other financial assets | 6 | 368.91 | 833.67 |
| d) Other non-current assets | 7 | 467.23 | 84.79 |
| Total non current assets | | 19,274.49 | 20,246.42 |
| 2 Current assets | | | |
| a) Inventories | 8 | 70.89 | 88.96 |
| b) Financial assets | | | |
| i) Trade receivables | 9 | 647.55 | 794.97 |
| ii) Cash and cash equivalents | 10 | 3,014.61 | 1,155.55 |
| c) Other current assets | 11 | 871.21 | 1,278.98 |
| Total current assets | | 4,604.26 | 3,318.47 |
| Total assets | | 23,878.75 | 23,565.09 |
| II Equity and liabilities | | | |
| 1 Equity | | | |
| a) Equity share capital | 12 | 6,315.79 | 4,240.52 |
| b) Other equity | 13 | 5,599.80 | -44,356.14 |
| Total equity | | 11,915.59 | -40,115.62 |
| Liabilities | | | |
| 2 Non-current liabilities | | | |
| a) Financial liabilities | | | |
| i) Borrowings | 14 | 6,438.61 | 38,364.22 |
| b) Deferred tax liabilities (Net) | 15 | 2,722.33 | 2,968.08 |
| Total non current liabilities | | 9,160.94 | 41,332.30 |
| 3 Current liabilities | | | |
| a) Financial liabilities | | | |
| (i) Borrowings | 16 | - | 108.36 |
| (ii) Trade payables | 17 | 510.72 | 1,770.82 |
| b) Other current liabilities | 18 | 1,820.58 | 19,892.34 |
| c) Provisions | 19 | 470.92 | 576.89 |
| Total current liabilities | | 2,802.22 | 22,348.41 |
| Total equity and liabilities | | 23,878.75 | 23,565.09 |
| Significant Accounting Policies | 2 | | |

The accompanying notes form an integral part of the financial statements

As per our report of even date as attached

For M/s Deva & Co.

Chartered Accountants

Firm Regn.no. 000722S

(M Devaraja Reddy)

Partner

Membership No. 026202

UDIN:24026202BKCNCZI9365

Place: Hyderabad

Date: 30th May 2024

For and on behalf of the Board of Directors of

Viceroy Hotels Limited

Ravinder Reddy Kondareddy

Managing Director & CEO

(DIN 00040368)

T.A. Veena Aravind

Company Secretary and Compliance Officer

Anirudh Reddy Kondareddy

Non-Executive Director

(DIN 08638985)

Pradyumna Kodali

Chief Financial Officer

Standalone Statement of Profit and Loss

for the year ended 31st March, 2024

(Amount. In Lakhs, except per share data)

| Particulars | Note No. | For the year ended 31-03-2024 | For the year ended 31-03-2023 |
|--|----------|----------------------------------|----------------------------------|
| Income | | | |
| I. Revenue from operations | 20 | 11,844.30 | 9,865.19 |
| II. Other income | 21 | 100.97 | 10.11 |
| III. Total income (I +II) | | 11,945.27 | 9,875.30 |
| IV. Expenses: | | | |
| Cost of materials consumed | 22 | 1,400.55 | 1,324.40 |
| Employee benefit expenses | 23 | 2,420.04 | 1,907.24 |
| Financial costs | 24 | 143.72 | 3.73 |
| Depreciation and amortization expense | 25 | 1,382.62 | 844.26 |
| Other expenses | 26 | 5,790.84 | 5,272.97 |
| Total expenses(IV) | | 11,137.77 | 9,352.59 |
| V. Profit/(Loss) before exceptional and extraordinary items and tax (III - IV) | | 807.49 | 522.71 |
| VI. Exceptional items | | 318.00 | - |
| VII. Profit/(Loss) before extraordinary items and tax (V - VI) | | 489.49 | 522.71 |
| VIII. Extraordinary items | | - | - |
| IX. Profit/(Loss) before tax (VII - VIII) | | 489.49 | 522.71 |
| X. Tax expense: | | - | - |
| (1) Current tax | | - | - |
| (2) Deferred tax | | -213.81 | 46.40 |
| XI. Profit/(Loss) from the period from Continuing Operations (VII - VIII) | | 703.30 | 476.31 |
| XII. Profit/(Loss) from Discontinuing Operations | | - | - |
| XIII. Tax expense of Discounting Operations | | - | - |
| XIV. Profit/(Loss) from Discontinuing operations (XII - XIII) | | - | - |
| XV. Profit/(Loss) for the period (XI + XIV) | | 703.30 | 476.31 |
| Other comprehensive income | | | |
| A. (i) Items that will not be reclassified subsequently to Profit or Loss | | - | - |
| (ii) Income Tax relating to items that will not be reclassified to profit or loss | | - | - |
| B. (i) Items that will be reclassified subsequently to Profit or Loss | | - | - |
| (ii) Income Tax relating to items that will be reclassified to profit or loss | | - | - |
| Total Comprehensive Income for the year | | 703.30 | 476.31 |
| XVI. Earning per equity share: | | | |
| (1) Basic | | 1.35 | 1.12 |
| (2) Diluted | | 1.35 | 1.12 |
| Significant Accounting Policies | 2 | | |

The accompanying notes form an integral part of the financial statements

As per our report of even date as attached

For M/s Deva & Co.
Chartered Accountants
Firm Regn.no. 000722S

For and on behalf of the Board of Directors of
Viceroy Hotels Limited

(M Devaraja Reddy)
Partner
Membership No. 026202
UDIN:24026202BKCNZ19365

Ravinder Reddy Kondareddy
Managing Director & CEO
(DIN 00040368)

Anirudh Reddy Kondareddy
Non-Executive Director
(DIN 08638985)

Place: Hyderabad
Date: 30th May 2024

T.A. Veena Aravind
Company Secretary and Compliance Officer

Pradyumna Kodali
Chief Financial Officer

Statement of Standalone Cash Flows

for the year ended 31st March, 2024

(Amount. In Lakhs)

| Particulars | For the year ended 31-03-2024 | For the year ended 31-03-2023 |
|---|----------------------------------|----------------------------------|
| A. Cash flows from operating activities | | |
| Profit/(Loss) before tax | 489.49 | 522.65 |
| Adjustments for: | | |
| Impairment allowance on investment | 318.00 | |
| Depreciation and amortisation expense | 1,382.62 | 844.26 |
| Finance cost | 143.72 | 86.24 |
| (Gain)/Loss on foreign currency receipts | | |
| Interest received | -96.04 | -9.19 |
| Operating profit before working capital changes | 2,237.79 | 1,443.95 |
| Changes in working capital: | | |
| Decrease/(increase) in inventory | 18.07 | -23.49 |
| Increase/(decrease) in other current liabilities | 357.50 | 60.31 |
| Increase/(decrease) in other non current liabilities | - | 188.96 |
| Increase/(decrease) in borrowing | - | 2.23 |
| Increase/(decrease) in short term provisions | -24.99 | 79.28 |
| Decrease/(increase) in trade receivables | 147.43 | -409.11 |
| Decrease/(increase) in other non current assets | - | -211.60 |
| Increase/(decrease) in trade payables | -540.00 | 46.81 |
| Decrease/(increase) in other current assets | -336.83 | -236.97 |
| Net cash generated from operating activities | 1,858.97 | 940.38 |
| B. Cash flow from investing activities | | |
| Increase in property plant and equipment | -657.26 | - |
| Increase in capital work in progress | -153.74 | - |
| (Increase) / Decrease in Long Term Loans & Advances | - | 79.03 |
| Decrease in investments | | |
| Increase in other financial assets | -348.40 | - |
| Increase in other non current assets | -382.44 | - |
| Sale of property plant and equipment | - | - |
| Interest received | 96.04 | 9.19 |
| Net cash used in investing activities | -1,445.80 | 88.22 |
| C. Cash flow from financing activities | | |
| Increase in equity share capital | 6,252.63 | - |
| Increase in other equity | | - |
| Interest paid | -143.72 | -86.24 |
| Payments to borrowings | -13,007.02 | - |
| Increase/(decrease) in long term borrowings | 8,343.99 | - |
| Net cash used in financing activities | 1,445.88 | -86.24 |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | 1,859.05 | 942.36 |
| Cash and cash equivalents at the beginning of the year | 1,155.55 | 213.19 |
| Cash and cash equivalents at the end of the year | 3,014.61 | 1,155.55 |

The accompanying notes form an integral part of the financial statements

As per our report of even date as attached

For M/s Deva & Co.

Chartered Accountants

Firm Regn.no. 000722S

(M Devaraja Reddy)

Partner

Membership No. 026202

UDIN:24026202BKCNCZ19365

Place: Hyderabad

Date: 30th May 2024

For and on behalf of the Board of Directors of

Viceroy Hotels Limited

Ravinder Reddy Kondareddy

Managing Director & CEO

(DIN 00040368)

T.A. Veena Aravind

Company Secretary and Compliance Officer

Anirudh Reddy Kondareddy

Non-Executive Director

(DIN 08638985)

Pradyumna Kodali

Chief Financial Officer

Standalone Statement of Changes in Equity

for the year ended 31st March, 2024

A. Equity Share Capital

| Particulars | 2023-24 | | 2022-23 | |
|--|--------------------|-----------------|--------------------|-----------------|
| | Number of shares | RS. in lakhs | Number of shares | RS. in lakhs |
| Issued, subscribed and fully paid up equity share outstanding at the beginning of the year | 4,24,05,224 | 4,240.52 | 4,24,05,224 | 4,240.52 |
| Add: Shares issued during the year | 6,25,26,316 | 6,315.79 | - | - |
| Less: Shares extinguished | 4,17,73,645 | 4,240.52 | - | - |
| Issued, subscribed and fully paid up equity shares outstanding at the end of the year | 6,31,57,895 | 6,315.79 | 4,24,05,224 | 4,240.52 |

B. Other Equity

(Rs. in Lakhs)

| Particulars | Reserves & Surplus | | | | | | | Total Other Equity |
|---------------------------------------|--------------------|----------------------------|----------------------|---------------------|-----------------|-------------------|-------------------|--------------------|
| | Capital Reserve | Securities Premium Reserve | Debenture Redemption | Revaluation Reserve | General Reserve | Capital Reduction | Retained Earnings | |
| Balance as at 31st March, 2022 | 74.34 | 17,177.86 | 500.00 | 79.19 | 320.25 | -62,983.91 | -44,832.27 | |
| Profit For The Year | - | - | - | - | - | 476.31 | 476.31 | |
| Balance as at 31st March, 2023 | 74.34 | 17,177.86 | 500.00 | 79.19 | 320.25 | -62,507.59 | -44,355.95 | |
| Debenture redemption reserve utilised | - | - | -500.00 | - | - | - | -500.00 | |
| Additions | 45,543.15 | - | - | - | - | - | 45,543.15 | |
| Capital reduction | - | - | - | - | - | 4,209.30 | 4,209.30 | |
| Profit For The Year | - | - | - | - | - | 703.30 | 703.30 | |
| Balance as at 31st March, 2024 | 45,617.49 | 17,177.86 | - | 79.19 | 320.25 | 4,209.30 | -61,804.29 | 5,599.80 |

As per our report of even date as attached

For M/s Deva & Co.

Chartered Accountants
Firm Regn.no. 000722S

(M Devaraja Reddy)

Partner
Membership No. 026202
UDIN:24026202BKCNZI9365

Place: Hyderabad
Date: 30th May 2024

For and on behalf of the Board of Directors of
Viceroy Hotels Limited

Ravinder Reddy Kondareddy

Managing Director & CEO
(DIN 00040368)

T.A. Veena Aravind

Company Secretary and Compliance Officer

Anirudh Reddy Kondareddy

Non-Executive Director
(DIN 08638985)

Pradyumna Kodali

Chief Financial Officer

Notes to Standalone Financial Statements

for the year ended March 31, 2024.

1. Corporate Information

The **Viceroy Hotels Limited** (“VHL” or the “Company”), is primarily engaged in the business of Hoteliering. The Company is domiciled and incorporated in India in 1965 and its registered office is at 3rd Floor, Aparna Crest, 8-2-120/112/88 & 89, Road No.2, Banjara Hills, Banjara Hills, Hyderabad, Khairatabad, Telangana, India, 500034. The financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorized for issue on May 30, 2024.

2. Basis of Preparation, Critical Accounting Estimates and Judgments, Material Accounting Policies and Recent Accounting Pronouncements

The Financial Statements are presented in Indian Rupees (Rounded off to Lakhs). The financial statements have been prepared on the following basis:

a) Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (“Ind AS”) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and other provisions of the Companies Act, 2013 as amended from time to time.

b) Basis of preparation

These financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities are classified as current and non-current as per Company’s normal operating cycle of 12 months which is based on the nature of business of the Company. Current Assets do not include elements which are not expected to be realized within 12 months and Current Liabilities do not include items which are due after 12 months, the period of 12 months being reckoned from the reporting date.

c) Critical accounting estimates and judgments

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions, that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the years presented.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements pertain to:

- i) **Useful lives of property, plant and equipment:** The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the useful life of property, plant and equipment and Intangible assets as at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.
- ii) **Impairment testing:** Property, plant and equipment and Intangible assets that are subject to amortization/ depreciation are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant Estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.
- iii) **Impairment of investments:** The Company reviews its carrying value of investments annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- iv) **Income Taxes:** Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management’s expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charge in the Statement of Profit or Loss. Provision for tax liabilities require judgments on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit or Loss.
- v) **Litigation:** From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision

Notes to Standalone Financial Statements

for the year ended March 31, 2024.

for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

- vi) Defined benefit plans:** The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date.

Material Accounting Policies

d) Revenue recognition:

Revenue is recognized at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring the goods or services to a customer i.e., on transfer of control of the goods or service to the customer. Revenue from sales of goods or rendering of services is net of Indirect taxes, returns and discounts.

Income from operations

Revenue is recognized at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and banquet services which is recognized once the rooms are occupied, food and beverages are sold and banquet services have been provided as per the contract with the customer. Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue from restaurant is recognized upon rendering of service. Sales are net of discounts.

Interest

Interest income is accrued on a time proportion basis using the effective interest rate method.

Dividend

Dividend income is recognized when the Company's right to receive the amount is established.

e) Employee Benefits

i) Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into

a separate entity and will have no legal or constructive obligation to pay further amounts.

Provident Fund

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognized as an expense in the Statement of Profit and Loss during the year. The contributions as specified under the law are paid to the provident fund set up as irrevocable trust by the Company or to respective Regional Provident Fund Commissioner. The Company is generally liable for annual contributions and any shortfall in the fund assets based on the minimum rates of return prescribed by the Central Government and recognizes such contributions and shortfall, if any, as an expense in the year in which the corresponding services are rendered by the Employee.

ii. Defined Benefit Plans

The Company operates defined benefit plans, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined by a qualified actuary.

Gratuity Fund

The Company makes annual contributions to gratuity funds administered by the trustees for amounts notified by the funds. The Gratuity plan provides for lump sum payment to vested employees on retirement, death or termination of employment of an amount based on the respective employee's last drawn salary and tenure of employment. The Company accounts for the net present value of its obligations for gratuity benefits, based on an independent actuarial valuation, determined on the basis of the projected unit credit method, carried out as at the Balance Sheet date. The obligation determined as aforesaid less the fair value of the plan assets is reported as a liability or assets as of the reporting date. Actuarial gains and losses are recognized immediately in the Other Comprehensive Income and reflected in retained earnings and will not be reclassified to the Statement of Profit and Loss.

iii. Short Term Obligations

The costs of all short-term employee benefits (that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service) are recognized during the period in which the employee renders the related services. The accruals for employee entitlements of benefits such as salaries, bonuses and annual leave represent the amount which the Company has a present obligation to pay as a result of the employees'

Notes to Standalone Financial Statements

for the year ended March 31, 2024.

services and the obligation can be measured reliably. The accruals have been calculated at undiscounted amounts based on current salary levels at the Balance Sheet date.

f) Property, Plant and Equipment:

Property, plant and equipment are stated at cost; less accumulated depreciation (other than freehold land) and accumulated impairment losses, if any. All property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, including duties and non-refundable taxes, expenses directly related to bringing the asset to the location and condition necessary for making them operational for their intended use and, in the case of qualifying assets, the attributable borrowing costs. Initial estimate of costs of dismantling and removing the item and restoring the site on which it is located is also included if there is an obligation to restore it. First time issues of operating supplies for a new hotel property, consisting of linen and chinaware, glassware and silverware (CGS) are capitalized and depreciated over their estimated useful life. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Depreciation is charged to Statement of Profit and Loss so as to expense the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method, as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets had been re-assessed as under based on technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support, etc.

| Class of Assets | Useful Life of Asset |
|--|----------------------|
| Buildings | 60 Years |
| Plant and Equipment | 10 Years |
| Electrical Installation and Equipment | 20 Years |
| Hotel Wooden Furniture | 15 Years |
| End User devices – Computers, | 6 Years |
| Laptops etc. | |
| Operating supplies (issued on opening of a new hotel property) | 2 to 3 Years |
| Other Miscellaneous Hotel Assets | 4 Years |

In respect of Buildings on Leasehold Land, depreciation is based on the tenure which is lower of the life of the buildings or the expected lease period. Improvements to buildings are depreciated on the basis of their estimated useful lives or expected lease period, whichever is lower. Freehold land is not depreciated. The assets' useful lives and residual values

are reviewed at the Balance Sheet date and the effect of any changes in estimates are accounted for on a prospective basis. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss. Proportionate depreciation is charged for the addition and disposal made during the year. Capital work in progress represents projects under which the property, plant and equipment are not yet ready for their intended use and are carried at cost determined as aforesaid.

g) Intangible Assets

Intangible assets are measured on initial recognition at cost less accumulated amortization and accumulated impairment losses, if any. The useful lives of intangible assets are assessed as finite. Intangible assets are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense is recognized in the statement of profit or loss. Gains or losses arising from de-recognition 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 statement of profit or loss when the asset is derecognized.

h) Impairment of assets:

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable an impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted if the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount An impairment loss is recognized immediately in the Statement of Profit and Loss. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior

Notes to Standalone Financial Statements

for the year ended March 31, 2024.

years a reversal of an impairment loss is recognized immediately in Statement of Profit and Loss.

i) Foreign Currency Translation:

The functional currency of the Company is Indian rupee

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried at historical cost and denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value denominated in a foreign currency are retranslated at the rates prevailing at the date when the fair value was determined. Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the Statement of Profit and Loss.

j) Inventories:

Inventories are carried at the lower of cost (computed on a Weighted Average basis) or net realizable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses. Cost includes the fair value of consideration paid including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase. Trade discounts and rebates are deducted in determining the cost of purchase.

k) Income Taxes:

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current tax:

Current tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws. Current tax assets and current tax liabilities are offset when there is a legally

enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax:

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction. Deferred income 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 utilized.

