



VICEROY

Date: 29/05/2019

The General Manager Department of Corporate Services Bombay Stock Exchange Limited Phiroze Jeejabhoy Towers Dalal Street, Fort Mumbai - 400 001 Scrip Code : 523796	The Manager Listing Department National Stock Exchanges of India Limited Exchange Plaza , 5 th Floor, Plot No.C/1, G Block, Bandra- kurla Complex, Bandra(East), Mumbai – 400 051 Scrip Code : VICEROY
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Dear Sir/Madam,

Sub: Submission of Audited Financial Results of the Company and Auditors Report - Regulation 33 of SEBI (LODR) Regulations, 2015.

Please find enclosed herewith the following documents in term of Regulation 33 of SEBI (LODR) Regulations, 2015.

1. Approved the Standalone Audited Financials Results for the Fourth Quarter and Year Ended 31 March, 2019.
2. Approved the Consolidated Audited Financials Results for the Fourth Quarter and Year Ended 31 March, 2019 (Except M/s Café D'Lake Private Limited which is Wholly Owned Subsidiary is unaudited Financial Results)
3. Taken Note of the Auditors Report forming part of Quarterly Financials and Full Year Standalone and Consolidated Financials Ended 31 March, 2019.

This is for your information and records.

Thanking You,
Yours Faithfully,

For Viceroy Hotels Limited

Karuchola Koteswara Rao

Resolution Professional

Registration No. IBBI/IPA-003/IP-N00039/2017-18/10301

Email Id: kkraoirp@gmail.com



VICEROY HOTELS LIMITED

VICEROY HOTELS LIMITED

Regd. Office: Plot 20, Sector-I, 4th Floor, HUDA Techno Enclave, Sy.No.64, Madhapur, Hyderabad - 500 081.

AUDITED FINANCIAL RESULTS (STANDALONE) FOR THE QUARTER AND YEAR ENDED 31 MARCH, 2019

(Rs. in Lakhs)

Particulars	STANDALONE				
	QUARTER ENDED			YEAR ENDED	
	AUDITED	UN-AUDITED	AUDITED	AUDITED	AUDITED
	31-03-2019	31-12-2018	31-03-2018	31-03-2019	31-03-2018
Income					
(a) Revenue from operations	2,367.94	2,215.49	2359.25	8,648.52	8,382.65
(b) Other Income	21.00	65.34	1513.11	204.65	1,707.37
Total Income	2,388.94	2,280.83	3,872.36	8,853.17	10,090.02
Expenses					
(a) Cost of materials consumed	361.38	404.78	384.30	1,522.68	1,479.46
(b) Employee benefits expense	589.04	604.42	611.56	2,416.15	2,268.94
(c) Fuel, Power and Light	270.90	229.44	216.76	970.05	900.79
(d) Finance Cost	28.82	5.80	1,599.92	72.72	2,072.37
(e) Depreciation and amortisation expense	232.35	228.48	251.37	917.75	832.93
(f) Other expenses	1,770.68	449.98	902.62	3,946.84	2,750.08
Total Expenses	3,253.17	1,922.90	3,966.53	9,846.19	10,304.57
Profit / (Loss) before Exceptional items and Tax	(864.23)	357.93	(94.17)	(993.02)	(214.55)
Exceptional items	-	-	29,195	-	29,194.94
Profit / (Loss) before Tax	(864.23)	357.93	(29,289.11)	(993.02)	(29,409.49)
Tax expense					
- Current Tax	-	-	-	-	-
- Deferred Tax	63.10	64.29	547.60	255.95	988.68
Profit / (Loss) for the period from Continuing operations	(927.33)	293.64	(29,836.71)	(1,248.97)	(30,398.17)
Extraordinary Item	-	-	-	-	13,464.71
Other Comprehensive Income	-	-	-	-	-
i) items that will not reclassified to Profit & Loss Account	-	-	-	-	-
ii) items that will be reclassified to Profit & Loss Account	-	-	-	-	-
Total Comprehensive Income for the period	(927.33)	293.64	(29,836.71)	(1,248.97)	(43,862.88)
Paid-up equity share capital (Face Value : Rs.10/- per share)	4,240.52	4,240.52	4,240.52	4,240.52	4,240.52
Earnings per share (Face value of Rs.10/- each)					
(a) Basic	(2.19)	0.69	(70.36)	(2.95)	(103.44)
(b) Diluted	(2.19)	0.69	(70.36)	(2.95)	(103.44)