Deferred tax liabilities are generally recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilized. Deferred tax liabilities and assets are measured at tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis. Minimum Alternative Tax ("MAT") credit forming part of Deferred tax assets is recognized as an asset only when and to the extent there is reasonable certainty that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

l) Provisions and Contingent Liabilities:

Provisions are recognised when the Company has a binding present obligation. This may be either legal because it derives from a contract, legislation or other operation of law, or constructive because the Company created valid expectations on the part of third parties by accepting certain responsibilities. To record such an obligation, it must be probable that an outflow

Notes to Standalone Financial Statements

for the year ended March 31, 2024.

of resources will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation. The amount recognised as a provision and the indicated time range of the outflow of economic benefits are the best estimate (most probable outcome) of the expenditure required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Non-current provisions are discounted if the impact is material.

Contingent liabilities are disclosed 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 the obligation or a reliable estimate of the amount cannot be made.

m) Borrowing Costs:

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the statement of profit or loss using the effective interest method.

n) Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash Flow for the year is classified by operating, investing and financing activities.

o) Earnings Per Share

Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share.

p) Exceptional items:

The Company discloses certain financial information both including and excluding exceptional Items. The presentation of information excluding exceptional items allows a better Understanding of the underlying trading performance of the Company and provides consistency with the Company's internal management reporting. Exceptional items are identified by virtue of either their size or nature so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of the Company. Exceptional items can include, but are not restricted to, gains and losses on the disposal of assets/ investments, impairment charges, exchange gain/ loss on long term borrowings/ assets and changes in fair value of derivative contracts.

q) Financial Instruments

(i) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss directly attributable transaction costs. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss

Classification

- 1. Cash and Cash Equivalents** – Cash comprises cash on hand and demand deposits with Banks. Cash Equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
- 2. Debt Instruments** -The Company classifies its debt instruments as subsequently measured at amortized cost, fair value through Other Comprehensive Income or fair value through profit or loss based on its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

i) Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income from these financial assets is included as a part of the Company's income in the

Notes to Standalone Financial Statements

for the year ended March 31, 2024.

Statement of Profit and Loss using the effective interest rate method.

ii) Financial assets at fair value through Other Comprehensive Income (FVOCI)

Financial assets are subsequently measured at fair value through Other Comprehensive Income if these financial assets are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest. Movements in the carrying value are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in the Statement of Profit and Loss.

When the financial asset is derecognized, the cumulative gain or loss previously recognized in Other Comprehensive Income is reclassified from Other Comprehensive Income to the Statement of Profit and Loss. Interest income on such financial assets is included as a part of the Company's income in the Statement of Profit and Loss using the effective interest rate method.

iii) Financial assets at fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on such debt instrument that is subsequently measured at FVTPL and is not part of a hedging relationship as well as interest income is recognised in the Statement of Profit and Loss.

3. Equity Instruments - The Company subsequently measures all equity investments (other than the investment in subsidiaries, joint ventures and associates which are measured at cost) at fair value.

Where the Company has elected to present fair value gains and losses on equity investments in Other Comprehensive Income ("FVOCI"), there is no subsequent reclassification of fair value gains and losses to profit or loss.

Dividends from such investments are recognized in the Statement of Profit and Loss as other when the Company's right to receive payment is established. At the date of transition to Ind AS, the Company has made an irrevocable election to present in Other Comprehensive Income subsequent changes in the fair value of equity

investments that are not held for trading. When the equity investment is derecognized, the cumulative gain or loss Previously Recognized Other Comprehensive Income is reclassified from Other Comprehensive Income to the Retained Earnings directly.

De-recognition

A financial asset is derecognized only when the Company has transferred the rights to receive cash flows from the financial asset. Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of Continuing Involvement in the Financial Asset.

(ii) Financial liabilities

Initial recognition and measurement financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities not at fair value through profit or loss directly attributable transaction costs. Subsequent measurement after initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognized, and through the amortization process.

De-recognition

A financial liability is de-recognised 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 a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity.

Notes to Standalone Financial Statements

for the year ended March 31, 2024.

No gain or loss is recognised in the Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(ii) Impairment of financial assets

The Company assesses, at each reporting date, whether a financial asset or a group of financial assets is impaired. Ind AS-109 on Financial Instruments, requires expected credit losses to be measured through a loss allowance. For trade receivables only, the Company recognizes expected lifetime losses using the simplified approach permitted by Ind AS-109, from initial recognition of the receivables. For other financial assets (not being equity instruments or debt instruments measured subsequently at FVTPL) the expected credit losses are measured at the 12 Month expected credit losses or an amount equal to the lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition.

r) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt Instrument. Financial guarantee contracts issued by the Company are measured at their fair values and recognised as income in the Statement of Profit and Loss. Where guarantees in relation to loans or other payables of group companies are provided for no compensation, the fair value are accounted for as contributions and recognised as part of cost of investment

s) Business combinations

Business combinations of entities under common control are accounted using the "pooling of interests" method and assets and liabilities are reflected at the predecessor carrying values and the only adjustments that are made are to Harmonies accounting policies. The figures for the previous periods are restated as if the business combination had occurred at the beginning of the preceding period irrespective of the actual date of the combination.

Notes to Standalone Financial Statements

for the year ended March 31, 2024.

Note 3 Property, Plant and Equipment

(Amount. In Lakhs)

| Class of Assets | Gross Block | | | | Depreciation | | | | Net Block | |
|-------------------------|------------------------|---------------|----------------|------------------------|------------------------|-----------------|----------------|------------------------|------------------------|------------------------|
| | As at 31st March, 2023 | Additions | Sales/ Discard | As at 31st March, 2024 | As at 31st March, 2023 | For the year | Sales/ Discard | As at 31st March, 2024 | As at 31st March, 2024 | As at 31st March, 2023 |
| Land | 1,417.97 | - | - | 1,417.97 | - | - | - | - | 1,417.97 | 1,417.97 |
| Buildings | 19,684.87 | 142.21 | - | 19,827.08 | 7,222.42 | 287.57 | - | 287.57 | 12,317.09 | 12,462.45 |
| Furnitures and Fixtures | 5,054.80 | 235.06 | - | 5,289.86 | 4,101.10 | 228.02 | - | 228.02 | 960.74 | 953.70 |
| Air Conditioners | 1,604.27 | 17.13 | - | 1,621.40 | 1,524.06 | 1.18 | - | 1.18 | 96.16 | 80.21 |
| Electrical Fitting | 3,052.81 | 51.03 | - | 3,103.84 | 2,455.51 | 91.21 | - | 91.21 | 557.12 | 597.30 |
| Vehicles | 295.70 | - | - | 295.70 | 295.70 | - | - | - | - | - |
| Plant & Machinery | 5,622.32 | 184.45 | - | 5,806.77 | 2,257.43 | 774.23 | - | 774.23 | 2,775.11 | 3,364.89 |
| Misc. Fixed Assets | 3,646.83 | 27.38 | - | 3,674.21 | 3,513.39 | 0.40 | - | 0.40 | 160.41 | 133.44 |
| Total | 40,379.57 | 657.26 | - | 41,036.83 | 21,369.61 | 1,382.62 | - | 1,382.62 | 18,284.61 | 19,009.95 |

Note 4 Capital Work in progress

(Amount. In Lakhs)

| Class of Assets | As at 31st March, 2024 | | | | | As at 31st March, 2023 | | | | |
|---------------------|------------------------|-----------|-----------|-------------------|--------|------------------------|-----------|-----------|-------------------|-------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Project in progress | 153.74 | - | - | - | 153.74 | - | - | - | - | - |

5 Investments

(Amount. In Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|------------------------|------------------------|
| 1) Investment in equity instruments | | |
| Fully paid unquoted Equity Shares of Subsidiaries | | |
| 27,44,530 Shares of ₹ 10/- each in Café'd lake Pvt Ltd | 703.70 | 703.70 |
| 40,00,000 Shares of ₹ 10/- each in Crustum Products Pvt. Ltd | 400.00 | 400.00 |
| 46,69,267 Shares of ₹ 10/- each in Minerva Hospitalities Pvt Ltd | 466.93 | 466.93 |
| 10,000 Shares of ₹ 10/- each in Viceroy Chennai Hotels & Resorts Pvt.Ltd | 1.00 | 1.00 |
| 31,80,000 Shares or ₹ 10/- each in Banjara Hospitalities Pvt. Ltd | 318.00 | 318.00 |
| Gross value of investment in unquoted equity shares of subsidiaries | 1,889.62 | 1,889.62 |
| (-) Provision for impairment allowance for investments | -1,889.62 | -1,571.62 |
| | - | 318.00 |

6 Other financial assets

(Amount. In Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--------------------------|------------------------|------------------------|
| Advances | | |
| i) Capital advances | 106.07 | 1.38 |
| ii) Advances | - | 313.02 |
| Deposits | | |
| Security deposit | 94.78 | 343.34 |
| Deposits with government | 168.06 | 175.93 |
| Total | 368.91 | 833.67 |

* Deposits secured and considered good

Notes to Standalone Financial Statements

for the year ended March 31, 2024.

7 Other non current assets

| Particulars | (Amount. In Lakhs) | |
|--------------------------|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| Gratuity fund trust | 50.07 | 63.71 |
| Other non current assets | 417.16 | 21.08 |
| Total | 467.23 | 84.79 |

8 Inventories*

| Particulars | (Amount. In Lakhs) | |
|------------------------|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| Finished goods | | |
| (i) Beverage inventory | 70.89 | 88.96 |
| Total | 70.89 | 88.96 |

* At cost or net realizable value whichever is lower

9 Trade receivables

| Particulars | (Amount. In Lakhs) | |
|----------------------------|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| Secured, considered good | 32.76 | 16.26 |
| Unsecured, considered good | 614.79 | 778.71 |
| Total | 647.55 | 794.97 |

10 Cash and cash equivalents

| Particulars | (Amount. In Lakhs) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| Balances with banks : | | |
| i) On Current Accounts | 1,422.21 | 381.63 |
| ii) Cash on hand | 9.37 | 9.55 |
| Bank balances other than stated above | | |
| FD with Banks | 1,583.03 | 764.37 |
| Total | 3,014.61 | 1,155.55 |

11 Other current assets

| Particulars | (Amount. In Lakhs) | |
|------------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| Secured and considered good | | |
| Loans and advances to employees | 0.40 | 13.49 |
| Prepaid expense | 700.96 | 471.45 |
| TDS receivable | 103.70 | 485.78 |
| Advances to related parties(HO) | - | 245.34 |
| Other current assets | 66.15 | 62.93 |
| Total | 871.21 | 1,278.98 |

Notes to Standalone Financial Statements

for the year ended March 31, 2024.

12 Share Capital

| Particulars | (Amount. In Lakhs) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| Equity Share Capital | | |
| (a) Authorised | | |
| 8,00,00,000 Equity shares of ₹ 10 each (March 31,2024: 8,00,00,000 shares of ₹ 10 each) (March 31,2023: 4,50,00,000 shares of ₹ 10 each) | 8,000.00 | 4,500.00 |
| 10,00,000 Preference shares of ₹ 100 each (March 31,2023: 10,00,000 shares of ₹ 100 each) | - | 1,000.00 |
| (b) Issued | | |
| 6,31,57,895 Equity Shares of ₹ 10 each (March 31,2024: 6,31,57,895 shares of ₹ 10 each) (March 31,2023: 4,24,05,224 shares of ₹ 10 each) | 6,315.79 | 4,240.52 |
| (c) Subscribed & fully paid up | | |
| 6,31,57,895 Equity shares of ₹ 10 each (March 31,2024: 6,31,57,895 shares of ₹ 10 each) (March 31,2023: 4,24,05,224 shares of ₹ 10 each) | 6,315.79 | 4,240.52 |
| (d) Subscribed & not fully paid up | | |
| (e) Par value per share ₹ 10/- | | |
| | 6,315.79 | 4,240.52 |

A Reconciliation of shares outstanding at the beginning and at the end of the year

(Amount. In Lakhs)

| Particulars | (Amount. In Lakhs) | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period: | | |
| Equity shares of ₹ 10 Each, Fully paid up | | |
| At the beginning | 4,24,05,224.00 | 4,24,05,224.00 |
| Shares extinguished during the year | 4,17,73,645.00 | - |
| Issued during the year - cash issue | 6,25,26,316.00 | - |
| At the end | 6,31,57,895.00 | 4,24,05,224.00 |

B Terms and rights attached to equity shares

The Company has only one class of issued, subscribed and paid up equity shares having a par value of ₹ 10/- each per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. 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 share holders.

The company declares and pays dividend in Indian rupees. The dividend proposed by the board of directors is subject to the approval of the share holders in the ensuing Annual General Meeting.

During the year ended 31st March, 2024 the amount of per share dividend recognized as distribution to equity share holders is **NIL**

C Bonus Shares/ Buy back shares for consideration other than cash issued during the past five years:

- (1) Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in Cash - **Nil**
- (2) Aggregate number and class of shares allotted as fully paid up by way of Bonus shares - **Nil**
- (3) Aggregate number and class of Shares bought back - **Nil**

Notes to Standalone Financial Statements

for the year ended March 31, 2024.

12 Share Capital (Contd..)

D Details of shareholders holding more than 5% shares in the company

| Equity shares of ₹ 10/- each fully paid-up | 2023-24 | |
|--|------------------|-----------|
| | Number of shares | % holding |
| 1 Loko Hospitality Private Limited | 6,00,00,000.00 | 95.00 |

| Equity shares of ₹ 10/- each fully paid-up | 2022-23 | |
|---|------------------|-----------|
| | Number of shares | % holding |
| 1 Crest Logistics and Engineers Private Limited | 25,00,000.00 | 6.00 |
| 2 Chakradhar Reddy Parvath Reddy | 27,89,351.00 | 7.00 |

13 Other Equity

| Particulars | (Amount. In Lakhs) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| Reserves and Surplus | | |
| a) Capital reserve | | |
| As at the commencement of the year | 74.34 | 74.34 |
| Add: Additions during the year | 45,543.15 | - |
| Less: Utilised during the year | - | - |
| Subtotal | 45,617.49 | 74.34 |
| b) Securities premium reserve | | |
| As at the commencement of the year | 17,177.86 | 17,177.86 |
| Add: Additions during the year | - | - |
| Less: Utilised during the year | - | - |
| Subtotal | 17,177.86 | 17,177.86 |
| c) Debenture redemption reserve | | |
| As at the commencement of the year | 500.00 | 500.00 |
| Add: Additions during the year | - | - |
| Less: Utilised during the year | (500.00) | - |
| Subtotal | - | 500.00 |
| d) Revaluation reserve | | |
| As at the commencement of the year | 79.19 | 79.19 |
| Add: Additions during the year | - | - |
| Less: Utilised during the year | - | - |
| Subtotal | 79.19 | 79.19 |
| e) General Reserves | | |
| As at the commencement of the year | 320.25 | 320.25 |
| Add: Additions during the year | - | - |
| Less: Utilised during the year | - | - |
| Subtotal | 320.25 | 320.25 |
| f) Capital reduction | | |
| As at the commencement of the year | - | - |
| Add: Additions during the year | 4,209.30 | - |
| Less: Accumulated Depreciation | - | - |
| Subtotal | 4,209.30 | - |
| g) Surplus : | | |
| i) Opening balance - Profit and loss account | -62,507.59 | -62,983.91 |
| Add: Transfer from Profit and loss account | 703.30 | 476.31 |
| Less: Transfer to general reserve | - | - |
| Subtotal | -61,804.29 | -62,507.59 |
| Total | 5,599.80 | -44,355.95 |

Notes to Standalone Financial Statements

for the year ended March 31, 2024.

14 Borrowings

| Particulars | (Amount. In Lakhs) | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| Long Term borrowings | | |
| a) Non convertible debentures | | |
| Secured | - | 4,250.00 |
| (500 NCDs, Face value - ₹ 10,00,000/- , 14% Interest) | | |
| b) i) Term loans | | |
| From Banks and financial institutions | 59.13 | 16,944.02 |
| From IARC & EARC | - | 283.00 |
| ii) Unsecured loans | | |
| From related parties | 6,379.48 | - |
| From others | - | 16,887.20 |
| | 6,438.61 | 38,364.22 |

15 Deferred tax liability (Net)

| Particulars | (Amount. In Lakhs) | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| Opening deferred tax liability | 2,968.08 | 2,968.08 |
| Add: Deferred tax transferred to reserves | (31.94) | - |
| Deferred tax liability for the year (Due to SLM and WDV Difference) | (213.81) | - |
| | 2,722.33 | 2,968.08 |

16 Short term borrowings

| Particulars | (Amount. In Lakhs) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| a) Cash credits and working capital demand loan from banks secured | - | 108.36 |
| | - | 108.36 |

17 Trade payables

| Particulars | (Amount. In Lakhs) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| a) outstanding dues to MSME's | - | - |
| b) outstanding dues to other than MSME's | | |
| to others | 510.72 | 1,770.82 |
| | 510.72 | 1,770.82 |

For trade payable ageing refer annexure

Notes to Standalone Financial Statements

for the year ended March 31, 2024.

18 Other current liabilities

| Particulars | (Amount. In Lakhs) | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| a) Current maturities of long term debt | 1,091.90 | 46.74 |
| b) Current maturities of finance lease obligation | - | 8,535.51 |
| c) Interest accrued but not due on borrowings | - | 9,178.74 |
| d) Guests refunds | 56.11 | 67.37 |
| e) Other payables | - | - |
| f) Audit fee payable | - | 14.78 |
| (g) Electricity charges payable | - | 1.58 |
| (h) Bonus payable | 57.34 | 55.85 |
| (i) Statutory liabilities | 67.75 | 382.02 |
| (j) GST payables | 135.15 | 98.08 |
| (k) PF & esi payable | 18.58 | 19.50 |
| (l) Salaries payable | 5.84 | 123.15 |
| (m) Leave encashment payable | 33.38 | 20.83 |
| (n) Spirit to serve charity fund | - | 12.58 |
| (o) Other payable (wct payable) | 249.86 | 109.22 |
| (p) Other creditors | 0.73 | 693.04 |
| (q) Management fee and consultancy charges | 43.94 | 224.81 |
| (r) Marriott management agreement payable | 47.84 | 268.66 |
| (s) Deposits from suppliers | 12.16 | 39.86 |
| Total | 1,820.58 | 19,892.34 |

19 Provisions

| Particulars | (Amount. In Lakhs) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| a) Provisions for employee benefits | | |
| Provision for gratuity | 47.93 | 0.17 |
| Provision for pension | 94.01 | 80.81 |
| Provision for expenses | - | 0.75 |
| Provision for accruals | 313.89 | 376.00 |
| b) Others | | |
| Provision for bad and doubtful debts | 15.10 | 119.16 |
| Total | 470.92 | 576.89 |

20 Revenue from operations

| Particulars | (Amount. In Lakhs) | |
|--------------------------|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| Accommodation services | 6,677.56 | 5,604.78 |
| Food & Beverage services | 4,514.34 | 3,706.97 |
| Other operating revenue | 652.39 | 553.43 |
| Total | 11,844.30 | 9,865.19 |

21 Other income

| Particulars | (Amount. In Lakhs) | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| Interest income | 96.04 | 9.19 |
| Other non operating income | 3.00 | - |
| Net gain / loss on foreign currency translation and transaction | 1.93 | 0.92 |
| Total | 100.97 | 10.11 |

Notes to Standalone Financial Statements

for the year ended March 31, 2024.

22 Cost of material consumed

(Amount. In Lakhs)

| Particulars | As at | As at |
|-----------------------------|------------------|------------------|
| | 31st March, 2024 | 31st March, 2023 |
| Food & bevarages | | |
| Opening stock | 88.96 | 65.47 |
| Purchases | 1,382.48 | 1,347.89 |
| Less : Closing Stock | -70.89 | -88.96 |
| Net Consumption | 1,400.55 | 1,324.40 |
| *Inventory comprises | | |
| Alcohol beverage | 70.89 | 88.96 |

23 Employee benefits expenses

(Amount. In Lakhs)

| Particulars | As at | As at |
|---|------------------|------------------|
| | 31st March, 2024 | 31st March, 2023 |
| Salaries and wages | 2,129.45 | 1,651.53 |
| Contribution to provident and other funds | 105.39 | 81.14 |
| Staff welfare expenses | 179.62 | 172.53 |
| Leave encashment expense | 5.59 | 2.05 |
| Total | 2,420.04 | 1,907.24 |

24 Finance Cost

(Amount. In Lakhs)

| Particulars | As at | As at |
|----------------------|------------------|------------------|
| | 31st March, 2024 | 31st March, 2023 |
| Interest Expense | 141.50 | |
| Other borrowing cost | 2.22 | 3.73 |
| Total | 143.72 | 3.73 |

25 Depreciation and amortisation expense

(Amount. In Lakhs)

| Particulars | As at | As at |
|---|------------------|------------------|
| | 31st March, 2024 | 31st March, 2023 |
| Depreciation of property, plant and equipment | 1,382.62 | 844.26 |
| Depreciation charged to statement of profit and loss | 1,382.62 | 844.26 |

26 Other expenses

(Amount. In Lakhs)

| Particulars | As at | As at |
|--|------------------|------------------|
| | 31st March, 2024 | 31st March, 2023 |
| 1 Operating expense | - | - |
| Power and fuel | 1,025.68 | 916.77 |
| CIRP cost | 262.02 | 181.76 |
| Insurance | 46.82 | 29.13 |
| Rates and taxes (excluding income tax) | 74.00 | 11.66 |
| Miscellaneous expenses | 104.91 | 81.51 |
| Statutory auditors Remuneration | 6.00 | 4.00 |
| Credit card comission | 123.51 | 85.68 |
| Rental expenses | 57.79 | 188.75 |
| Repairs and maintenance | 338.78 | 533.14 |
| Other operating expenses | 1,496.56 | 170.82 |
| Internal audit fee | 4.50 | 3.00 |

Notes to Standalone Financial Statements

for the year ended March 31, 2024.

26 Other expenses (Contd..)

| Particulars | (Amount. In Lakhs) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| 2 General expenses | | |
| Telephone, postage and others | 3.08 | 5.43 |
| Business promotion expenses | 401.89 | 889.38 |
| Conveyance and travelling expenses | 59.33 | 70.86 |
| Property tax expense | 36.24 | 307.94 |
| Printing and stationery expenses | 0.80 | 1.32 |
| Consultancy charges | 43.88 | 106.30 |
| Freight expenses and transportation expenses | 8.51 | - |
| Laundry expenses | 107.29 | 48.96 |
| Licence fee | 378.37 | 187.71 |
| Royalty fee | 615.01 | 411.14 |
| Bad debts written off | 122.39 | 66.75 |
| Other administrative expenses | 470.36 | 340.80 |
| Repairs to Furniture and fittings | 0.38 | 493.31 |
| Foreign Exchange Gain / Loss | 2.76 | 136.84 |
| Total | 5,790.84 | 5,272.97 |

27. Exceptional items for an amount of Rs.318 Lakhs, which comprises of impairment of investments in the subsidiary companies due to accumulated losses in the subsidiaries

28. Earnings Per Share (Basic EPS)

| Particulars | (Amount. In Lakhs) | |
|--|--------------------|---------------|
| | Current Year | Previous Year |
| Net Profit after Tax | ₹ 703.30 | ₹ 476.30 |
| Weighted Average Number of Shares Considered | 5,22,71,248 | 4,24,05,224 |
| Basic EPS | 1.35 | 1.12 |
| Diluted EPS | 1.35 | 1.12 |

29. In relation to provision for current tax, deferred tax:

(a) Major components of tax expense/ (income):

| Sl. no | Particulars | (Amount. In Lakhs) | |
|--------|--|--------------------|---------------|
| | | Current Year | Previous Year |
| 1 | Profit or loss section | | |
| | (i) Current income tax: | | |
| | Current income tax expense | 0 | 0 |
| | Tax expense of earlier years | 0 | 0 |
| | (ii) Deferred tax: | | |
| | Tax expense on origination and reversal of temporary differences | ₹ (213.81) | ₹ 46.39 |
| | Deferred tax expense reported in profit or loss [(i)+(ii)] | ₹ (213.81) | ₹ 46.39 |

(b) Reconciliation of Tax expense and the accounting profit multiplied by domestic tax rate applicable in India:

| Sl. no | Particulars | (Amount. In Lakhs) | |
|--------|--|--------------------|---------------|
| | | Current Year | Previous Year |
| 1 | Profit before tax | 807.49 | 522.70 |
| 2 | Corporate tax rate as per Income Tax Act, 1961 | 25.17% | 31.20% |
| 3 | Tax on accounting profit (3) = (1)*(2) | 203.25 | 163.08 |
| 4 | Brought forward losses adjusted | (203.25) | (163.08) |
| 5 | Tax expense recognized during the year (5) = (3)+(4) | - | - |
| 6 | Effective tax rate (6) = (5)/(1) | - | - |

Notes to Standalone Financial Statements

for the year ended March 31, 2024.

30. Auditors Remuneration:

| Particulars | (Amount. In Lakhs) | |
|-------------|--------------------|---------------|
| | Current Year | Previous Year |
| Audit Fees | ₹ 6.00 | ₹ 4.00 |

31. According to the information available with the company, there are no amounts as at 31st March, 2024, due to suppliers who constitute a "Micro, Small and Medium Enterprises."

32. Contingent liabilities not provided for in respect of:-

As per the approved Resolution Plan, contingent liabilities (which have / are capable of being crystallized) prior to October 10, 2023 ("Effective Date") stand extinguished.

Furthermore, the Resolution Plan, among other matters, provides that except to the extent of the amount payable to the relevant Operational Creditor in accordance with the Resolution Plan, all liabilities of the Company relating in any manner to the period prior to the Effective Date, immediately, irrevocably and unconditionally stand fully and finally discharged and settled and there being no further claims whatsoever, and all the rights of the Operational Creditors and Other Creditors to invoke or enforce the same stands waived off. It is provided that any and all legal proceedings initiated before any forum by or on behalf of any Operational Creditor (including Governmental Authorities) or any Other Creditors to enforce any rights or claims against the Company also stands extinguished.

Further, in terms of the Resolution Plan, no Governmental Authority has any further rights or claims against the Company, in respect of the period prior to the Effective Date and / or in respect of the amounts written off and all legal proceedings initiated before any forum by or on behalf of any Operational Creditor (including Governmental Authorities) or any Other Creditors, to enforce any rights or claims against the Company will immediately, irrevocably and unconditionally stand withdrawn, abated, settled and/or extinguished. Further, the Operational Creditors of the Company (including Governmental Authorities) and Other Creditors will have no further rights or claims against the Company (including but not limited to, in relation to any past breaches by the Company), in respect of any liability for period prior to the Effective Date, and all such claims shall immediately, irrevocably and unconditionally stand extinguished. The Company has been legally advised that while the Resolution Plan provides for extinguishment of all liabilities of the Company owed to Operational Creditors and Other Creditors as of the Insolvency Commencement Date i.e. July 26, 2017, the implementation of the Resolution Plan does not have any such similar effect over claims or receivables owed to the Company. Accordingly, the Company has concluded that any receivables due to the Company, evaluated based on merits of underlying litigations, from various Governmental Agencies (presented under Other Financial Assets - Non current) continue to subsist.

Guarantees provided after October 10, 2023:

The company has made first and exclusive hypothecation charge on all existing and future current assets and moveable fixed assets (excluding vehicles) of Viceroy Hotels Limited in favour of M/s Loko Hospitality Private Limited for sanction of term loan amounting to ₹ 5,000/- Lakhs from Kotak Mahindra Bank.

33. Foreign currency risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The company is not exposed to foreign currency risk as it has no borrowings in foreign currency.

Expenditure in foreign currency:

| Particulars | (Amount. In Lakhs) | |
|----------------------|--------------------|---------------|
| | Current Year | Previous Year |
| Royalties and others | ₹ 1,348.16 | ₹ 1,581.00 |

34. Earning in foreign exchange as reported by the company to the Ministry of Tourism, Government of India and as certified by the Management.

| Particulars | (Amount. In Lakhs) | |
|-----------------------------|--------------------|---------------|
| | Current Year | Previous Year |
| Earning in foreign exchange | ₹ 2,725.28 | ₹ 2,058 |

Notes to Standalone Financial Statements

for the year ended March 31, 2024.

35. In relation of Secured (Term) Loans:

Kotak Mahindra Bank has sanctioned a Loan of ₹ 2000 lakhs for capital expenditure on hotel renovation and room construction. As of March 31, 2024, ₹ 70 lakhs has been utilized. The loan is secured by a first and exclusive hypothecation charge on all existing and future current assets and moveable fixed assets (excluding vehicles) of the company.

| Secured loan from | Amount Sanctioned | Amount availed | Balance to be availed |
|---------------------------------------|-------------------|----------------|-----------------------|
| Kotak Mahindra Bank (Amount in lakhs) | ₹ 2000 | ₹ 70 | ₹ 1930 |

36. Following are the pending litigations with income tax Department and contingent liabilities:

i) Income tax:

The company moved an application on December 18, 2023, with the income tax department for the extinguishment of all the prior year demands under the Income Tax Act, 1961 pursuant to Hon'ble NCLAT order dated October 6, 2023. Subsequently, consequential orders deleting the demands raised prior to October 6, 2023, have been passed on March 14, 2024 giving effect to Hon'ble NCLAT order.

ii) Service Tax & GST:

All outstanding demands against the company "VICEROY HOTELS LIMITED" for various previous years stand waived and extinguished as per the NCLAT order.

iii) Luxury Tax / Sales Tax:

All outstanding demands against the company "VICEROY HOTELS LIMITED" for various previous years stand waived and extinguished as per the NCLAT order.

37. Following are the amount outstanding and due to banks and other institutions:

- All the liabilities existing in the beginning of the year have been extinguished and accounted as per the approved Resolution Plan.
- Unsecured loans taken by new management

| Lendor/Banker | Amount in lakhs |
|----------------------------------|-----------------|
| Loko Hospitality Private Limited | ₹ 7,589.27 |

38. Financial ratios:

| Ratio | Numerator | Denominator | 31-03-2024 | 31-03-2023 |
|----------------------------------|---|--|------------|------------|
| Current ratio | Total Current Assets | Total Current liabilities | 1.64 | 0.15 |
| Debt equity ratio | Total debt (Non current + Current Liabilities) | Share holder's equity | 1.00 | -1.59 |
| Debt service coverage ratio | Net profit after tax + Depreciation + Interest | Interest + Principal repayments | 2.04 | - |
| Return on equity ratio | Net profit after tax - preference dividend | Net worth | 0.06 | -0.01 |
| Inventory turnover ratio | Turnover | Avg inventory | 148.19 | 127.76 |
| Trade receivables turnover ratio | Turnover | Avg Accounts receivables | 16.42 | 16.71 |
| Trade payables turnover ratio | Purchases | Avg trade payables | 1.21 | 0.76 |
| Net capital turnover ratio | Net sales | Working capital | 6.57 | -0.52 |
| Net profit ratio | Net profit | Net sales | 0.06 | 0.05 |
| Return on capital employed | Earnings before interest and taxes | Total assets - total current liabilities | 0.78 | 0.43 |
| Return on investment | Return | Investment | 0.05 | -0.27 |

Notes to Standalone Financial Statements

for the year ended March 31, 2024.

39. Employee benefit expenses

Disclosure pursuant to Indian Accounting Standard (Ind AS) 19 "Employee Benefits"

The amount recognized in balance sheet is as follows:

i) Defined contribution plan:

An amount of ₹ Nil (Previous year: ₹ Nil) being contribution made to recognised provident fund is recognised as expense and included under Employee benefit expense (Note 19) in the Statement of Profit and Loss.

ii) Defined benefit plans:

A. Change in Defined Benefit Obligation

| Particulars | Gratuity | | Leave encashment | |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 |
| Defined Benefit Obligation at the beginning | - | - | - | - |
| Current Service Cost | 11.95 | - | 5.20 | - |
| Past Service Cost | 15.55 | - | 15.11 | - |
| (Gain) / Loss on settlements | - | - | - | - |
| Interest Expense | - | - | - | - |
| Benefit Payments from Plan Assets | - | - | - | - |
| Benefit Payments from Employer | - | - | - | - |
| Settlement Payments from Plan Assets | - | - | - | - |
| Settlement Payments from Employer | - | - | - | - |
| Other (Employee Contribution, Taxes, Expenses) | - | - | - | - |
| Increase / (Decrease) due to effect of any business combination / divestiture / transfer) | - | - | - | - |
| Increase / (Decrease) due to Plan combination | - | - | - | - |
| Remeasurements - Due to Demographic Assumptions | - | - | - | - |
| Remeasurements - Due to Financial Assumptions | - | - | - | - |
| Remeasurements - Due to Experience Adjustments | - | - | - | - |
| Defined Benefit Obligation at the end | 27.50 | - | 20.30 | - |
| Discount Rate | 7.24% | - | 7.24% | - |
| Salary Escalation Rate | 6.00% | - | 6.00% | - |

B. Change in Fair Value of Plan Assets

| Particulars | Gratuity | | Leave encashment | |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 |
| Fair Value of Plan Assets at the beginning | - | - | - | - |
| Interest Income | - | - | - | - |
| Employer Contributions | - | - | - | - |
| Employer Direct Benefit Payments | - | - | - | - |
| Employer Direct Settlement Payments | - | - | - | - |
| Benefit Payments from Plan Assets | - | - | - | - |
| Benefit Payments from Employer | - | - | - | - |
| Settlement Payments from Plan Assets | - | - | - | - |
| Settlement Payments from Employer | - | - | - | - |
| Other (Employee Contribution, Taxes, Expenses) | - | - | - | - |
| Increase / (Decrease) due to effect of any business combination / divestiture / transfer) | - | - | - | - |
| Increase / (Decrease) due to Plan combination | - | - | - | - |
| Remeasurements - Return on Assets (Excluding Interest Income) | - | - | - | - |
| Fair Value of Plan Assets at the end | - | - | - | - |

Notes to Standalone Financial Statements

for the year ended March 31, 2024.

39. Employee benefit expenses (Contd..)

Weighted Average Asset Allocations at the end of current period

| Particulars | Gratuity | | Leave encashment | |
|--------------------|----------------|----------------|------------------|----------------|
| | As at | As at | As at | As at |
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Equities | 0% | | 0% | |
| Bonds | 0% | | 0% | |
| Gilts | 0% | | 0% | |
| Insurance Policies | 0% | | 0% | |
| Total | 0% | | 0% | |

C. Components of Defined Benefit Cost

| Particulars | Gratuity | | Leave encashment | |
|---|----------------|----------------|------------------|----------------|
| | As at | As at | As at | As at |
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Current Service Cost | 11.95 | | 5.20 | |
| Past Service Cost | 15.55 | | 15.11 | |
| (Gain) / Loss on Settlements | - | | - | |
| Reimbursement Service Cost | - | | - | |
| Total Service Cost | 27.50 | | 20.30 | |
| Interest Expense on DBO | - | | - | |
| Interest (Income) on Plan Assets | - | | - | |
| Interest (Income) on Reimbursement Rights | - | | - | |
| Interest Expense on (Asset Ceiling) / Onerous Liability | - | | - | |
| Total Net Interest Cost | - | | - | |
| Reimbursement of Other Long Term Benefits | - | | - | |
| Defined Benefit Cost included in P & L | 27.50 | | 20.30 | |
| Remeasurements - Due to Demographic Assumptions | - | | - | |
| Remeasurements - Due to Financial Assumptions | - | | - | |
| Remeasurements - Due to Experience Adjustments | - | | - | |
| (Return) on Plan Assets (Excluding Interest Income) | - | | - | |
| (Return) on Reimbursement Rights | - | | - | |
| Changes in Asset Ceiling / Onerous Liability | - | | - | |
| Total Remeasurements in OCI | - | | - | |
| Total Defined Benefit Cost recognized in P&L and OCI | 27.50 | | 20.30 | |
| Discount Rate | 7.24% | | 7.24% | |
| Salary Escalation Rate | 6.00% | | 10.00% | |

D. Bifurcation of Present Value of Obligations at the end of the valuation period as per revised Schedule III of the Companies Act, 2013

| Particulars | Gratuity | | Leave encashment | |
|-------------------------|----------------|----------------|------------------|----------------|
| | As at | As at | As at | As at |
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Current Liabilities | 25.31 | | 8.20 | |
| Non-current Liabilities | 2.18 | | 12.10 | |

E. Amounts recognized in the Statement of Financial Position

| Particulars | Gratuity | | Leave encashment | |
|--|----------------|----------------|------------------|----------------|
| | As at | As at | As at | As at |
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Defined Benefit Obligation | 27.50 | | 20.30 | |
| Fair Value of Plan Assets | - | | - | |
| Funded Status | 27.50 | | 20.30 | |
| Effect of Asset Ceiling / Onerous Liability | - | | - | |
| Net Defined Benefit Liability / (Asset) | 27.50 | | 20.30 | |
| Of which, Short term Liability | 25.31 | | 8.20 | |

Notes to Standalone Financial Statements

for the year ended March 31, 2024.