For VICEROY HOTELS LIMITED



P. Prabhakar Reddy
Former CMD

CMA K.K.Rao
Resolution Professional

M.Sreedhar Singh
CEO

Devraj Govind Raj
Former Director

J.Dasvanth Kumar
CFO

Place: HYDERABAD
Date: 29-05-2019

Notes:

1. The Company Viceroy Hotels has forfeited an amount of Advance of Rs.134.65 crores erroneously in the Financial year 2013-14 and the same is taken back into the Books as Exceptional Item.
2. The Asset Reconstruction Company (India) Ltd (ARCIL) has filed plea under Sec.7 of The Insolvency and Bankruptcy Code, 2016 against M/s Viceroy Hotels Limited for an amount of Rs.525 crores (along with interest). The NCLT process is under way, with Committee of Creditors (CoC) formed and the Resolution Professional appointed. In terms of provisions of the Insolvency and Bankruptcy Code, 2016 (IBC) the resolution plan submitted by M/s CFM Asset Reconstruction Company Private Limited for M/s Viceroy Hotels Limited has been approved by the Committee of Creditors (COC) of the company in its 18th COC meeting and identified as a successful resolution applicant, subject to the approval of the Hon'ble NCLT, Hyderabad bench.
3. The Company has given corporate guarantee for an amount of Rs.317 Crores to Edelweiss Asset Reconstruction Company Limited on behalf of Viceroy Bangalore Hotels Private Limited.
4. **Loans from Banks or Financial Institutions:** During the year no provision for interest has been created by the company for the loans outstanding. Default in repayment of Loans to various banks and Financial Institutions is as follows for the year ended 31-03-2019 is as mentioned below as per Books of Accounts:

Name of the bank/ Financial Institution	Sanctioned	Principal Dues	Interest Dues	Total Dues	Status
ARCIL-(Axis Bank Ltd- NCD's)	42.50	42.50	38.67	87.17	NPA
ARCIL- (IDFC Limited)	76.00	69.18	53.09	122.27	NPA
EARC-(Andhra Bank Credit card Loan)	5.53	1.31	-	1.31	
ARCIL- Axis Bank Ltd	20.00	20.00	17.87	37.87	NPA
IARC- Laxmi Vilas Bank Loan	15.04	1.95	-	1.95	
State bank of India	64.00	56.18	59.47	115.65	NPA
Canara Bank	31.00	24.02	43.86	67.88	NPA
Total	254.07	215.14	212.96	428.10	

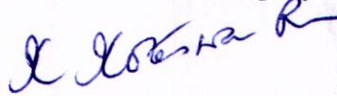
5. The following are the list of Subsidiary Companies included in the Consolidated Financial Results:

S.No	Name of the Company	Relationship
1	Crustum Products Private Limited	Subsidiary
2	Cafe D' Lake Private Limited	Subsidiary
3	Minerva Hospitalities Private Limited	Subsidiary
4	Viceroy Chennai Hotels & Resorts Private Limited	Subsidiary
5	Banjara Hospitalities Private Limited	Subsidiary

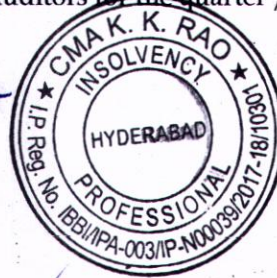
6. These financial statements have been prepared in accordance with the recognition and measurement principles laid down in The IND AS prescribed under Section 133 of Companies Act, 2013 read with relevant rules issued there under.
7. Previous year's figures have been regrouped, wherever necessary for the purpose of comparison.
8. The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the company at their meeting held on 29-05-2019.
9. The Standalone and Consolidated Audited Results have been prepared and subjected to Limited Review by the Statutory Auditors in accordance with the Indian Accounting Standards (IND -AS) as notified by Ministry of Corporate Affairs: Regulation 33 of SEBI (LODR) Regulations, 2015 and Schedule III division II of Companies Act,2013. The Limited Review was carried out by Statutory Auditors for the quarter / year ended 31st March, 2019.
10. The results are also available on the website of the company.