39. Employee benefit expenses (Contd..)

F. Net Defined Benefit Liability / (Asset) reconciliation

| Particulars | Gratuity | | Leave encashment | |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 |
| Net Defined Benefit Liability / (Asset) at the beginning | - | - | - | - |
| Defined Benefit Cost included in P & L | 27.50 | - | 20.30 | - |
| Total Remeasurements included in OCI | - | - | - | - |
| Net Transfer In / (Out) (Including the effect of any business combination / divesture) | - | - | - | - |
| Amount recognized due to Plan Combinations | - | - | - | - |
| Employer Contributions | - | - | - | - |
| Employer Direct Benefit Payments | - | - | - | - |
| Employer Direct Settlement Payments | - | - | - | - |
| Credit to Reimbursements | - | - | - | - |
| Net Defined Benefit Liability / (Asset) at the end | 27.50 | - | 20.30 | - |

G. Experience Adjustments on Present Value of DBO and Plan Assets

| Particulars | Gratuity | | Leave encashment | |
|-----------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 |
| (Gain) / Loss on Plan Liabilities | - | - | - | - |
| % of Opening Plan Liabilities | 0.00% | - | 0.00% | - |
| Gain / (Loss) on Plan Assets | - | - | - | - |
| % of Opening Plan Assets | 0.00% | - | 0.00% | - |

40. Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures"

(a) List of related parties over which control exist and status of transactions entered during the year:

| Sr. no | Name of the subsidiary company | Nature of relationship | Transaction entered during the year (Yes/No) |
|--------|--|-------------------------|--|
| 1. | Cafe D'Lake Pvt. Ltd. | Wholly owned Subsidiary | Yes |
| 2. | Crustum Products Pvt. Ltd | Wholly owned Subsidiary | No |
| 3. | Minerva Hospitalities Pvt. Ltd | Wholly owned Subsidiary | No |
| 4. | Viceroy Chennai Hotels & Resorts Pvt Ltd | Wholly owned Subsidiary | No |
| 5. | Banjara Hospitalities Private Limited | Wholly owned Subsidiary | No |

(b) List of related parties which has control and status of transactions entered during the year:

| Sr. no | Name of the subsidiary company | Nature of relationship | Transaction entered during the year (Yes/No) |
|--------|--------------------------------|-------------------------|--|
| 1. | Loko Hospitality Pvt Ltd | Special Purpose Vehicle | Yes |

(c) Key Management Personal:

| Sr. no | Name of the Person | Designation |
|--------|----------------------------|-------------------------|
| 1. | Ravinder Reddy Kondareddy | MD & CEO |
| 2. | Anirudh Reddy Kondareddy | Non-Executive Director |
| 3. | Pooja Reddy Konda Reddy | Non-Executive Director |
| 4. | Puli Venkata Krishna Reddy | Independent Director |
| 5. | Prabhaker Reddy Solipuram | Non-Executive Director |
| 6. | Gorinka Jaganmohan Rao | Independent Director |
| 7. | Pradyumna Kodali | Chief Financing Officer |
| 8. | T.A. Veena Aravind | Company Secretary |

Notes to Standalone Financial Statements

for the year ended March 31, 2024.

40. Disclosure of related parties/related party transactions pursuant to Ind AS 24 “Related Party Disclosures” (Contd..)

(d) Compensation/benefits to key management personnel: In relation to Related Party

| Sr. no | Name of the Person | Designation | Sitting fees (Amount in ₹) |
|--------|-----------------------------|------------------------|----------------------------|
| 1. | Ravinder Reddy Kondareddy | MD & CEO | Nil |
| 2. | Anirudh Reddy Kondareddy | Non-Executive Director | 1,40,000/- |
| 3. | Pooja Reddy Konda Reddy | Non-Executive Director | 80,000/- |
| 4. | Reddy Pulli Venkata Krishna | Independent Director | 1,40,000/- |
| 5. | Prabhaker Reddy Solipuram | Non-Executive Director | 80,000/- |
| 6. | Gorinka Jaganmohan Rao | Independent Director | 1,40,000/- |

(e) Transactions entered during the year with related party

| Sr. no | Name of the Person | Nature of transaction | Amount in lakhs. |
|--------|-----------------------------|-----------------------|------------------|
| 1 | Loko Hospitality Pvt Ltd | Unsecured loan | ₹ 7,589.27/- |
| 2 | Loko Hospitality Pvt Ltd | Guarantee | ₹ 5,000/- |
| 3 | Café D’Lake Private Limited | Rent Expense | ₹ 50.41/- |

Note:

- Loko Hospitality Private Limited holding 95% of shares has given ₹ 7589.27 lakhs unsecured loan for an interest rate of 7.5%.
- The company has made first and exclusive hypothecation charge on all existing and future current assets and moveable fixed assets (excluding vehicles) of Viceroy Hotels Limited in favour of M/s Loko Hospitality Private Limited for sanction of term loan amounting ₹ 5,000 Lakhs from Kotak Mahindra Bank.

41. Segment information:

The Company’s only business is Hoteliering and hence disclosure of segment-wise information is not applicable under Indian Accounting Standard 108- ‘Segmental Information’. There is no geographical segment to be reported.

42. During the financial year 2017-2018, Corporate insolvency resolution process (“CIRP”) was initiated pursuant to a petition filed by one of its financial creditors, Asset Reconstruction Company (India) Limited (“ARCIL”) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (“IBC”). ARCIL filed the petition before the National Company Law Tribunal, State Bench, Hyderabad (“Adjudicating Authority”) vide Company Petition No. (IB)-219/7/(HBD)/2017 on July 03, 2017. The Adjudicating Authority admitted the said petition and the CIRP for the Company commenced on March 12, 2018. Pursuant to this, based on the application made by the Committee of Creditors of the Company (“COC”), the Hon’ble NCLT appointed Dr G.V. Narasimha Rao (“RP”) as the new Resolution Professional for conducting Corporate Insolvency Resolution Process vide order dated April 13, 2022. Pursuant to COC’s approval of resolution plan dated September 29, 2022 as submitted by the Resolution Applicant, Anirudh Agro Farms Limited (“AAFL”), RP has filed an application for the approval of the resolution plan as submitted by AAFL before Hon’ble NCLT on November 11, 2022. NCLT rejected the said resolution plan on June 9, 2023 on technical grounds. The order of NCLT was challenged before the Hon’ble National Company Law Appellate Tribunal, Chennai Bench (“NCLAT”). On October 6, 2023, NCLAT pronounced an order in CA(AT)(CH)(Ins).No.166 of 2023 & 183 of 2023, appeals filed by the AAFL and COC respectively and allowed the IA (IBC) 1343 of 2022 in OP(IB) NO.219/2017, an application filed by the RP for approval of the Resolution Plan submitted by AAFL with NCLT under section 30 & 31 of the Insolvency and Bankruptcy Code, 2016.

The impact of the NCLAT Order is effective from the Trigger Date, i.e. October 10, 2023 and the same is reflected in the financial results for the year ended March 31, 2024.

Accordingly, keeping in view the Order dated October 10, 2023:

- As per the Resolution Plan and the order of NCLAT, Monitoring Committee (“MC”) consisting of Managing Agent (former RP), 2 representatives from CoC (assenting creditors) and 2 representatives from AAFL were appointed. AAFL, through its SPV, Loko Hospitality Private Limited infused the share capital (first tranche as per Resolution Plan) of ₹ 60,00,00,000 (Rupees Sixty Crores only) towards subscription of Equity shares and accordingly MC confirmed that October 10, 2023 as the Trigger Date for the Resolution Plan and for payment of CIRP cost and employee related dues, and payment to financial creditors in terms of the approved Resolution Plan.

Notes to Standalone Financial Statements

for the year ended March 31, 2024.

42. (Contd..)

The Monitoring Committee in its meeting held on October 11, 2023 has also approved the following in terms of the Resolution Plan:

1. Cancellation and extinguishment of 56,87,781 Equity shares of ₹ 10/- each held by the erstwhile Promoter Group.
2. The Equity Shares held by the existing Public Shareholders were stand restructured, reduced, reorganized, consolidated and extinguished (as required) as a part of this Resolution Plan such that the Equity Shares held by the existing Public Shareholders post such restructuring and reorganization shall be 6,31,579 Equity Shares constituting 1% (one percent) of the issued and paid-up equity share capital of the Company.
3. Issuance of 6,00,00,000 Equity Shares Face Value of ₹ 10/- each to the Loko Hospitality Private Limited, the SPV of Resolution Applicant representing 95% of the issued & paid up equity share capital of the Company.
4. The assenting financial creditors were further allotted 25,26,316 equity shares at face value of 10 each aggregating to 253 Lakhs approx. representing 4% of the issued & paid up equity share capital of the Company.
5. The Resolution Plan provides for the payment of admitted claims of the Company in the following manner:

| S. no | Category of Creditor | Amount of Claim | Claim Admitted | Amount provided in the Plan (INR) | Sources of Funds |
|--------------|---|------------------------|-----------------------|---|---|
| 1 | Insolvency Resolution Process Cost (CIRP cost) | Actuals | Actuals | Actuals | Fund infusion by Resolution Applicant through Share Capital (₹ 60 Crs) and unsecured loan |
| 2 | Operational creditors (vendors and related parties) | 35,26,40,961 | 22,79,18,362 | 50,00,000 | |
| 3 | Operational Creditor (Statutory dues) | 89,13,31,152 | - | 10,00,000 (Note*) | |
| 4 | Workmen dues | 30,45,082 | 29,63,766 | 29,63,766 | |
| 5 | Employee dues | 31,71,688 | 31,71,688 | 31,71,688 | |
| 6 | Financial Creditors | 11,52,71,53,065 | 7,44,57,12,946 | 1,50,28,64,546 | Fund infusion by RA / Cashflow of CD |
| Total | | 12,77,73,41,948 | 7,67,97,66,762 | 1,51,50,00,000 + Actuals for CIRP cost | |

6. Extinguishment of balance FC Debt and balance Operational Creditor Dues:

Resolution Applicant shall extinguish the Balance FC Debt (including that owed to the Related Parties) and other Operational Creditor dues on the Effective Date, on and with effect from the NCLAT approval date by virtue of the order of the NCLAT approving the Resolution Plan by transferring the difference amount to Reserves.

- i. The issued, subscribed and paid-up share capital of the Company, post the said extinguishment, reduction/consolidation and issuance shall stand at ₹ 6,315.79 Lakhs divided into 6,31,57,895 Equity Shares of face value of ₹ 10/- each.
- ii. Further, the Company had intimated to the Monitoring Committee that the Company plans to prepay and settle in deferred tranches to various financial creditors ahead of the schedule proposed in the Resolution Plan. Upon receiving the formal consents from the respective financial creditors, the Company had made pre-payments and settled the dues of all the financial creditors during the quarter and nine months ended December 31, 2023. Consequent to this, the entire dues of various financial creditors as per the Resolution Plan, stand settled and discharged by the Company.
- iii. Exceptional items for the year ended March 31, 2024, is ₹ 318 Lakhs, which comprises of impairment of investments in the subsidiary companies, due to accumulated losses in the subsidiaries.
- iv. All the liabilities that have been extinguished are accounted as per the approved Resolution Plan.
- v. As per the approved Resolution Plan, the Company had to pay ₹ 8,923.14 Lakhs to certain assenting Financial Creditors spread over a period of 675 days. However, the Company in mutual agreement with the said Financial Creditors paid an upfront payment of ₹ 6,795.05 Lakhs within a period of 60 days and settled the liability thereby the differential amount of ₹ 2,128.09 Lakhs is transferred to the Reserves.

Notes to Standalone Financial Statements

for the year ended March 31, 2024.

42. (Contd..)

- vi. The Directorate of Enforcement initially made a Provisional Attachment Order in PAO No. 04/2019 dated 26.03.2019 passed by the Deputy Director, Directorate of Enforcement against M/s Viceroy Hotels Limited (the Company), which was subsequently confirmed and the Company has challenged it before the Honorable Adjudicating Authority, PMLA, 2002 and the same is still sub judice. Since the resolution plan of the Company has now been approved by the Hon'ble NCLAT, Chennai, the provisions of the plan specifically provide for de-attachment of properties of the Company if attached by any agency / department of the Government pursuant to any proceeding and also provide that all such proceedings / attachments / litigations related to the Company are to be extinguished / de-attached / be declared infructuous by virtue of operation of law. Now, since the new board of the Company has been constituted pursuant to the approval of the Resolution Plan, the Company has actively made representations before the Hon'ble PMLA and application seeking de attachment of the properties has been moved based on Section 32 (a) of the Insolvency and Bankruptcy Code, 2016 on the last date of hearing on 08.02.2024. The Hon'ble PMLA, taking cognizance of the said application has directed further hearing on 29.04.2024, while extending the stay granted in favor of the Company against any coercive action by the Enforcement Department. Final order for the above de-attachment of property is awaited.
- vii. The company moved an application on December 18, 2023, with the income tax department for the extinguishment of all the prior year demands under the Income Tax Act, 1961 pursuant to Hon'ble NCLAT order dated October 6, 2023. Subsequently, consequential orders deleting the demands raised prior to October 6, 2023, have been passed on March 14, 2024 giving effect to Hon'ble NCLAT order.
- viii. The figures of previous periods/year have been reclassified/regrouped, wherever necessary, to correspond to those of the current periods/ year.
- ix. The comparative financials for the year ended 31st March, 2023 have been audited by the previous statutory auditor.
- x. The date of implementation of the Code on Social Security, 2020 ('the code') relating to employee benefits is yet to be notified by the Government of India and when implemented will impact the contributions by the group towards benefits such as Provident Fund, Gratuity etc. The group will assess the impact of the code and give effect in the financial results when the code and rules thereunder are notified.

Notes to Standalone Financial Statements

for the year ended March 31, 2024.

Additional Regulatory Information:

1. There are no title deeds of Immovable Property not held in the name of the Company.
2. The Company has no Investment Property. Accordingly, there is no revaluation of the Investment Property.
3. During the year, no revaluation of Property, Plant & Equipment and Right-of-Use Assets has been done by the Company.
4. No revaluation of Intangible Assets has been done by the Company during the year.
5. The Company has no Loans or Advances in the nature of Loans to specified persons that are repayable on demand or without specifying any terms or period of repayment.
6. The Company has no Intangible Assets under development.
7. Borrowings secured against Current Assets The company has made first and exclusive hypothecation charge on all existing and future current assets and moveable fixed assets (excluding vehicles) of Viceroy Hotels Limited for sanction of term loan from Kotak Mahindra Bank
8. The Company has not been declared as willful defaulter by any bank or financial institution or other lender during the year.
9. The Company had no transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year.
10. The Company has no charges or satisfaction yet to be registered with ROC beyond the statutory period during the year.
11. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with Companies (Restriction on number of layers) Rules, 2017 during the year.
12. The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.
13. During the year expenditure towards Corporate Social Responsibility (CSR) is not applicable.

As per our report of even date as attached

For M/s Deva & Co.

Chartered Accountants
Firm Regn.no. 000722S

For and on behalf of the Board of Directors of
Viceroy Hotels Limited

(M Devaraja Reddy)

Partner
Membership No. 026202
UDIN:24026202BKONZI9365

Ravinder Reddy Kondareddy

Managing Director & CEO
(DIN 00040368)

Anirudh Reddy Kondareddy

Non-Executive Director
(DIN 08638985)

Place: Hyderabad
Date: 30th May 2024

T.A. Veena Aravind

Company Secretary and Compliance Officer

Pradyumna Kodali

Chief Financial Officer

Independent Auditor's Report

To,
The Members of
M/s VICEROY HOTELS LIMITED, HYDERABAD

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of M/s VICEROY HOTELS LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), and the Consolidated Statement of Cash Flows for the year then ended on that date and notes to financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2024, and their consolidated profit/loss and their consolidated cash flows for the year ended on that date.

Basis for Opinion:

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the consolidated Ind AS Financial Statements section of our report. We are independent of the 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 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 auditor in terms of their report referred to in the Other Matter section below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of financial statements as a whole, and in forming opinion thereon and we do not provide a separate opinion on these matters.

| Key audit matters | How our audit addressed the key audit matter |
|---|--|
| Impairment assessment of investment in wholly owned subsidiaries | Our audit procedures included the following: |
| In respect of Investments and Corporate Guarantees given to subsidiaries that have significant accumulated Losses as at March 31st 2024, and the Loans and advances given to those subsidiaries. | <ul style="list-style-type: none"> ● Evaluated the key judgments /assumptions underlying management's assessment of potential indicators of impairment. ● Discussed and obtained assessment of recoverable value of PPE and inventory from component auditor of Subsidiaries. ● Evaluated management's methodology, assumptions and estimates used in these calculations. ● Evaluated internal assessment of management is of the view that the carrying value of the investments and provision of Impairment on Investments in its subsidiary Companies as at March 31, 2024 is appropriate in the accompanying Ind AS financial statements. ● Assessed the recoverability of investment with regard to underlying value in use of PPE and net realizable value of inventory if there in subsidiaries. |
| Recoverability of amounts paid against on-going litigations | We have performed the following procedures, among others, to test the recoverability of payments made by the Company in relation to litigations instituted against it prior to the approval of the Resolution Plan: |
| Refer Note 37 to the Consolidated financial statements. | <ul style="list-style-type: none"> ● Verified the underlying documents related to litigations and other correspondences with the statutory authorities; ● Involved direct and indirect tax specialists to review the process used by the management to determine estimates and to test the judgments applied by management in developing the accounting estimates; |
| Prior to the approval of the resolution plan ("the Resolution Plan") under the Corporate Insolvency Resolution Process of the Insolvency and Bankruptcy Code, 2016 on 15 May 2018 as described in the aforesaid note, the Company was a party to certain litigations. Pursuant to the approval of the Resolution Plan, it was determined that no amounts are payable in respect of those litigations as they stand extinguished | |

Key audit matters

The Company had also made certain payments to the relevant authorities in respect of those litigations which were presented as recoverable under "Other Non-current Financial Assets" in the consolidated financial statements.

The estimates related to expect outcome of litigations and recoverability of payments made in respect thereof have high degree of inherent uncertainty due to insufficient judicial precedents in India in respect of disposal of litigations involving companies admitted to Corporate Insolvency Resolution Process.

How our audit addressed the key audit matter

- Determined whether the methods for making estimates have been applied consistently;
- Evaluated whether the accounting principles applied by the management fairly present the amounts recoverable from relevant authorities in financial statements in accordance with the principles of Ind AS.
- Assessed management's estimate of recoverability, supported by an opinion obtained by the management from a legal expert, by determining whether;
 1. The method of measurement used is appropriate in the circumstances; and
 2. The assumptions used by management are reasonable in light of the measurement principles of Ind AS.

We have determined that there are no other key audit matters to communicate in our report.

Other Matters

The comparative annual financial information of the Company for the year ended 31st March, 2024 is based on the previously issued consolidated financial statements which has been audited by predecessor Auditor and had expressed qualified opinion vide report dated 29th May, 2023.