P. Prabhakar Reddy
Former CMD



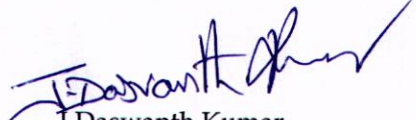
CMA K.K.Rao
Resolution Professional




M. Sridhar Singh
CEO



Devraj Govind Raj
Former Director



J. Daswanth Kumar
CFO



Place: Hyderabad
Date: 29.05.2019



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Auditor's Report on Standalone Quarterly Financial Results and Year to Date Financial Results of M/s.Viceroy Hotels Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

To
The Board of Directors
M/s. Viceroy Hotels Limited

1. We have audited the quarterly standalone financial results of **M/s. Viceroy Hotels Limited (The Company)** for the quarter ended March 31, 2019 and to the year to date financial results for the year ended March 31, 2019, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. The quarterly financial results are the derived figures between the audited figures in respect of the year ended March 31, 2019 and the published year-to-date figures up to December 31, 2018, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The financial results for the quarter ended March 31, 2019 have been prepared on the basis of the annual IND AS financial Statements for the nine-month period ended December 31, 2018, the audited annual financial statements as at and for the year ended March 31, 2019, and the relevant requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our review of the financial results for the nine-month period ended December 31, 2018 which was prepared in accordance with applicable Ind AS and other recognised accounting policies laid down in Ind AS 34, Interim Financial Reporting, specified under section 133 of the act, read with relevant rules issued there under and other accounting principles generally accepted in India and our audit of the annual financial statements as at and for the year ended March 31, 2019; and the relevant requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
2. These standalone financial results have been prepared on the basis of Ind AS financial statements and reviewed quarterly financial results up to the end of the third quarter, which are the responsibility of Companies Management. Our responsibility is to express an opinion on these financial results based on our Audit of such annual Ind AS Financial statements, which has been prepared in accordance with the recognised and measurements principles laid down in Indian Accounting Standards, prescribed under section 133 of the Companies Act, 2013 and the relevant requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
4. In our opinion and to the best of our information and according to the explanations except for the effects/possible effects of our observation stated in Para 5 below given to us, these quarterly financial results as well as the year to date financial results:
 - (i) Are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 read with circular No: CIR/CFD/FAC /62/2016 dated 5th July 2016 regard in this regard; and



- (ii) Give a true and fair view of the total comprehensive income and other financial information for the quarter ended March 31, 2019 as well as the year to date results for the period from April 1, 2018 to March 31, 2019

5. Qualified Opinion:

- a) **Capital Work In progress:** The Company has converted capital work in progress into Fixed Assets during the F.Y 2017-18 of an amount of Rs.111.94 Crores. However the company has not submitted us any valuation certificate towards capitalization of fixed assets of Rs.111.94 crores, we could not obtained sufficient audit evidence in this regard. Hence we are unable to comment upon the same. (Note No: 1)
- b) **Forfeiture of advance:** the company has forfeited an advance of amount Rs.134.65 Crores in the F.Y 2013-14 and adjusted in slump sale proceeds as disclosed in the annual report of F.Y 2013-14, in the financial year 2017-18 again the company has recognised the forfeited advances in the books of accounts as liability which is not in line with the IND AS accounting policies, also the management of the company has not provided us any supporting document towards re recognition of such advances as liability in the books of accounts in the F.Y 2017-18. As per the Business transfer agreement (BTA) entered between Viceroy Hotels Limited and Mahal Hotels Limited dated 02nd April, 2011, the company M/s Viceroy Hotels Ltd received an advance of Rs.,124.52 Crores (Included in above said advance Rs.,134.65 Crores). The date of termination of the agreement is 31.12.2011. In the event of termination, the company is liable to repay the advance along with the interest @2% per month till the date of repayment. (Note No : 2)
- c) **Directorate of Enforcement:** The Directorate of Enforcement made a Provisional Attachment Order in PAO No. 04/2019 dated 26.03.2019 passed by the Deputy Director, Directorate of Enforcement against the M/s Viceroy Hotels Limited of OC No.1118/2019 pending adjudication before the Honorable Adjudicating Authority, PMLA, 2002, from alienating the proceeds of crime in the form of movable and immovable properties which are involved in money laundering and the non-attachment may seriously affect and frustrate the proceedings under PMLA, 2002. The Directorate of Enforcement has also filed an application under Insolvency and Bankruptcy code 2016 against M/s Viceroy Hotels Limited in respect advances taken from Mahal hotels Ltd and the same has been accepted by the Hon'ble NCLT on dated 06-05-2019. Further proceedings are subject to the respective authorities.(Note No : 3)
- d) **NCLT:** The Asset Reconstruction Company (India) Ltd (ARCIL) has filed plea under Sec.7 of The Insolvency and Bankruptcy code 2016 against M/s Viceroy Hotels Limited for non payment of dues and the same has been accepted by the Hon'ble NCLT. Further proceedings are subject to NCLT order. The Resolution Professional has invited Expression of Interest from the prospective bidders for submission of Resolution Plans for revival of the Company. In terms of provisions of the Insolvency and Bankruptcy Code, 2016 (IBC) the resolution plan submitted by M/s CFM Asset Reconstruction Company Private Limited for M/s Viceroy Hotels Limited has been approved by the Committee of Creditors (COC) of the company in its 18th COC meeting and identified as a successful resolution applicant, subject to the approval of the Hon'ble NCLT, Hyderabad bench. .(Note.No-4)