We did not audit the financial statements / financial information of Five subsidiaries whose financial statements / financial information reflect total assets of ₹ 88.23 crores as at 31st March, 2024, total revenues of ₹ 19.74, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit/loss of ₹ (4.64) crores for the year ended 31st March, 2024, as considered in the consolidated financial statements, whose financial statements / financial information have not been audited by us. This financial statements / financial information has 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 our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

The independent audit reports of two entities is namely Crustum Products Private Limited having total assets of ₹ 30.49 crores as at 31st March, 2024, total revenue of ₹ zero and a loss of ₹ 12,000 only and for Café D' Lake Private Limited having total assets of ₹ 9.5 crores, total revenue of ₹ 6.39 crores & loss of ₹ 89.67 lakhs as per the respective audited standalone financial statements contain qualified opinion and impact on accounts are not ascertained in the report for that and we have relied on the same.

Our opinion on the consolidated financial statements, and our Report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the

requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require

that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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 sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, based on the comments in the auditors' reports of the Holding company, subsidiary companies, companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit 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 by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of group companies is disqualified as on March, 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) 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. There was no pending litigation which would impact the consolidated financial position of the Group.
 - ii. The Group does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the group.
- g) In our opinion, to the best of our information and according to the explanations given to us, the managerial remuneration for the year ended March 31, 2024 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. There were no pending litigation which would impact the financial position of the company.
 - ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The company did not declare interim dividend during the year and until the date of this audit report.
 - v. Based on our examination carried out in accordance with the Implementation guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2024 Edition) issued by the Institute of Chartered Accountants of India, which included test checks and that performed by us during our audit of financial statements under the Act, we report that the company have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated

throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

- vi. a) The management has represented that, to the best of knowledge and belief, as disclosed in the note 55(v) to the standalone Ind AS 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the note 55(vi) to the standalone Ind AS 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf o f the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries; and

- c) Based on such audit procedures that were 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.

For Deva & Co,

Chartered Accountants,
Firm reg. No: 000722S

(M Devaraja Reddy)

Partner

Membership No. 026202

UDIN: 24026202BKCNZJ9886

Place : Hyderabad

Date:30th May 2024

Annexure “A”

to the Independent Auditor’s Report

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of VICEROY HOTELS LIMITED of even date)

Report on the Internal Financial Controls with reference to consolidated Ind AS 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 VICEROY HOTELS LIMITED (hereinafter referred to as the “Parent Company”) as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to consolidated Ind AS financial statements of the Parent Company and its subsidiaries (the Parent Company and its subsidiaries together referred to as “the Group”) which are companies incorporated in India, as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated Ind AS financial statements based on the internal control over financial reporting 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 Parent Company’s internal financial controls with reference to consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to

obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated Ind AS financial statements included obtaining an understanding of internal financial controls with reference to consolidated Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, which are 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 Ind AS financial statements.

Meaning of Internal Financial Controls with reference to these consolidated Ind AS financial statements

A company’s internal financial control with reference to consolidated Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to consolidated Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated Ind AS financial statements to

future periods are subject to the risk that the internal financial controls with reference to consolidated Ind AS financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion:

In our opinion 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 Parent Company and, its subsidiary companies, which are companies incorporated in India, have maintained, in all material respects, an adequate internal financial controls with reference to consolidated Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated Ind AS financial statements of the Parent Company, in so far as it relates to 5 subsidiary companies, which are incorporated in India, is based solely on the corresponding reports of the auditors of such subsidiary companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For Deva & Co,

Chartered Accountants,
Firm reg. No: 000722S

(M Devaraja Reddy)

Partner

Place : Hyderabad
Date:30th May 2024

Membership No. 026202
UDIN: 24026202BKCENZJ9886

Consolidated Balance Sheet

as at March 31st, 2024

(Amount. In Lakhs)

| Particulars | Note No. | As at 31/03/2024 | As at 31/03/2023 |
|--------------------------------------|----------|---------------------|---------------------|
| I Assets | | | |
| 1 Non current assets | | | |
| a) Property plant and equipment | 3 | 21,428.94 | 22,166.09 |
| b) Capital work in progress | 4 | 3,712.75 | 5,674.27 |
| b) Financial assets | | | |
| i) Investments | 5 | - | - |
| ii) Other financial assets | 6 | 1,269.25 | 1,262.95 |
| c) Other non-current assets | 7 | 467.38 | 1,129.32 |
| Total non current assets | | 26,878.32 | 30,232.64 |
| 2 Current assets | | | |
| a) Inventories | 8 | 79.57 | 125.46 |
| b) Financial assets | | | |
| i) Trade receivables | 9 | 781.18 | 922.17 |
| ii) Cash and cash equivalents | 10 | 3,043.84 | 1,280.84 |
| c) Other current assets | 11 | 1,918.83 | 2,651.13 |
| Total current assets | | 5,823.42 | 4,979.61 |
| Total assets | | 32,701.74 | 35,212.45 |
| II Equity and liabilities | | | |
| 1 Equity | | | |
| a) Equity share capital | 12 | 6,315.79 | 4,240.52 |
| b) Other equity | 13 | 365.23 | -48,712.39 |
| Total equity | | 6,681.02 | -44,471.87 |
| Liabilities | | | |
| 2 Non-current liabilities | | | |
| a) Financial liabilities | | | |
| i) Borrowings | 14 | 16,727.58 | 50,937.81 |
| b) Provisions | | - | - |
| c) Deferred tax liabilities (Net) | 15 | 2,944.24 | 3,186.01 |
| Total non current liabilities | | 19,671.82 | 54,123.82 |
| 3 Current liabilities | | | |
| a) Financial liabilities | | | |
| (i) Borrowings | 16 | 111.53 | 219.89 |
| (ii) Trade payables | 17 | 827.61 | 2,128.29 |
| b) Other current liabilities | 18 | 4,925.49 | 21,051.17 |
| c) Provisions | 19 | 484.27 | 2,161.15 |
| Total current liabilities | | 6,348.90 | 25,560.50 |
| Total equity and liabilities | | 32,701.74 | 35,212.45 |
| Significant Accounting Policies | 2 | | |

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date as attached

For M/s Deva & Co.

Chartered Accountants

Firm Regn.no. 000722S

For and on behalf of the Board of Directors of

Viceroy Hotels Limited

(M Devaraja Reddy)

Partner

Membership No. 026202

UDIN:24026202BKCNCZ19365

Ravinder Reddy Kondareddy

Managing Director & CEO

(DIN 00040368)

Anirudh Reddy Kondareddy

Non-Executive Director

(DIN 08638985)

Place: Hyderabad

Date: 30th May 2024

T.A. Veena Aravind

Company Secretary and Compliance Officer

Pradyumna Kodali

Chief Financial Officer

Statement of Consolidated Profit And Loss

For the year ended 31st March, 2024

(Amount. In Lakhs, except per share data)

| Particulars | Note No. | For the year ended 31-03-2024 | For the year ended 31-03-2023 |
|--|----------|----------------------------------|----------------------------------|
| Income | | | |
| I. Revenue from operations | 1 | 13,818.41 | 11,952.22 |
| II. Other income | 2 | 103.70 | 47.58 |
| III. Total income (I +II) | | 13,922.11 | 11,999.80 |
| IV. Expenses: | | | |
| Cost of materials consumed | 3 | 3,660.81 | 3,386.62 |
| Employee benefit expenses | 4 | 2,420.04 | 2,062.17 |
| Financial costs | 5 | 144.06 | 4.54 |
| Depreciation and amortization expense | 6 | 1,394.42 | 859.37 |
| Other expenses | 7 | 5,956.07 | 5,642.12 |
| Total expenses(IV) | | 13,575.40 | 11,954.81 |
| V. Profit/(Loss) before exceptional and extraordinary items and tax (III - IV) | | 346.70 | 44.99 |
| VI. Exceptional items | | 318.00 | - |
| VII. Profit/(Loss) before extraordinary items and tax (V - VI) | | 28.70 | 44.99 |
| VIII. Extraordinary items | | - | - |
| IX. Profit/(Loss) before tax (VII - VIII) | | 28.70 | 44.99 |
| X. Tax expense: | | - | - |
| (1) Current tax | | - | - |
| (2) Deferred tax | | -210.07 | 50.48 |
| XI. Profit(Loss) from the period from Continuing Operations (VII - VIII) | | 238.77 | -5.49 |
| XII. Profit/(Loss) from Discontinuing Operations | | - | - |
| XIII. Tax expense of Discounting Operations | | - | - |
| XIV. Profit/(Loss) from Discontinuing operations (XII - XIII) | | - | - |
| XV. Profit/(Loss) for the period (XI + XIV) | | 238.77 | -5.49 |
| Other comprehensive income | | | |
| A. (i) Items that will not be reclassified subsequently to Profit or Loss | | - | - |
| (ii) Income Tax relating to items that will not be reclassified to profit or loss | | - | - |
| B. (i) Items that will be reclassified subsequently to Profit or Loss | | - | - |
| (ii) Income Tax relating to items that will be reclassified to profit or loss | | - | - |
| Total Comprehensive Income for the year | | 238.77 | -5.49 |
| XVI. Earning per equity share: | 28 | | |
| (1) Basic | | -0.38 | -0.01 |
| (2) Diluted | | -0.38 | -0.01 |
| Significant Accounting Policies | 2 | | |

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date as attached

For M/s Deva & Co.
Chartered Accountants
Firm Regn.no. 000722S

For and on behalf of the Board of Directors of
Viceroy Hotels Limited

(M Devaraja Reddy)
Partner
Membership No. 026202
UDIN:24026202BKCNZI9365

Ravinder Reddy Kondareddy
Managing Director & CEO
(DIN 00040368)

Anirudh Reddy Kondareddy
Non-Executive Director
(DIN 08638985)

Place: Hyderabad
Date: 30th May 2024

T.A. Veena Aravind
Company Secretary and Compliance Officer

Pradyumna Kodali
Chief Financial Officer

Statement of Consolidated Cash Flows

for the year ended 31st March, 2024

(Amount. In Lakhs)

| Particulars | Year ended 2023-2024 | Year ended 2022-2023 |
|---|-------------------------|-------------------------|
| A. Cash flows from operating activities | | |
| Profit/(Loss) before tax | 346.70 | 44.99 |
| Adjustments for: | | |
| Depreciation and amortisation expense | 1,394.42 | 859.36 |
| Finance cost | 144.06 | 87.05 |
| (Gain)/Loss on foreign currency receipts | | - |
| Interest received | -97.59 | -9.19 |
| Operating profit before working capital changes | 1,787.59 | 982.21 |
| Changes in working capital: | | |
| Decrease/(increase) in inventory | 45.89 | -34.40 |
| Increase/(decrease) in other current liabilities | 357.50 | 83.91 |
| Increase/(decrease) in other non current liabilities | - | 188.96 |
| Increase/(decrease) in borrowing | | -2,846.29 |
| Increase/(decrease) in short term provisions | -24.99 | 78.86 |
| Decrease/(increase) in trade receivables | 384.82 | -357.19 |
| Increase/(decrease) in trade payables | -402.68 | 133.72 |
| Decrease/(increase) in other non current assets | - | -211.60 |
| Decrease/(increase) in other current assets | -336.83 | -345.49 |
| Net cash generated from operating activities | 1,811.31 | -2,327.31 |
| B. Cash flow from investing activities | | |
| Increase in property plant and equipemt | -657.26 | - |
| Increase in capital work in progress | -153.74 | 4,346.75 |
| Decrease in investments | - | - |
| Increase in other financial assets | -398.00 | - |
| Increase in other non current assets | -382.44 | - |
| Increase/ decrease of loans and advances | | 32.96 |
| Interest received | 97.59 | 9.19 |
| Net cash used in investing activities | -1,493.85 | 4,388.90 |
| C. Cash flow from financing activities | | |
| Increase in equity share capital | 6,252.63 | - |
| Increase in other equity | | - |
| Interest paid | -144.06 | -87.05 |
| Payments to borrowings | -13,007.02 | - |
| Increase/(decrease) in long term borrowings | 8,343.99 | -984.61 |
| Net cash used in financing activities | 1,445.54 | -1,071.66 |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | 1,763.00 | 989.93 |
| Cash and cash equivalents at the beginning of the year | 1,280.84 | 290.90 |
| Cash and cash equivalents at the end of the year | 3,043.84 | 1,280.83 |

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date as attached

For M/s Deva & Co.

Chartered Accountants

Firm Regn.no. 000722S

For and on behalf of the Board of Directors of

Viceroy Hotels Limited

(M Devaraja Reddy)

Partner

Membership No. 026202

UDIN:24026202BKCNZ19365

Ravinder Reddy Kondareddy

Managing Director & CEO

(DIN 00040368)

Anirudh Reddy Kondareddy

Non-Executive Director

(DIN 08638985)

Place: Hyderabad

Date: 30th May 2024

T.A. Veena Aravind

Company Secretary and Compliance Officer

Pradyumna Kodali

Chief Financial Officer

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2024

A. Equity Share Capital

| Particulars | 2023-24 | | 2022-23 | |
|--|--------------------|-----------------|--------------------|-----------------|
| | Number of shares | RS. in lakhs | Number of shares | RS. in lakhs |
| Issued, subscribed and fully paid up equity share outstanding at the beginning of the year | 4,24,05,224 | 4,240.52 | 4,24,05,224 | 4,240.52 |
| Add: Shares issued during the year | 6,25,26,316 | 6,252.63 | - | - |
| Less: Shares extinguished | 4,17,73,645 | 4,177.36 | - | - |
| Issued, subscribed and fully paid up equity shares outstanding at the end of the year | 6,31,57,895 | 6,315.79 | 4,24,05,224 | 4,240.52 |

B. Other Equity

(Rs. in Lakhs)

| Particulars | Reserves & Surplus | | | | | | | Total Other Equity |
|--|--------------------|--------------------|----------------------|---------------------|-----------------|-------------------|-------------------|--------------------|
| | Capital Reserve | Securities Premium | Debenture Redemption | Revaluation reserve | General Reserve | Capital reduction | Retained Earnings | |
| Balance as at 31st March, 2022 | 74.34 | 17,177.86 | 500.00 | 79.19 | 320.25 | - | -66,859.03 | -48,707.39 |
| Profit For The Year | - | - | - | - | - | - | -5.00 | -5.00 |
| Balance as at 31st March, 2023 | 74.34 | 17,177.86 | 500.00 | 79.19 | 320.25 | - | -66,864.03 | -48,712.39 |
| Debtenture redemption reserve utilised | - | - | -500.00 | - | - | - | - | -500.00 |
| Additions | 45,130.52 | - | - | - | - | - | - | 45,130.52 |
| Capital reduction | - | - | - | - | - | 4,209.30 | - | 4,209.30 |
| Profit For The Year | - | - | - | - | - | - | 238.77 | 238.77 |
| Balance as at 31st March, 2024 | 45,204.86 | 17,177.86 | - | 79.19 | 320.25 | 4,209.30 | -66,625.26 | 365.23 |

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date as attached

For M/s Deva & Co.
Chartered Accountants
Firm Regn.no. 000722S

For and on behalf of the Board of Directors of
Viceroy Hotels Limited

(M Devaraja Reddy)
Partner
Membership No. 026202
UDIN:24026202BKCNZI9365

Ravinder Reddy Kondareddy
Managing Director & CEO
(DIN 00040368)

Anirudh Reddy Kondareddy
Non-Executive Director
(DIN 08638985)

Place: Hyderabad
Date: 30th May 2024

T.A. Veena Aravind
Company Secretary and Compliance Officer

Pradyumna Kodali
Chief Financial Officer

Notes to Consolidated Financial Statements

for the year ended March 31, 2024.

1: Corporate Information

The **Viceroy Hotels Limited** (“VHL” or the “Company”), is primarily engaged in the business of Hoteliering. The company is domiciled and incorporated in India in 1965 and its registered office is at 3rd Floor, Aparna Crest, 8-2-120/112/88 & 89, Road No.2, Banjara Hills, Hyderabad, Khairatabad, Telangana, India, 500034. The financial statements for the year ended March 31, 2024 were approved by the Board of Directors and authorized for issue on May 30, 2024.

2: Basis of Preparation, Critical Accounting Estimates and Judgments, Material Accounting Policies and Recent Accounting Pronouncements

The Financial Statements are presented in Indian Rupees (Rounded Off to Lakhs). The financial statements have been prepared on the following basis:

a) Basis of preparation

These financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities are classified as current and non-current as per company’s normal operating cycle of 12 months which is based on the nature of business of the Company. Current Assets do not include elements which are not expected to be realized within 12 months and Current Liabilities do not include items which are due after 12 months, the period of 12 months being reckoned from the reporting date.

b) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of that entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intra- Group transactions, balances and unrealized gains on transactions between entities within the Group are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have

been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and the Consolidated Balance Sheet respectively.

c) Critical accounting estimates and judgments

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions, that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements pertain to:

i) Useful lives of property, plant and equipment: The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the useful life of property, plant and equipment and intangible assets as at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

ii) Impairment testing: Property, plant and equipment and Intangible assets that are subject to amortization/ depreciation are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

iii) Impairment of investments: The Company reviews its carrying value of investments annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024.

- iv) Income Taxes:** Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charge in the Statement of Profit or Loss. Provision for tax liabilities require judgments on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit or Loss.
- v) Litigation:** From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.
- vi) Defined benefit plans:** The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date.

Material Accounting Policies

d) Revenue recognition:

Revenue is recognized at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring the goods or services to a customer i.e., on transfer of control of the goods or service to the customer. Revenue from sales of goods or rendering of services is net of indirect taxes, returns and discounts.

Income from operations

Revenue is recognized at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and banquet services which is recognized once the rooms are occupied, food and beverages are sold and banquet services have been provided as per the contract with the customer. Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue from restaurant is recognized upon rendering of service. Sales are net of discounts.

Interest

Interest income is accrued on a time proportion basis using the effective interest rate method.

Dividend

Dividend income is recognized when the Company's right to receive the amount is established.

e) Employee Benefits

i) Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Provident Fund

The eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary), which is recognized as an expense in the Statement of Profit and Loss during the year. The contributions as specified under the law are paid to the provident fund set up as irrevocable trust by the Company or to respective Regional Provident Fund Commissioner. The Company is generally liable for annual contributions and any shortfall in the fund assets based on the minimum rates of return prescribed by the Central Government and recognizes such contributions and shortfall, if any, as an expense in the year in which the corresponding services are rendered by the Employee.

ii) Defined Benefit Plans

The Company operates defined benefit plans, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined by a qualified actuary.