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- e) **Loans from Banks of Financial Institutions:** During the current Financial Year, the company has not provided interest on the loans obtained from various Banks and financial Institutions which is not in accordance with generally accepted accounting principles. Confirmations from Banks/Financial Institutions are not yet received. (Note.No-5) in this regard.
- f) **Statutory Dues:** The Company has not paid the statutory dues for a period more than 6 months is as follows: (Note No:6)

S.No	Particulars	Amount
1	TDS	3,34,20,321
2	ESI	11,695
3	PF	1,24,606
	Total	3,35,56,622

- g) Non availability of confirmations Trade Receivables, Trade Payables - In the absence of alternative corroborative evidence, we unable to comment on the extent to which such balances are recoverable.(Note No:7)
- h) **Exceptional items:** The management decided to written off various assets, capital work in progress etc for an amount of Rs. 291.94 crores in the F.Y 2017-18 for which there is no provision has made for such amount up to F.Y 2016-17 & the approval of shareholders in AGM has not been taken by the company. As there is no sufficient appropriate audit evidence for such written off, we are unable to comment on the same.(Note No:8)
- i) In respect of investment, loans and advances, and Corporate Guarantees given to subsidiaries that have significant accumulated losses as at March, 2019. Based on management's internal assessment, the management of the Company 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, 2019 is appropriate in the accompanying standalone Ind AS financial statements. In absence of fair valuation of these investments, and insufficient appropriate audit evidence for the same ,we are unable to comment upon the carrying value of these investments, recoverability of loans and advances and the consequential impact, if any on the standalone financial statements. We are unable to comment on the provisions if any required for the corporate guarantees given to its Subsidiary Companies.(Note No:9)
- j) **Going Concern:** The above conditions indicate the existence of material uncertainties which may caste significant doubt on the Company's abilities to continue as going concern. In the event that the going concern assumption of the company is inappropriate, adjustments will have to be made as not a going concern. However the financials has not been made with such adjustments for the F.Y 2018-19.(Note No :10)



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6. Further read with paragraph 1 above, we report that the figures for the quarter ended March 31st 2019 represent the derived figure between the audited figures in respect of the financial year ended March 31, 2019 and the published year to date figures up to December 31, 2018, being the date of the end of the quarter of the current financial year, which were subjected to a limited review as stated paragraph 1 above, as required under Regulation 33 of The SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with SEBI circular No: CIR/CFD/FAC /62/2016 dated 5th July 2016.

For P C N & Associates,
Chartered Accountants
FRN No: 016016S

L. Lakshmi Prasanthi

Lakshmi Prasanthi.S
Partner
M.No: 236578

Place: Hyderabad
Date: 29-05-2019

VICEROY HOTELS LIMITED

Regd. Office: Plot 20, Sector-I, 4th Floor, HUDA Techno Enclave, Sy.No.64, Madhapur, Hyderabad - 500 081.