Gratuity Fund

The Company makes annual contributions to gratuity funds administered by the trustees for amounts notified by the funds. The Gratuity plan provides for lump sum

Notes to Consolidated Financial Statements

for the year ended March 31, 2024.

payment to vested employees on retirement, death or termination of employment of an amount based on the respective employee's last drawn salary and tenure of employment. The Company accounts for the net present value of its obligations for gratuity benefits, based on an independent actuarial valuation, determined on the basis of the projected unit credit method, carried out as at the Balance Sheet date. The obligation determined as aforesaid less the fair value of the plan assets is reported as a liability or assets as of the reporting date. Actuarial gains and losses are recognized immediately in the Other Comprehensive Income and reflected in retained earnings and will not be reclassified to the Statement of Profit and Loss.

iii) Post-Retirement Pension Scheme

The net present value of the Group's obligation towards post retirement pension scheme is actuarially determined, based on the projected unit credit method. Actuarial gains and losses are recognized immediately in the Other Comprehensive Income and reflected in retained earnings and will not be reclassified to the Statement of Profit and Loss.

The Group also participates in an industry-wide defined benefit plan which provides pension linked to final salaries in respect of employees of certain overseas hotel properties. The plan is funded in a manner such that contributions are set at a level that is expected to be sufficient to pay the benefits falling due in the same period. It is not practicable to determine the present values of the Group's obligations as the covered hotel properties have not received information from the plan's administrator. In the absence of sufficient information, the plan has been accounted as if it was a defined contribution plan.

The Group also has separate funded and unfunded schemes, which guarantee a minimum pension to certain categories of employees. The Group accounts for the net present value of its obligations therein, based on an independent external actuarial valuation, carried out as at the Balance Sheet date, which is determined on the basis of the projected unit credit method. Actuarial gains and losses are recognized immediately in the Other Comprehensive Income and reflected in retained earnings and will not be reclassified to the Statement of Profit and Loss.

iv) Short Term Obligations

The costs of all short-term employee benefits (that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service) are recognized during the period in which the employee renders the related services. The accruals for employee entitlements of benefits such as salaries, bonuses and annual leave represent the amount which the Company

has a present obligation to pay as a result of the employees' services and the obligation can be measured reliably. The accruals have been calculated at undiscounted amounts based on current salary levels at the Balance Sheet date.

f) Property, Plant and Equipment:

Property, plant and equipment are stated at cost; less accumulated depreciation (other than freehold land) and accumulated impairment losses, if any. All property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, including duties and non-refundable taxes, expenses directly related to bringing the asset to the location and condition necessary for making them operational for their intended use and, in the case of qualifying assets, the attributable borrowing costs. Initial estimate of costs of dismantling and removing the item and restoring the site on which it is located is also included if there is an obligation to restore it. First time issues of operating supplies for a new hotel property, consisting of linen and chinaware, glassware and silverware (CGS) are capitalized and depreciated over their estimated useful life. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Depreciation is charged to Statement of Profit and Loss so as to expense the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method, as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets had been re-assessed as under based on technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support, etc.

| Class of Assets | Useful Life of Asset |
|--|----------------------|
| Buildings | 60 Years |
| Plant and Equipment | 10 Years |
| Electrical Installation and Equipment | 20 Years |
| Hotel Wooden Furniture | 15 Years |
| End User devices – Computers, Laptops etc. | 6 Years |
| Operating supplies (issued on opening of a new hotel property) | 2 to 3 Years |
| Other Miscellaneous Hotel Assets | 4 Years |

In respect of Buildings on leasehold Land, depreciation is based on the tenure which is lower of the life of the buildings or the expected lease period. Improvements to buildings are depreciated on the basis of their estimated useful lives or

Notes to Consolidated Financial Statements

for the year ended March 31, 2024.

expected lease period, whichever is lower. Freehold land is not depreciated. The assets' useful lives and residual values are reviewed at the Balance Sheet date and the effect of any changes in estimates are accounted for on a prospective basis. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss. Proportionate depreciation is charged for the addition and disposal made during the year. Capital work in progress represents projects under which the property, plant and equipment are not yet ready for their intended use and are carried at cost determined as aforesaid.

g) Impairment of assets:

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted if the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years a reversal of an impairment loss is recognized immediately in Statement of Profit and Loss.

h) Foreign Currency Translation:

The functional currency of the Company is Indian rupee

Initial Recognition

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent Recognition

As at the reporting date, non-monetary items which are carried at historical cost and denominated in a foreign currency are

reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value denominated in a foreign currency are retranslated at the rates prevailing at the date when the fair value was determined. Income and expenses in foreign currencies are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date and exchange gains and losses arising on settlement and restatement are recognised in the Statement of Profit and Loss.

i) Inventories:

Inventories are carried at the lower of cost (computed on a Weighted Average basis) or net realizable value.

Net Realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses. Cost includes the fair value of consideration paid including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase. Trade discounts and rebates are deducted in determining the cost of purchase.

j) Income Taxes:

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current tax:

Current tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax:

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of good will, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction. Deferred income tax assets are recognised to the extent that it is probable that taxable profit will

Notes to Consolidated Financial Statements

for the year ended March 31, 2024.

be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax liabilities are generally recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilized. Deferred tax liabilities and assets are measured at tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis Minimum Alternative Tax ("MAT") credit forming part of deferred tax assets is recognized as an asset only when and to the extent there is reasonable certainty that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal income tax during the specified period.

k) Provisions and Contingent Liabilities:

Provisions are recognised when the Company has a binding present obligation. This may be either legal because it derives from a contract, legislation or other operation of law, or constructive because the Company created valid expectations on the part of third parties by accepting certain responsibilities. To record such an obligation, it must be probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation. The amount recognised as a provision and the indicated time range of the outflow of economic benefits are the best estimate (most probable outcome) of the expenditure required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Non-current provisions are discounted if the impact is material.

Contingent liabilities are disclosed 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 present obligation that arises from past events

where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

l) Borrowing Costs:

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds. Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the statement of profit or loss using the effective interest method.

m) Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash Flow for the year is classified by operating, investing and financing activities.

n) Earnings Per Share

Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share.

o) Exceptional items:

The company discloses certain financial information both including and excluding exceptional items. The presentation of information excluding exceptional items allows a better understanding of the underlying trading performance of the company and provides consistency with the company's internal management reporting. Exceptional items are identified by virtue of either their size or nature so as to facilitate Comparison with prior periods and to assess underlying trends in the financial performance of the company. Exceptional items can include, but are not restricted to, gains and losses on the disposal of assets/ investments, impairment charges, exchange gain/ loss on long term borrowings/ assets and changes in fair value of derivative contracts.

p) Financial Instruments

(i) Financial assets

Notes to Consolidated Financial Statements

for the year ended March 31, 2024.

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss directly attributable transaction costs. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss

Classification

1. **Cash and Cash Equivalents** – Cash comprises cash on hand and demand deposits with Banks. Cash Equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
2. **Debt Instruments** - The Company classifies its debt instruments as subsequently measured at amortized cost, fair value through Other Comprehensive Income or fair value through profit or loss based on its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

i) Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income from these financial assets is included as a part of the Company's income in the Statement of Profit and Loss using the effective interest rate method.

ii) Financial assets at fair value through Other Comprehensive Income (FVOCI)

Financial assets are subsequently measured at fair value through Other Comprehensive Income if these financial assets are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest. Movements in the carrying value are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in the Statement of Profit and Loss.

When the financial asset is derecognized, the cumulative gain or loss previously recognized in Other Comprehensive Income is reclassified from Other Comprehensive Income to the Statement of Profit and Loss. Interest income on such financial assets is included as a part of the Company's income in the Statement of Profit and Loss using the effective interest rate method.

iii) Financial assets at fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on such debt instrument that is subsequently measured at FVTPL and is not part of a hedging relationship as well as interest income is recognised in the Statement of Profit and Loss.

3. **Equity Instruments** - The Company subsequently measures all equity investments (other than the investment in subsidiaries, joint ventures and associates which are measured at cost) at fair value.

Where the Company has elected to present fair value gains and losses on equity investments in Other Comprehensive Income ("FVOCI"), there is no subsequent reclassification of fair value gains and losses to profit or loss.

Dividends from such investments are recognized in the Statement of Profit and Loss as other when the Company's right to receive payment is established. At the date of transition to Ind AS, the Company has made an irrevocable election to present in Other Comprehensive Income subsequent changes in the fair value of equity investments that are not held for trading. When the equity investment is derecognized, the cumulative gain or loss previously recognized Other Comprehensive Income is reclassified from Other Comprehensive Income to the Retained Earnings directly.

De-recognition

A financial asset is derecognized only when the Company has transferred the rights to receive cash flows from the financial asset. Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized where the Company retains control of the financial asset,

Notes to Consolidated Financial Statements

for the year ended March 31, 2024.

the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(II) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognized when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value, plus, in the case of financial liabilities not at fair value through profit or loss directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized, and through the amortization process.

De-recognition

A financial liability is de-recognized 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 a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in the Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(iii) Impairment of financial assets

The Company assesses, at each reporting date, whether a financial asset or a group of financial assets is impaired. Ind AS-109 on Financial Instruments, requires expected credit losses to be measured through a loss allowance. For trade receivables only, the Company recognizes expected lifetime losses using the simplified approach permitted by Ind AS-109, from initial recognition of the receivables.

For other financial assets (not being equity instruments or debt instruments measured subsequently at FVTPL) the expected credit losses are measured at the 12 Month expected credit losses or an amount equal to the lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition.

q) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by the Company are measured at their fair values and recognized as income in the Statement of Profit and Loss. Where guarantees in relation to loans or other payables of group companies are provided for no compensation, the fair value are accounted for as contributions and recognized as part of cost of investment

r) Business combinations

Business combinations of entities under common control are accounted using the "pooling of interests" method and assets and liabilities are reflected at the predecessor carrying values and the only adjustments that are made are to Harmonies accounting policies. The figures for the previous periods are restated as if the business combination had occurred at the beginning of the preceding period irrespective of the actual date of the combination.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024.

3 Property, Plant and Equipment

(Amount. In Lakhs)

| Class of Assets | Gross Block | | | | Depreciation | | | | Net Block | |
|-------------------------|------------------------|---------------|----------------|------------------------|------------------------|-----------------|----------------|------------------------|------------------------|------------------------|
| | As at 31st March, 2023 | Additions | Sales/ Discard | As at 31st March, 2024 | As at 31st March, 2023 | For the year | Sales/ Discard | As at 31st March, 2024 | As at 31st March, 2024 | As at 31st March, 2023 |
| Land | 3,930.72 | - | - | 3,930.72 | - | - | - | - | 3,930.72 | 3,930.72 |
| Buildings | 20,117.34 | 142.21 | - | 20,259.55 | 7,297.77 | 287.57 | - | 287.57 | 12,674.22 | 12,819.58 |
| Furnitures and Fixtures | 5,122.75 | 235.06 | - | 5,357.81 | 4,166.64 | 234.65 | - | 234.65 | 956.53 | 956.11 |
| Air Conditioners | 1,604.27 | 17.13 | - | 1,621.40 | 1,524.06 | 1.18 | - | 1.18 | 96.16 | 80.21 |
| Electrical Fitting | 3,082.14 | 51.03 | - | 3,133.17 | 2,480.40 | 92.81 | - | 92.81 | 559.97 | 601.74 |
| Vehicles | 296.55 | - | - | 296.55 | 296.22 | - | - | - | 0.33 | 0.33 |
| Plant & Machinery | 6,333.03 | 184.45 | - | 6,517.48 | 2,689.07 | 777.81 | - | 777.81 | 3,050.60 | 3,643.96 |
| Misc. Fixed Assets | 3,690.71 | 27.38 | - | 3,718.09 | 3,557.28 | 0.40 | - | 0.40 | 160.41 | 133.44 |
| Total | 44,177.51 | 657.26 | - | 44,834.77 | 22,011.43 | 1,394.42 | - | 1,394.42 | 21,428.94 | 22,166.09 |

4 Capital Work in progress

(Amount. In Lakhs)

| Class of Assets | As at 31st March, 2024 | | | | | As at 31st March, 2023 | | | | |
|---------------------|------------------------|-----------|-----------|-------------------|----------|------------------------|-----------|-----------|-------------------|----------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Project in progress | 3,712.75 | - | - | - | 3,712.75 | 5,674.27 | - | - | - | 5,674.27 |

5 Investments

(Amount. In Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--|------------------------|------------------------|
| 1) Investment in Subsidiaries | | |
| Fully paid up unquoted Equity Shares of Subsidiaries | | |
| 27,44,530 Shares of ₹ 10/- each in Cafe'd lake Pvt Ltd | 703.70 | 703.70 |
| 40,00,000 Shares of ₹ 10/- each in Crustum Products Pvt. Ltd | 400.00 | 400.00 |
| 46,69,267 Shares of ₹ 10/- each in Minerva Hospitalities Pvt Ltd | 466.93 | 466.93 |
| 10,000 Shares of ₹ 10/- each in Viceroy Chennai Hotels & Resorts Pvt.Ltd | 1.00 | 1.00 |
| 31,80,000 Shares or ₹ 10/- each in Banjara Hospitalities Pvt. Ltd | 318.00 | 318.00 |
| Gross value of investment in unquoted equity shares of subsidiaries | 1,889.62 | 1,889.62 |
| (-) provision for impairment allowance for investments | -1,889.62 | -1,571.62 |
| | - | 318.00 |

6 Other financial assets

(Amount. In Lakhs)

| Particulars | As at 31st March, 2024 | As at 31st March, 2023 |
|--------------------------|------------------------|------------------------|
| Advances | | |
| i) Capital advances | 106.07 | 1.38 |
| ii) Advances | 562.52 | 313.02 |
| Deposits | | |
| Security deposit | 168.06 | 175.93 |
| Deposits with government | 107.42 | 396.89 |
| Loans to others | 325.18 | 375.73 |
| Total | 1,269.25 | 1,262.95 |

* Deposits secured and considered good

Notes to Consolidated Financial Statements

for the year ended March 31, 2024.

7 Other non current assets

| Particulars | (Amount. In Lakhs) | |
|--------------------------|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| Gratuity fund trust | 50.07 | 695.18 |
| Other non current assets | 417.31 | 434.14 |
| Total | 467.38 | 1,129.32 |

8 Inventories*

| Particulars | (Amount. In Lakhs) | |
|------------------------|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| Finished goods | | |
| (i) Beverage inventory | 79.57 | 125.46 |
| Total | 79.57 | 125.46 |

* At cost and net realizable value whichever is lower

9 Trade receivable

| Particulars | (Amount. In Lakhs) | |
|----------------------------|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| Secured, considered good | 32.76 | 16.26 |
| Unsecured, considered good | 748.42 | 905.91 |
| Total | 781.18 | 922.17 |

10 Cash and cash equivalents

| Particulars | (Amount. In Lakhs) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| Balances with banks : | | |
| i) On Current Accounts | 1,440.77 | 495.06 |
| ii) Cash on hand | 20.04 | 21.41 |
| Bank balances other than stated above | | |
| FD for bank guarantee | 1,583.03 | 764.37 |
| Total | 3,043.84 | 1,280.84 |

11 Other current assets

| Particulars | (Amount. In Lakhs) | |
|--------------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| Secured and considered good | | |
| Loans and advances to employees | 0.40 | 13.49 |
| Prepaid expense | 701.50 | 471.99 |
| TDS receivable | 223.23 | 607.16 |
| Advances to related parties(HO) | - | 245.34 |
| Advances recoverable in cash or kind | 854.30 | 1,275.07 |
| Other current assets | 67.31 | 6.90 |
| Security deposit | 72.09 | 31.19 |
| Total | 1,918.83 | 2,651.13 |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024.

12 Share Capital

| Particulars | (Amount. In Lakhs) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| Equity Share Capital | | |
| (a) Authorised | | |
| 8,00,00,000 Equity shares of ₹ 10 each (March 31,2024: 8,00,00,000 shares of ₹ 10 each) (March 31,2023: 4,50,00,000 shares of ₹ 10 each) | 8,000.00 | 4,500.00 |
| 10,00,000 Preference shares of ₹ 100 each (March 31,2023: 10,00,000 shares of ₹ 100 each) | - | 1,000.00 |
| (b) Issued | | |
| 6,31,57,895 Equity Shares of ₹ 10 each (March 31,2024: 6,31,57,895 shares of ₹ 10 each) (March 31,2023: 4,24,05,224 shares of ₹ 10 each) | 6,315.79 | 4,240.52 |
| (c) Subscribed & fully paid up | | |
| 6,31,57,895 Equity shares of ₹ 10 each (March 31,2024: 6,31,57,895 shares of ₹ 10 each) (March 31,2023: 4,24,05,224 shares of ₹ 10 each) | 6,315.79 | 4,240.52 |
| | 6,315.79 | 4,240.52 |

A

| Particulars | (Amount. In Lakhs) | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period: | | |
| Equity shares of ₹ 10 Each, Fully paid up | | |
| At the beginning | 4,24,05,224.00 | 4,24,05,224.00 |
| Shares forfeited during the year | 4,17,73,645.00 | - |
| Issued during the year - cash issue | 6,25,26,316.00 | - |
| At the end | 6,31,57,895.00 | 4,24,05,224.00 |

B Terms and rights attached to equity shares

The Company has only one class of issued, subscribed and paid up equity shares having a par value of ₹ 10/- each per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. 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 share holders.

The company declares and pays dividend in Indian rupees. The dividend proposed by the board of directors is subject to the approval of the share holders in the ensuing Annual General Meeting.

During the year ended 31st March, 2024 the amount of per share dividend recognized as distribution to equity share holders is **NIL**

C Bonus Shares/ Buy back shares for consideration other than cash issued during the past five years:

- (1) Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in Cash - **Nil**
- (2) Aggregate number and class of shares allotted as fully paid up by way of Bonus shares - **Nil**
- (3) Aggregate number and class of Shares bought back - **Nil**

Notes to Consolidated Financial Statements

for the year ended March 31, 2024.

12 Share Capital (Contd..)

D Details of shareholders holding more than 5% shares in the company

(Amount. In Lakhs)

| Equity shares of ₹ 10/- each fully paid-up | 2023-24 | |
|--|------------------|-----------|
| | Number of shares | % holding |
| 1 Loko Hospitality Private Limited | 6,00,00,000.00 | 95.00 |

(Amount. In Lakhs)

| Equity shares of ₹ 10/- each fully paid-up | 2022-23 | |
|---|------------------|-----------|
| | Number of shares | % holding |
| 1 Crest Logistics and Engineers Private Limited | 25,00,000.00 | 6.00 |
| 2 Chakradhar Reddy Parvath Reddy | 27,89,351.00 | 7.00 |

13 Other Equity

(Amount. In Lakhs)

| Particulars | As at | As at |
|--|-------------------|-------------------|
| | 31st March, 2024 | 31st March, 2023 |
| Reserves and Surplus | | |
| a) Capital reserve | | |
| As at the commencement of the year | 74.34 | 74.34 |
| Add: Additions during the year | 45,130.52 | - |
| Less: Utilised during the year | - | - |
| Subtotal | 45,204.86 | 74.34 |
| b) Securities premium reserve | | |
| As at the commencement of the year | 17,177.86 | 17,177.86 |
| Add: Additions during the year | - | - |
| Less: Utilised during the year | - | - |
| Subtotal | 17,177.86 | 17,177.86 |
| c) Debenture redemption reserve | | |
| As at the commencement of the year | 500.00 | 500.00 |
| Add: Additions during the year | - | - |
| Less: Utilised during the year | -500.00 | - |
| Subtotal | - | 500.00 |
| d) Revaluation reserve | | |
| As at the commencement of the year | 79.19 | 79.19 |
| Add: Additions during the year | - | - |
| Less: Utilised during the year | - | - |
| Subtotal | 79.19 | 79.19 |
| e) General Reserves | | |
| As at the commencement of the year | 320.25 | 320.25 |
| Add: Additions during the year | - | - |
| Less: Utilised during the year | - | - |
| Subtotal | 320.25 | 320.25 |
| f) Capital reduction | | |
| As at the commencement of the year | - | - |
| Add: Additions during the year | 4,209.30 | - |
| Less: Accumulated Depreciation | - | - |
| Subtotal | 4,209.30 | - |
| g) Surplus : | | |
| i) Opening balance - Profit and loss account | -66,864.03 | -66,859.03 |
| Add: Transfer from Profit and loss account | 238.77 | -5.00 |
| Less: Transfer to general reserve | - | - |
| Less: Transitional effect of change in the useful live of assets, as per the provisions of schedule II of the Companies Act 2013 | - | - |
| Subtotal | -66,625.26 | -66,864.03 |
| Total | 365.23 | -48,712.39 |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024.

14 Borrowings

| Particulars | (Amount. In Lakhs) | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| Long Term borrowings | | |
| a) Non convertible debentures | | |
| Secured | 1.35 | 4,251.35 |
| (500 NCDs, Face value - ₹ 10,00,000/- , 14% Interest) | | |
| b) i) Term loans | | |
| From Banks and financial institutions | 2,071.63 | 18,956.52 |
| From IARC & EARC | - | 283.00 |
| From others | 509.77 | 509.77 |
| ii) Unsecured loans | | |
| From related parties | 7,083.67 | 704.19 |
| From others | 7,061.16 | 26,232.98 |
| | 16,727.58 | 50,937.81 |

15 Deferred tax liability (Net)

| Particulars | (Amount. In Lakhs) | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| Opening deferred tax liability | 3,186.01 | 3,181.93 |
| Add: Written off | -31.70 | - |
| Deferred tax liability for the year (Due to SLM and WDV Difference) | -210.07 | 4.08 |
| | 2,944.24 | 3,186.01 |

16 Short term borrowings

| Particulars | (Amount. In Lakhs) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| a) Cash credits and working capital demand loan from banks secured | 111.53 | 219.89 |
| | 111.53 | 219.89 |

17 Trade payables

| Particulars | (Amount. In Lakhs) | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| a) outstanding dues to MSME's | - | - |
| b) outstanding dues to other than MSME's to others | 827.61 | 2,128.29 |
| | 827.61 | 2,128.29 |

For trade payable ageing refer annexure

Notes to Consolidated Financial Statements

for the year ended March 31, 2024.

18 Other current liabilities

| Particulars | (Amount. In Lakhs) | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| a) Current maturities of long term debt | 1,091.90 | 46.74 |
| b) Current maturities of finance lease obligation | - | 8,535.51 |
| c) Interest accrued but not due on borrowings | - | 9,178.74 |
| d) Interest accrued and due on borrowings | 246.23 | 246.23 |
| e) Guests refunds | 56.11 | 67.37 |
| f) Other payables | 21.96 | 21.96 |
| g) Rent payable | 359.26 | 231.36 |
| h) Audit fee payable | 73.95 | 88.26 |
| i) Work contract payable | - | 1.58 |
| j) Bonus payable | 57.34 | 55.85 |
| k) Statutory liabilities | 318.32 | 690.69 |
| l) GST payables | 213.10 | 186.70 |
| m) PF & esi payable | 53.11 | 54.03 |
| n) Salaries payable | 88.30 | 205.60 |
| o) Leave encashment payable | 33.38 | 20.83 |
| p) Conveyance Payable | - | 12.58 |
| q) Other payable (wct payable) | 2,195.37 | 165.11 |
| r) Other creditors | 0.73 | 693.04 |
| s) Management fee and consultancy charges | 43.94 | 224.81 |
| t) Marriott management agreement payable | 47.84 | 268.66 |
| u) Deposits from suppliers | 12.16 | 39.86 |
| v) Branch Division | 12.49 | 15.64 |
| Total | 4,925.49 | 21,051.17 |

19 Provisions

| Particulars | (Amount. In Lakhs) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| a) Provisions for employee benefits | | |
| Provision for gratuity | 47.93 | 0.17 |
| Provision for pension | 94.01 | 80.81 |
| Provision for expenses | - | 0.75 |
| Provision for accruals | 323.75 | 385.86 |
| Provision for audit fee | 0.71 | - |
| b) Others | | |
| Provision for income tax | 2.78 | 2.78 |
| Provision for bad and doubtful debts | 15.10 | 1,690.77 |
| | 484.27 | 2,161.15 |

20 Revenue from operations

| Particulars | (Amount. In Lakhs) | |
|--------------------------|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| Accommodation services | 8,583.10 | 7,560.22 |
| Food & Beverage services | 4,514.34 | 3,706.97 |
| Other operating revenue | 720.96 | 685.02 |
| Total | 13,818.41 | 11,952.22 |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024.

21 Other income

(Amount. In Lakhs)

| Particulars | As at | As at |
|---|------------------|------------------|
| | 31st March, 2024 | 31st March, 2023 |
| Interest income | 97.59 | 10.30 |
| Other non operating income | 4.18 | 36.36 |
| Net gain / loss on foreign currency translation and transaction | 1.93 | 0.92 |
| | 103.70 | 47.58 |

22 Cost of material consumed

(Amount. In Lakhs)

| Particulars | As at | As at |
|-----------------------------|------------------|------------------|
| | 31st March, 2024 | 31st March, 2023 |
| Food & bevarages | | |
| Opening stock | 88.96 | 65.47 |
| Purchases | 3,642.74 | 3,410.11 |
| Less : Closing Stock | -70.89 | -88.96 |
| Net Consumption | 3,660.81 | 3,386.62 |
| *Inventory comprises | | |
| Alcohol beverage | 70.89 | 88.96 |

23 Employee benefits expenses

(Amount. In Lakhs)

| Particulars | As at | As at |
|---|------------------|------------------|
| | 31st March, 2024 | 31st March, 2023 |
| Salaries and wages | 2,129.45 | 1,800.69 |
| Contribution to provident and other funds | 105.39 | 81.79 |
| Staff welfare expenses | 179.62 | 177.65 |
| Leave encashment expense | 5.59 | 2.05 |
| Total | 2,420.04 | 2,062.17 |

24 Finance Cost

(Amount. In Lakhs)

| Particulars | As at | As at |
|----------------------|------------------|------------------|
| | 31st March, 2024 | 31st March, 2023 |
| Interest Expense | 141.50 | |
| Other borrowing cost | 2.56 | 4.54 |
| Total | 144.06 | 4.54 |

25 Depreciation and amortisation expense

(Amount. In Lakhs)

| Particulars | As at | As at |
|---|------------------|------------------|
| | 31st March, 2024 | 31st March, 2023 |
| Depreciation of property, plant and equipment | 1,394.42 | 859.37 |
| Depreciation charged to statement of profit and loss | 1,394.42 | 859.37 |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024.

26 Other expenses

| Particulars | (Amount. In Lakhs) | |
|--|---------------------------|---------------------------|
| | As at 31st March, 2024 | As at 31st March, 2023 |
| 1 Operating expense | | |
| Power and fuel | 1,025.68 | 916.77 |
| CIRP cost | 262.02 | 181.76 |
| Insurance | 46.82 | 29.13 |
| Rates and taxes (excluding income tax) | 74.00 | 40.79 |
| Miscellaneous expenses | 104.91 | 139.33 |
| Statutory auditors Remuneration | 6.60 | 11.25 |
| Credit card comission | 123.51 | 85.68 |
| Rental expenses | 185.66 | 392.06 |
| Repairs and maintenance | 342.52 | 536.34 |
| Other operating expenses | 1,496.56 | 171.75 |
| Internal audit fee | 4.50 | 3.00 |
| 2 General expenses | | |
| Telephone, postage and others | 3.08 | 5.43 |
| Business promotion expenses | 401.89 | 889.58 |
| Conveyance and travelling expenses | 59.47 | 77.06 |
| Property tax expense | 36.24 | 307.94 |
| Printing and stationery expenses | 0.80 | 2.66 |
| Consultancy charges | 47.38 | 106.30 |
| Freight expenses and transportation expenses | 8.51 | - |
| Laundry expenses | 107.29 | 48.96 |
| Licence fee | 378.37 | 208.04 |
| Royalty fee | 615.01 | 411.14 |
| Bad debts written off | 122.39 | 66.75 |
| Other administrative expenses | 500.07 | 340.91 |
| Repairs to Furniture and Fittings | - | 493.31 |
| Foreign Exchange Gain / Loss | 2.76 | 136.84 |
| Interest and late fee | 0.05 | - |
| DJ Charges | - | 12.29 |
| Ineligible input | - | 17.76 |
| Discount | - | 4.20 |
| Service charge | - | 5.08 |
| Total | 5,956.07 | 5,642.12 |

27. Exceptional items for the quarter ended December 31, 2023 is Rs.318 Lakhs, which comprises of impairment of investments in the subsidiary companies due to accumulated losses in the subsidiaries

28. The subsidiary companies considered in the consolidated financial statements are

| NAME OF THE SUBSIDIARIES | PROPORTION OF INTEREST |
|--|------------------------|
| Cafe D'Lake Pvt Ltd. | 100% |
| Crustums Products Pvt. Ltd | 100% |
| Minerva Hospitalities Pvt. Ltd | 100% |
| Viceroy Chennai Hotels & Resorts Pvt Ltd | 100% |
| Banjara Hospitalities Private Limited | 100% |

29. Earnings Per Share (Basic EPS)

| Particulars | Current Year | Previous Year |
|--|--------------|---------------|
| Net Profit after Tax (Amount in Lakhs) | 238.77 | -5.50 |
| Weighted Average Number of Shares Considered | 5,22,71,248 | 4,24,05,224 |
| Basic EPS | -0.38 | -0.01 |
| Diluted EPS | -0.38 | -0.01 |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024.

30. In relation of current tax, deferred tax liability:

(a) Major components of tax expense/ (income):

| | | (Amount. In Lakhs) | |
|--------|--|--------------------|---------------|
| Sl. no | Particulars | Current Year | Previous Year |
| 1 | Profit or loss section | | |
| | (i) Current income tax: | | |
| | Current income tax expense | - | - |
| | Tax expense of earlier years | - | - |
| | (ii) Deferred tax: | | |
| | Tax expense on origination and reversal of temporary differences | ₹ -210.07 | ₹ 50.48 |
| | Income tax expense reported in profit or loss [(i)+(ii)] | ₹ -210.07 | ₹ 50.48 |

(b) Reconciliation of Tax expense and the accounting profit multiplied by domestic tax rate applicable in India:

| | | (Amount. In Lakhs) | |
|--------|--|--------------------|---------------|
| Sl. no | Particulars | Current Year | Previous Year |
| 1 | Profit / (Loss) before tax | 28.70 | 44.98 |
| 2 | Corporate tax rate as per Income Tax Act, 1961 | 25.17% | 31.20% |
| 3 | Tax on accounting profit (3) = (1)*(2) | 7.22 | 14.03 |
| 4 | Tax effect on various other items | -7.22 | -14.03 |
| 5 | Tax expense recognized during the year (5) = (3)+(4) | - | - |
| 6 | Effective tax rate (6) = (5)/(1) | - | - |

31. Auditors Remuneration:

| | | (Amount. In Lakhs) | |
|-------------|--------------|--------------------|--|
| Particulars | Current Year | Previous Year | |
| Audit Fees | 6.60 | 11.23 | |

32. According to the information available with the company, there are no amounts as at 31st March, 2024 due to suppliers who constitute a "Micro, Small and Medium Enterprises."

33. Contingent liabilities not provided for in respect of:-

As per the approved Resolution Plan, contingent liabilities (which have / are capable of being crystallized) prior to October 10, 2023 ("Effective Date") stand extinguished.

Furthermore, the Resolution Plan, among other matters, provides that except to the extent of the amount payable to the relevant Operational Creditor in accordance with the Resolution Plan, all liabilities of the Company relating in any manner to the period prior to the Effective Date, immediately, irrevocably and unconditionally stand fully and finally discharged and settled and there being no further claims whatsoever, and all the rights of the Operational Creditors and Other Creditors to invoke or enforce the same stands waived off. It is provided that any and all legal proceedings initiated before any forum by or on behalf of any Operational Creditor (including Governmental Authorities) or any Other Creditors to enforce any rights or claims against the Company also stands extinguished.

Further, in terms of the Resolution Plan, no Governmental Authority has any further rights or claims against the Company, in respect of the period prior to the Effective Date and / or in respect of the amounts written off and all legal proceedings initiated before any forum by or on behalf of any Operational Creditor (including Governmental Authorities) or any Other Creditors, to enforce any rights or claims against the Company will immediately, irrevocably and unconditionally stand withdrawn, abated, settled and/or extinguished. Further, the Operational Creditors of the Company (including Governmental Authorities) and Other Creditors will have no further rights or claims against the Company (including but not limited to, in relation to any past breaches by the Company), in respect of any liability for period prior to the Effective Date, and all such claims shall immediately, irrevocably and unconditionally stand extinguished. The Company has been legally advised that while the Resolution Plan provides for extinguishment of all liabilities of the Company owed to Operational Creditors and Other Creditors as of the Insolvency commencement date i.e. July 26, 2017, the implementation of the Resolution Plan does not have any such similar effect over claims or receivables owed to the Company. Accordingly, the Company has concluded that any receivables due to the Company, evaluated based on merits of underlying litigations, from various Governmental Agencies (presented under Other Financial Assets - Non current) continue to subsist.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024.

33. Contingent liabilities not provided for in respect of:- (Contd..)

Guarantees provided after October 10, 2023:

The company has made first and exclusive hypothecation charge on all existing and future current assets and moveable fixed assets (excluding vehicles) of Viceroy Hotels Limited in favour of M/s Loko Hospitality Private Limited for sanction of term loan amounting to ₹ 5,000 lakhs from Kotak Mahindra Bank.

34. Expenditure in foreign currency:

| Particulars | (Amount. In Lakhs) | |
|----------------------|--------------------|---------------|
| | Current Year | Previous Year |
| Royalties and others | ₹ 1,348.16 | ₹ 1,581.00 |

35. Earning in foreign exchange as reported by the company to the Ministry of Tourism, Government of India and as certified by the Management.

| Particulars | (Amount. In Lakhs) | |
|-----------------------------|--------------------|---------------|
| | Current Year | Previous Year |
| Earning in foreign exchange | ₹ 2,725.28 | ₹ 2,058.00 |

36. In relation of Secured (Term) Loans:

Kotak Mahindra Bank has sanctioned a ₹ 2000 lakhs loan for capital expenditure on hotel renovation and room construction. As of March 31, 2024, ₹ 70 lakhs has been utilized. The loan is secured by a first and exclusive hypothecation charge on all existing and future current assets and moveable fixed assets (excluding vehicles) of the company.

| Secured loan from | Amount Sanctioned | Amount availed | Balance to be availed |
|---------------------------------------|-------------------|----------------|-----------------------|
| Kotak Mahindra Bank (Amount in lakhs) | ₹ 2000 | ₹ 70 | ₹ 1930 |

37. Following are the pending litigations with income tax Department and contingent liabilities:

i) Income tax:

The company moved an application on December 18, 2023, with the income tax department for the extinguishment of all the prior year demands under the Income Tax Act, 1961 pursuant to Hon'ble NCLAT order dated October 6, 2023. Subsequently, consequential orders deleting the demands raised prior to October 6, 2023, have been passed on March 14, 2024 giving effect to Hon'ble NCLAT order.

ii) Service Tax & GST:

All outstanding demands against the company "VICEROY HOTELS LIMITED" or various previous years stand waived and extinguished as per the NCLAT order.

iii) Luxury Tax / Sales Tax:

All outstanding demands against the company "VICEROY HOTELS LIMITED" for various previous years stand waived and extinguished as per the NCLAT order.

38. Employee benefit expenses

Disclosure pursuant to Indian Accounting Standard (Ind AS) 19 "Employee Benefits"

The amount recognized in balance sheet is as follows:

i) Defined contribution plan:

An amount of ₹ Nil (Previous year: ₹ Nil) being contribution made to recognised provident fund is recognised as expense and included under Employee benefit expense (Note 19) in the Statement of profit and loss.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024.

38. Employee benefit expenses (Contd..)

ii) Defined benefit plans:

A. Change in Defined Benefit Obligation

(Amount. In Lakhs)

| Particulars | As at | As at | As at | As at |
|---|------------------|------------------|------------------|------------------|
| | 31st March, 2024 | 31st March, 2023 | 31st March, 2024 | 31st March, 2023 |
| Defined Benefit Obligation at the beginning | - | - | - | - |
| Current Service Cost | 11.95 | - | 5.20 | - |
| Past Service Cost | 15.55 | - | 15.11 | - |
| (Gain) / Loss on settlements | - | - | - | - |
| Interest Expense | - | - | - | - |
| Benefit Payments from Plan Assets | - | - | - | - |
| Benefit Payments from Employer | - | - | - | - |
| Settlement Payments from Plan Assets | - | - | - | - |
| Settlement Payments from Employer | - | - | - | - |
| Other (Employee Contribution, Taxes, Expenses) | - | - | - | - |
| Increase / (Decrease) due to effect of any business combination / divestiture / transfer) | - | - | - | - |
| Increase / (Decrease) due to Plan combination | - | - | - | - |
| Remeasurements - Due to Demographic Assumptions | - | - | - | - |
| Remeasurements - Due to Financial Assumptions | - | - | - | - |
| Remeasurements - Due to Experience Adjustments | - | - | - | - |
| Defined Benefit Obligation at the end | 27.50 | | 20.30 | |
| Discount Rate | 7.24% | | 7.24% | |
| Salary Escalation Rate | 6.00% | | 6.00% | |

B. Change in Fair Value of Plan Assets

| Particulars | Gratuity | | Leave encashment | |
|---|----------------|----------------|------------------|----------------|
| | As at | As at | As at | As at |
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Fair Value of Plan Assets at the beginning | - | - | - | - |
| Interest Income | - | - | - | - |
| Employer Contributions | - | - | - | - |
| Employer Direct Benefit Payments | - | - | - | - |
| Employer Direct Settlement Payments | - | - | - | - |
| Benefit Payments from Plan Assets | - | - | - | - |
| Benefit Payments from Employer | - | - | - | - |
| Settlement Payments from Plan Assets | - | - | - | - |
| Settlement Payments from Employer | - | - | - | - |
| Other (Employee Contribution, Taxes, Expenses) | - | - | - | - |
| Increase / (Decrease) due to effect of any business combination / divestiture / transfer) | - | - | - | - |
| Increase / (Decrease) due to Plan combination | - | - | - | - |
| Remeasurements - Return on Assets (Excluding Interest Income) | - | - | - | - |
| Fair Value of Plan Assets at the end | - | | - | |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024.