AUDITED FINANCIAL RESULTS (CONSOLIDATED) FOR THE QUARTER AND YEAR ENDED 31 MARCH, 2019

(Rs. in Lakhs)

Particulars	CONSOLIDATED				
	QUARTER ENDED			YEAR ENDED	
	AUDITED	UN-AUDITED	AUDITED	AUDITED	AUDITED
	31-03-2019	31-12-2018	31-03-2018	31-03-2019	31-03-2018
Income					
(a) Revenue from operations	3250.58	3,131.30	3032.24	12057.65	11810.39
(b) Other Income	90.99	132.85	1636.35	493.86	1903.98
Total Income	3,341.57	3,264.15	4,668.59	12,551.51	13,714.37
Expenses					
(a) Cost of materials consumed	787.58	902.68	705.13	3,339.78	3,137.03
(d) Employee benefits expense	523.32	755.58	733.25	3,012.25	3,064.90
(c) Fuel, Power and Light	332.34	312.43	271.84	1,240.76	1,137.09
(d) Finance Cost	115.34	31.29	1643.77	242.00	2,272.16
(e) Depreciation and amortisation expense	330.63	250.97	287.31	1,083.49	1,039.08
(f) Other expenses	2838.48	688.14	1,215.91	5,011.49	3,744.37
Total expenses	4,927.69	2,941.09	4,857.21	13,929.77	14,394.63
Profit / (Loss) before Exceptional items and Tax	(1,586.12)	323.06	(188.62)	(1,378.26)	(680.26)
Exceptional items	-	-	29,194.94	-	29,194.94
Profit / (Loss) before Tax	(1,586.12)	323.06	(29,383.56)	(1,378.26)	(29,875.20)
Tax expense					
- Current Tax	-	-	-	-	-
- Deferred Tax	137.70	19.93	547.31	197.48	996.41
Profit / (Loss) for the period from Continuing operations	(1,723.82)	303.13	(29,930.87)	(1,575.74)	(30,871.61)
Extraordinary Item	-	-	-	-	13,464.71
Share of profit / (Loss) of Associates/ joint venture	-	-	-	-	-
Other Comprehensive Income					
i) items that will not be reclassified to Profit & Loss A/c	-	-	-	-	-
ii) Items that will be reclassified to Profit & Loss A/c	-	-	-	-	-
Total Comprehensive Income for the period	(1,723.82)	303.13	(29,930.87)	(1,575.74)	(44,336.32)
Paid-up equity share capital (Face Value : Rs.10/- per share)	4,240.52	4,240.52	4,240.52	4,240.52	4,240.52
Earnings per share (Face value of Rs.10/- each)					
(a) Basic	(4.07)	0.71	(70.58)	(3.72)	(104.55)
(b) Diluted	(4.07)	0.71	(70.58)	(3.72)	(104.55)

For VICEROY HOTELS LIMITED



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Place: HYDERABAD

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Notes:


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4. **Loans from Banks or Financial Institutions:** During the year no provision for interest has been created by the company for the loans outstanding. Default in repayment of Loans to various banks and Financial Institutions is as follows for the year ended 31-03-2019 is as mentioned below as per Books of Accounts:


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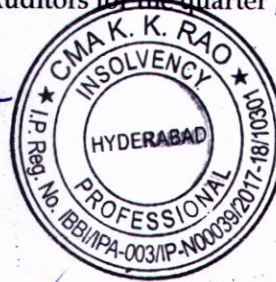
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S.No	Name of the Company	Relationship
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2	Cafe D' Lake Private Limited	Subsidiary
3	Minerva Hospitalities Private Limited	Subsidiary
4	Viceroy Chennai Hotels & Resorts Private Limited	Subsidiary
5	Banjara Hospitalities Private Limited	Subsidiary

6. These financial statements have been prepared in accordance with the recognition and measurement principles laid down in The IND AS prescribed under Section 133 of Companies Act, 2013 read with relevant rules issued there under.
7. Previous year's figures have been regrouped, wherever necessary for the purpose of comparison.
8. The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the company at their meeting held on 29-05-2019.
9. The Standalone and Consolidated Audited Results have been prepared and subjected to Limited Review by the Statutory Auditors in accordance with the Indian Accounting Standards (IND -AS) as notified by Ministry of Corporate Affairs: Regulation 33 of SEBI (LODR) Regulations, 2015 and Schedule III division II of Companies Act,2013. The Limited Review was carried out by Statutory Auditors for the quarter / year ended 31st March, 2019.
10. The results are also available on the website of the company.

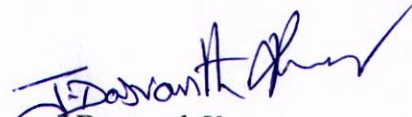

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Place: Hyderabad
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Auditor's Report on Quarterly Consolidated Financial Results and Year to Date Financial Results of M/s.Viceroy Hotels Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

To
The Board of Directors
M/s. Viceroy Hotels Limited

1. We have audited the quarterly consolidated financial results of M/s. Viceroy Hotels Limited for the quarter ended March 31, 2019 and to the year to date financial results for the year ended March 31, 2019, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. The quarterly financial results are the derived figures between the audited figures in respect of the year ended March 31, 2019 and the published year-to-date figures up to December 31, 2018, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The financial results for the quarter ended March 31, 2019 have been prepared on the basis of the annual IND AS financial Statements for the nine-month period ended December 31, 2018, the audited annual financial statements as at and for the year ended March 31, 2019, and the relevant requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our review of the financial results for the nine-month period ended December 31, 2018 which was prepared in accordance with applicable Ind AS and other recognised accounting policies laid down in Ind AS 34, Interim Financial Reporting, specified under section 133 of the act, read with relevant rules issued there under and other accounting principles generally accepted in India and our audit of the annual financial statements as at and for the year ended March 31, 2019; and the relevant requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
2. These financial results have been prepared on the basis of Ind AS financial statements and reviewed quarterly financial results up to the end of the third quarter, which are the responsibility of Companies Management. Our responsibility is to express an opinion on these financial results based on our Audit of such annual Ind AS Financial statements, which has been prepared in accordance with the recognised and measurements principles laid down in Indian Accounting Standards, prescribed under section 133 of the Companies Act, 2013 and the relevant requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
4. In our opinion and to the best of our information and according to the explanations except for the effects/possible effects of our observation stated in Para 5 below given to us, these quarterly financial results as well as the year to date financial results:
 - (i) Are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 read with circular No: CIR/FD/FAC /62/2016 dated 5th July 2016 regard in this regard; and
 - (ii) Give a true and fair view of the Total Comprehensive Income and other financial information for the



quarter ended March 31, 2019 as well as the year to date results for the period from April 1, 2018 to March 31, 2019.