38. Employee benefit expenses (Contd..)

Weighted Average Asset Allocations at the end of current period

| Particulars | Gratuity | | Leave encashment | |
|--------------------|----------------|----------------|------------------|----------------|
| | As at | As at | As at | As at |
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Equities | 0% | | 0% | |
| Bonds | 0% | | 0% | |
| Gilts | 0% | | 0% | |
| Insurance Policies | 0% | | 0% | |
| Total | 0% | | 0% | |

C. Components of Defined Benefit Cost

| Particulars | Gratuity | | Leave encashment | |
|---|----------------|----------------|------------------|----------------|
| | As at | As at | As at | As at |
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Current Service Cost | 11.95 | | 5.20 | |
| Past Service Cost | 15.55 | | 15.11 | |
| (Gain) / Loss on Settlements | - | | - | |
| Reimbursement Service Cost | - | | - | |
| Total Service Cost | 27.50 | | 20.30 | |
| Interest Expense on DBO | - | | - | |
| Interest (Income) on Plan Assets | - | | - | |
| Interest (Income) on Reimbursement Rights | - | | - | |
| Interest Expense on (Asset Ceiling) / Onerous Liability | - | | - | |
| Total Net Interest Cost | - | | - | |
| Reimbursement of Other Long Term Benefits | - | | - | |
| Defined Benefit Cost included in P & L | 27.50 | | 20.30 | |
| Remeasurements - Due to Demographic Assumptions | - | | - | |
| Remeasurements - Due to Financial Assumptions | - | | - | |
| Remeasurements - Due to Experience Adjustments | - | | - | |
| (Return) on Plan Assets (Excluding Interest Income) | - | | - | |
| (Return) on Reimbursement Rights | - | | - | |
| Changes in Asset Ceiling / Onerous Liability | - | | - | |
| Total Remeasurements in OCI | - | | - | |
| Total Defined Benefit Cost recognized in P&L and OCI | 27.50 | | 20.30 | |
| Discount Rate | 7.24% | | 7.24% | |
| Salary Escalation Rate | 6.00% | | 10.00% | |

D. Bifurcation of Present Value of Obligations at the end of the valuation period as per revised Schedule III of the Companies Act, 2013

| Particulars | Gratuity | | Leave encashment | |
|-------------------------|----------------|----------------|------------------|----------------|
| | As at | As at | As at | As at |
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Current Liabilities | 25.31 | | 8.20 | |
| Non-current Liabilities | 2.18 | | 12.10 | |

E. Amounts recognized in the Statement of Financial Position

| Particulars | Gratuity | | Leave encashment | |
|--|----------------|----------------|------------------|----------------|
| | As at | As at | As at | As at |
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Defined Benefit Obligation | 27.50 | | 20.30 | |
| Fair Value of Plan Assets | - | | - | |
| Funded Status | 27.50 | | 20.30 | |
| Effect of Asset Ceiling / Onerous Liability | - | | - | |
| Net Defined Benefit Liability / (Asset) | 27.50 | | 20.30 | |
| Of which, Short term Liability | 25.31 | | 8.20 | |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024.

38. Employee benefit expenses (Contd..)

F. Net Defined Benefit Liability / (Asset) reconciliation

| Particulars | Gratuity | | Leave encashment | |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 |
| Net Defined Benefit Liability / (Asset) at the beginning | - | - | - | - |
| Defined Benefit Cost included in P & L | 27.50 | - | 20.30 | - |
| Total Remeasurements included in OCI | - | - | - | - |
| Net Transfer In / (Out) (Including the effect of any business combination / divesture) | - | - | - | - |
| Amount recognized due to Plan Combinations | - | - | - | - |
| Employer Contributions | - | - | - | - |
| Employer Direct Benefit Payments | - | - | - | - |
| Employer Direct Settlement Payments | - | - | - | - |
| Credit to Reimbursements | - | - | - | - |
| Net Defined Benefit Liability / (Asset) at the end | 27.50 | - | 20.30 | - |

G. Experience Adjustments on Present Value of DBO and Plan Assets

| Particulars | Gratuity | | Leave encashment | |
|-----------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 |
| (Gain) / Loss on Plan Liabilities | - | - | - | - |
| % of Opening Plan Liabilities | 0.00% | - | 0.00% | - |
| Gain / (Loss) on Plan Assets | - | - | - | - |
| % of Opening Plan Assets | 0.00% | - | 0.00% | - |

39. Following are the amount outstanding and due to banks and other institutions:

- All the liabilities existing in the beginning of the year have been extinguished and accounted as per the approved Resolution Plan.
- Unsecured loans taken by new management

| Lendor/Banker | Amount in lakhs |
|----------------------------------|-----------------|
| Loko Hospitality Private Limited | ₹ 7,589.27 |

40. Disclosure of related parties/related party transactions pursuant to Ind AS 24 "Related Party Disclosures"

- (a) List of related parties over which control exist and status of transactions entered during the year:

| Sr. no | Name of the subsidiary company | Nature of relationship | Transaction entered during the year (Yes/No) |
|--------|--|-------------------------|--|
| 1. | Cafe D'Lake Pvt. Ltd | Wholly owned Subsidiary | Yes |
| 2. | Orustums Products Pvt. Ltd | Wholly owned Subsidiary | No |
| 3. | Minerva Hospitalities Pvt. Ltd | Wholly owned Subsidiary | No |
| 4. | Viceroy Chennai Hotels & Resorts Pvt Ltd | Wholly owned Subsidiary | No |
| 5. | Banjara Hospitalities Private Limited | Wholly owned Subsidiary | No |

- (b) List of related parties which has control and status of transactions entered during the year:

| Sr. no | Name of the subsidiary company | Nature of relationship | Transaction entered during the year (Yes/No) |
|--------|--------------------------------|-------------------------|--|
| 1. | Loko Hospitality Pvt Ltd | Special Purpose Vehicle | Yes |

Notes to Consolidated Financial Statements

for the year ended March 31, 2024.

40. Disclosure of related parties/related party transactions pursuant to Ind AS 24 “Related Party Disclosures” (Contd..)

(c) Key Management Personal:

| Sr. no | Name of the Person | Designation |
|--------|----------------------------|-------------------------|
| 1. | Ravinder Reddy Kondareddy | MD & CEO |
| 2. | Anirudh Reddy Kondareddy | Non-Executive Director |
| 3. | Pooja Reddy Konda Reddy | Non-Executive Director |
| 4. | Puli Venkata Krishna Reddy | Independent Director |
| 5. | Prabhaker Reddy Solipuram | Non-Executive Director |
| 6. | Gorinka Jaganmohan Rao | Independent Director |
| 7. | Pradyumna Kodali | Chief Financing Officer |
| 8. | T.A. Veena Aravind | Company Secretary |

(d) Compensation/benefits to key management personnel: In relation to Related Party

| Sr. no | Name of the Person | Designation | Sitting fees (Amount in ₹) |
|--------|----------------------------|------------------------|----------------------------|
| 1. | Ravinder Reddy Kondareddy | MD & CEO | 1,00,000/- |
| 2. | Anirudh Reddy Kondareddy | Non-Executive Director | 1,00,000/- |
| 3. | Pooja Reddy Konda Reddy | Non-Executive Director | 60,000/- |
| 4. | Reddy Puli Venkata Krishna | Independent Director | 1,00,000/- |
| 5. | Prabhaker Reddy Solipuram | Non-Executive Director | 60,000/- |
| 6. | Gorinka Jaganmohan Rao | Independent Director | 1,00,000/- |

(e) Transactions entered during the year with related party

| Sr. no | Name of the Person | Nature of transaction | Amount in lakhs. |
|--------|-----------------------------|-----------------------|------------------|
| 1 | Loko Hospitality Pvt Ltd | Unsecured loan | ₹ 7,589.27/- |
| 2 | Loko Hospitality Pvt Ltd | Guarantee | ₹ 5,000/- |
| 3 | Café D’Lake Private Limited | Rent Expense | ₹ 50.41/- |

- Loko Hospitality Private Limited holding 95% of shares has given ₹ 7589.27 lakhs unsecured loan for an interest rate of 7.5%.
- The company has made first and exclusive hypothecation charge on all existing and future current assets and moveable fixed assets (excluding vehicles) of Viceroy Hotels Limited in favour of M/s Loko Hospitality Private Limited for sanction of term loan amounting ₹ 5,000 Lakhs from Kotak Mahindra Bank.

41. The Company’s only business is Hoteliering and hence disclosure of segment-wise information is not applicable under Indian Accounting Standard 108- ‘Segmental Information’. There is no geographical segment to be reported.

42. Management believes the status of going concern is not affected and is confident of maintaining the going concern status.

43. During the financial year 2017-2018, Corporate insolvency resolution process (“CIRP”) was initiated pursuant to a petition filed by one of its financial creditors, Asset Reconstruction Company (India) Limited (“ARCIL”) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (“IBC”). ARCIL filed the petition before the National Company Law Tribunal, State Bench, Hyderabad (“Adjudicating Authority”) vide Company Petition No. (IB)-219/7/ (HBD)/2017 on July 03, 2017. The Adjudicating Authority admitted the said petition and the CIRP for the Company commenced on March 12, 2018. Pursuant to this, based on the application made by the Committee of Creditors of the Company (“COC”), the Hon’ble NCLT appointed Dr G.V. Narasimha Rao (“RP”) as the new Resolution Professional for conducting Corporate Insolvency Resolution Process vide order dated April 13, 2022. Pursuant to COC’s approval of resolution plan dated September 29, 2022 as submitted by the Resolution Applicant, Anirudh Agro Farms Limited (“AAFL”), RP has filed an application for the approval of the resolution plan as submitted by AAFL before Hon’ble NCLT on November 11, 2022. NCLT rejected the said resolution plan on June 9, 2023 on technical grounds. The order of NCLT was challenged before the

Notes to Consolidated Financial Statements

for the year ended March 31, 2024.

43. (Contd.)

Hon'ble National Company Law Appellate Tribunal, Chennai Bench ("NCLAT"). On October 6, 2023, NCLAT pronounced an order in CA(AT)(CH) (Ins).No.166 of 2023 & 183 of 2023, appeals filed by the AAFL and COC respectively and allowed the IA (IBC) 1343 of 2022 in CP(IB) NO.219/2017, an application filed by the RP for approval of the Resolution Plan submitted by AAFL with NCLT under section 30 & 31 of the Insolvency and Bankruptcy Code, 2016.

The impact of the NCLAT Order is effective from the Trigger Date, i.e. October 10, 2023 and the same is reflected in the financial results for the year ended March 31, 2024.

Accordingly, keeping in view the Order dated October 10, 2023:

- i. As per the Resolution Plan and the order of NCLAT, Monitoring Committee ("MC") consisting of Managing Agent (former RP), 2 representatives from CoC (assenting creditors) and 2 representatives from AAFL were appointed. AAFL, through its SPV, Loko Hospitality Private Limited infused the share capital (first tranche as per Resolution Plan) of ₹ 60,00,00,000 (Rupees Sixty Crores only) towards subscription of Equity shares and accordingly MC confirmed that October 10, 2023 as the Trigger Date for the Resolution Plan and for payment of CIRP cost and employee related dues, and payment to financial creditors in terms of the approved Resolution Plan.

The Monitoring Committee in its meeting held on October 11, 2023 has also approved the following in terms of the Resolution Plan:

1. Cancellation and extinguishment of 56,87,781 Equity shares of ₹ 10/- each held by the erstwhile Promoter Group.
2. The Equity Shares held by the Existing Public Shareholders were stand restructured, reduced, reorganized, consolidated and extinguished (as required) as a part of this Resolution Plan such that the Equity Shares held by the existing Public Shareholders post such restructuring and reorganization shall be 6,31,579 Equity Shares constituting 1% (one percent) of the issued and paid-up equity share capital of the Company.
3. Issuance of 6,00,00,000 equity shares of ₹ 10/- to the Loko Hospitality Private Limited, the SPV of Resolution Applicant representing 95% of the issued & paid up equity share capital of the Company. And also Loko Hospitality Private Limited has lent an unsecured loan of ₹ 75,89/- lakhs at an interest rate of 7.5%.
4. The assenting financial creditors were further allotted 25,26,316 equity shares at face value of ₹ 10 each aggregating to ₹ 252.63 lacs approx. representing 4% of the issued & paid up equity share capital of the Company.
5. The Resolution Plan provides for the payment of admitted claims of the Company in the following manner:

| S. no | Category of Creditor | Amount of Claim | Claim Admitted | Amount provided in the Plan (INR) | Sources of Funds |
|-------|---|------------------------|-----------------------|-----------------------------------|---------------------------------------|
| 1 | Insolvency Resolution Process Cost (CIRP cost) | Actuals | Actuals | Actuals | Fund infusion by Resolution Applicant |
| 2 | Operational creditors (vendors and related parties) | 35,26,40,961 | 22,79,18,362 | 50,00,000 | through Share Capital (₹ 60 Crs) |
| 3 | Operational Creditor (Statutory dues) | 89,13,31,152 | - | 10,00,000 (Note*) | and unsecured loan |
| 4 | Workmen dues | 30,45,082 | 29,63,766 | 29,63,766 | |
| 5 | Employee dues | 31,71,688 | 31,71,688 | 31,71,688 | |
| 6 | Financial Creditors | 11,52,71,53,065 | 7,44,57,12,946 | 1,50,28,64,546 | Fund infusion by RA / Cashflow of CD |
| | Total | 12,77,73,41,948 | 7,67,97,66,762 | 1,51,50,00,000 + | |
| | | | | Actuals for CIRP cost | |

6. Extinguishment of balance FC Debt and balance Operational Creditor Dues:

Resolution Applicant shall extinguish the Balance FC Debt (including that owed to the Related Parties) and Other Operational Creditor Dues on the Effective Date, on and with effect from the NCLAT Approval Date by virtue of the order of the NCLAT approving the Resolution Plan by transferring the difference amount to Reserves.

- i. The issued, subscribed and paid-up share capital of the Company, post the said extinguishment, reduction/consolidation and issuance shall stand at ₹ 63,15,78,950/- divided into 6,31,57,895 Equity Shares of face value of ₹ 10/- each.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024.

43. (Contd..)

- ii. Further, the Company had intimated to the Monitoring Committee that the Company plans to prepay and settle in deferred tranches to various financial creditors ahead of the schedule proposed in the Resolution Plan. Upon receiving the formal consents from the respective financial creditors, the Company had made pre-payments and settled the dues of all the financial creditors during the quarter and nine months ended December 31, 2023. Consequent to this, the entire dues of various financial creditors as per the Resolution Plan, stand settled and discharged by the Company.
- iii. Exceptional items for the year ended March 31, 2024, is ₹ 318 Lakhs, which comprises of impairment of investments in the subsidiary companies, due to accumulated losses in the subsidiaries.
- iv. All the liabilities that have been extinguished are accounted as per the approved Resolution Plan.
- v. As per the approved Resolution Plan, the Company had to pay ₹ 8,923.14 Lakh to certain assenting Financial Creditors respectively spread over a period of 675 days. However, the Company in mutual agreement with the said Financial Creditors paid an upfront payment of ₹ 6,795.05 Lakh within a period of 60 days and settled the liability thereby the differential amount of ₹ 2,128.09 Lakh is transferred to the Reserves.
- vi. The Directorate of Enforcement initially made a Provisional Attachment Order in PAO No. 04/2019 dated 26.03.2019 passed by the Deputy Director, Directorate of Enforcement against M/s Viceroy Hotels Limited (The Company), which was subsequently confirmed and the Company has challenged it before the Hon'ble Adjudicating Authority, PMLA, 2002 and the same is still subjudice. Since the resolution plan of the Company has now been approved by the Hon'ble NCLAT, Chennai, the provisions of the plan specifically provide for de - attachment of properties of the Company if attached by any agency / department of the Government pursuant to any proceeding and also provide that all such proceedings / attachments / litigations related to the Company are to be extinguished / de attached / be declared infructuous by virtue of operation of law. Now, since the new board of the Company has been constituted pursuant to the approval of the Resolution Plan, the Company has actively made representations before the Hon'ble PMLA and application seeking de attachment of the properties has been moved based on Section 32 (a) of the Insolvency and bankruptcy Code, 2016 on the last date of hearing on 08.02.2024. The Hon'ble PMLA, taking cognizance of the said application has directed further hearing on 29.04.2024, while extending the stay granted in favor of the Company against any coercive action by the Enforcement Department.
- vii. The company moved an application on December 18, 2023, with the income tax department for the extinguishment of all the prior year demands under the Income Tax Act, 1961 pursuant to Hon'ble NCLAT order dated October 6, 2023. Subsequently, consequential orders deleting the demands raised prior to October 6, 2023, have been passed on March 14, 2024 giving effect to Hon'ble NCLAT order.
- viii. The figures of previous periods/year have been reclassified/ regrouped, wherever necessary, to correspond to those of the current periods/ year.
- ix. The comparative financials for the year ended 31st March, 2023 have been audited by the previous statutory auditor.
- x. The date of implementation of the Code on Social Security, 2020 ('the code') relating to employee benefits is yet to be notified by the Government of India and when implemented will impact the contributions by the Group towards benefits such as Provident fund, Gratuity etc. The group will assess the impact of the code and give effect in the financial results when the code and rules thereunder are notified.

As per our report of even date as attached

For M/s Deva & Co.

Chartered Accountants

Firm Regn.no. 000722S

(M Devaraja Reddy)

Partner

Membership No. 026202

UDIN:24026202BKCNCZI9365

Place: Hyderabad

Date: 30th May 2024

For and on behalf of the Board of Directors of

Viceroy Hotels Limited

Ravinder Reddy Kondareddy

Managing Director & CEO

(DIN 00040368)

T.A. Veena Aravind

Company Secretary and Compliance Officer

Anirudh Reddy Kondareddy

Non-Executive Director

(DIN 08638985)

Pradyumna Kodali

Chief Financial Officer



VICEROYHOTELS

Viceroy Hotels Limited

Registered Office:

1-3-1036/3/1 Tank Bund Road,
Gandhi Nagar, Hyderabad - 500080,
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Website: www.viceroyhotels.in