5. Qualified Opinion:

- a) **Capital Work In progress:** The Company has converted capital work in progress into Fixed Assets during the F.Y 2017-18 of an amount of Rs.111.94 Crores. However the company has not submitted us any valuation certificate towards capitalization of fixed assets of Rs.111.94 crores, we could not obtained sufficient audit evidence in this regard. Hence we are unable to comment upon the same. (Note No: 1)
- b) **Forfeiture of advance:** the company has forfeited an advance of amount Rs.134.65 Crores in the F.Y 2013-14 and adjusted in slump sale proceeds as disclosed in the annual report of F.Y 2013-14, in the financial year 2017-18 again the company has recognised the forfeited advances in the books of accounts as liability which is not in line with the IND AS accounting policies, also the management of the company has not provided us any supporting document towards re recognition of such advances as liability in the books of accounts in the F.Y 2017-18. As per the Business transfer agreement (BTA) entered between Viceroy Hotels Limited and Mahal Hotels Limited dated 02nd April, 2011, the company M/s Viceroy Hotels Ltd received an advance of Rs.,124.52 Crores (Included in above said advance Rs.,134.65 Crores). The date of termination of the agreement is 31.12.2011. In the event of termination, the company is liable to repay the advance along with the interest @2% per month till the date of repayment. (Note.No-2)
- c) **Directorate of Enforcement:** The Directorate of Enforcement made a Provisional Attachment Order in PAO No. 04/2019 dated 26.03.2019 passed by the Deputy Director, Directorate of Enforcement against the M/s Viceroy Hotels Limited of OC No.1118/2019 pending adjudication before the Honorable Adjudicating Authority, PMLA, 2002, from alienating the proceeds of crime in the form of movable and immovable properties which are involved in money laundering and the non-attachment may seriously affect and frustrate the proceedings under PMLA, 2002. The Directorate of Enforcement has also filed an application under Insolvency and Bankruptcy code 2016 against M/s Viceroy Hotels Limited in respect advances taken from Mahal hotels Ltd and the same has been accepted by the Hon'ble NCLT on dated 06-05-2019. Further proceedings are subject to the respective authorities.(Note No:3)
- d) **NCLT:** The Asset Reconstruction Company (India) Ltd (ARCIL) has filed plea under Sec.7 of The Insolvency and Bankruptcy code 2016 against M/s Viceroy Hotels Limited for non payment of dues and the same has been accepted by the Hon'ble NCLT. Further proceedings are subject to NCLT order. The Resolution Professional has invited Expression of Interest from the prospective bidders for submission of Resolution Plans for revival of the Company. In terms of provisions of the Insolvency and Bankruptcy Code, 2016 (IBC) the resolution plan submitted by M/s CFM Asset Reconstruction Company Private Limited for M/s Viceroy Hotels Limited has been approved by the Committee of Creditors (COC) of the company in its 18th COC meeting and identified as a successful resolution applicant, subject to the approval of the Hon'ble NCLT, Hyderabad bench. .(Note.No-4)
- e) **Loans from Banks of Financial Institutions:** During the current Financial Year, the company has not provided interest on the loans obtained from various Banks and financial Institutions which is not in accordance with generally accepted accounting principles. Confirmations from Banks/Financial Institutions are not yet received. (Note.No-5).



P C N & ASSOCIATES
CHARTERED ACCOUNTANTS
Plot No. 12, "N Heights"
Ground Floor, Software Layout Unit
Cyberabad, Hyderabad - 500 081.

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E-mail : pcnassociates@yahoo.com

- f) **Statutory Dues:** The Company has not paid the statutory dues for a period more than 6 months is as follows:
(Note No:6)

S.No	Particulars	Amount
1	TDS	3,34,20,321
2	ESI	11,695
3	PF	1,24,606
	Total	3,35,56,622

- g) Non availability of confirmations Trade Receivables, Trade Payables - In the absence of alternative corroborative evidence, we unable to comment on the extent to which such balances are recoverable. (Note No:7)
- h) **Exceptional items:** The management decided to written off various assets, capital work in progress etc for an amount of Rs. 291.94 crores in the F.Y 2017-18 for which there is no provision has made for such amount up to F.Y 2016-17 & the approval of shareholders in AGM has not been taken. As there is no sufficient appropriate audit evidence for such written off, we are unable to comment on the same.(Note No:8)
- i) In respect of investment, loans and advances, and Corporate Guarantees given to subsidiaries that have significant accumulated losses as at March, 2019. Based on management's internal assessment, the management of the Company 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, 2019 is appropriate in the accompanying standalone Ind AS financial statements. In absence of fair valuation of these investments, we are unable to comment upon the carrying value of these investments, recoverability of loans and advances and the consequential impact, if any on the standalone financial statements. We are unable to comment on the provisions if any required for the corporate guarantees given to its Subsidiary Companies.(Note No:9)
- j) **Going Concern:** The above conditions indicate the existence of material uncertainties which may cast significant doubt on the Company's abilities to continue as going concern. In the event that the going concern assumption of the company is inappropriate, adjustments will have to be made as not a going concern. However the financials has not been made with such adjustments for the F.Y 2018-19.(Note No:10)

6. **Other Matter:**

We didn't audited the financial statements and other financial information, in respect of all the five subsidiaries, whose Ind As financial statements include total assets of Rs.18,814 lakhs. As at march 31st 2019 and Total loss of Rs.1,030 lakhs for the year ended. These Ind AS financial Statements of four subsidiaries and other financial information have been audited by other Auditors, whose reports have been furnished to us and our opinion in so far as it relates to the amounts and disclosures included in respect of subsidiaries, is based solely on the report of such subsidiary auditors. The financial statements of M/s Café D'Lake Private Limited (Wholly Owned Subsidiary) are unaudited as IRP has been appointed for such company. Our opinion is not qualified in respect of this matter.



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7. The independent auditors of M/s. Crustum Products Pvt Ltd has given Emphasis of Matter in their audit report on the financial statement for the year ended March 31,2019 reproduced by us here under
- We draw attention to Note 23 to the financial statements regarding pending confirmation of balances for various trade receivables, trade payables and borrowings from the lender banks.
 - The company's net worth completely eroded as on 31.03.2019 this indicate the existence of material uncertainties which may caste significant doubt on the Company's abilities to continue as going concern. In the event that the going concern assumption of the company is inappropriate, adjustments will have to be made as not a going concern. However the financials has not been made with such adjustments for the F.Y 2018-19.

Our Opinion is not modified in respect of these matters.

8. Further read with paragraph 1 above, we report that the figures for the quarter ended March 31st 2019 represent the derived figure between the audited figures in respect of the financial year ended March 31, 2019 and the published year to date figures up to December 31,2018, being the date of the end of the quarter of the current financial year, which were subjected to a limited review as stated paragraph 1 above, as required under Regulation 33 of The SEBI (Listing Obligations and Disclosure Requirements) Regulation,2015 read with SEBI circular No: CIR/CFD/FAC /62/2016 dated 5th July 2016.

For P C N & Associates,
Chartered Accountants
FRN No: 016016S

Lakshmi Prasanthi
Lakshmi Prasanthi.S
Partner
M.No: 236578


Place: Hyderabad
Date: 29-05-2019.

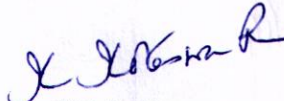
VICEROY HOTELS LIMITED


STATEMENT OF ASSETS AND LIABILITIES AS AT 31/03/2019


Rs.in lakhs


Particulars	STANDALONE		CONSOLIDATED	
	AUDITED Year Ended 31-Mar-19	AUDITED Year Ended 31-Mar-18	AUDITED Year Ended 31-Mar-19	AUDITED Year Ended 31-Mar-18
ASSETS				
Non-Current Assets				
a) Property, Plant and Equipment	22,446.50	23,364.24	27,329.08	28,203.70
b) Capital work-in-progress			9,192.93	9,193.25
c) Intangible Assets				
d) Financial Assets				
i. Investments	1,889.62	1,889.62		
ii. Loans	440.53	544.98	2,246.61	1,954.95
iii. Other financial assets		-		-
e) Other Non-Current Assets	674.64	152.14	2,116.72	1,223.44
Sub-total - Non-Current Assets	25,451.29	25,950.98	40,885.34	40,575.34
Current Assets				
a Inventories	140.87	114.65	207.08	159.25
b Financial Assets				
i. Investments				
ii. Trade Receivables	1,188.51	1,032.14	1,378.88	1,159.01
iii. Cash and Cash equivalents	1,280.64	(113.39)	1,348.60	(81.15)
iv. Bank balances other than (iii) above				
v. Other financial assets				
c Other Current Assets				
i. Advances other than Capital Advances	379.95	357.42		
ii. Other Current Assets			1,100.98	2,354.32
Sub-total - Current Assets	2,989.97	1,390.82	4,035.54	3,591.43
TOTAL - ASSETS	28,441.26	27,341.80	44,920.88	44,166.77
EQUITY AND LIABILITIES				
Shareholders Funds				
a Share Capital	4,240.52	4,240.52	4,240.52	4,240.52
b Other Equity	(41,301.62)	(40,052.65)	(42,341.03)	(40,765.31)
Sub-total - Shareholders Funds	(37,061.10)	(35,812.13)	(38,100.51)	(36,524.79)
Non-Current Liabilities				
a Long Term Provisions	263.43	95.04	263.43	95.04
b Deferred Tax Liabilities (net)	3,029.51	2,773.56	3,225.84	3,028.36
Sub-total - Non-Current Liabilities	3,292.94	2,868.60	3,489.27	3,123.40
Current Liabilities				
a Financial Liabilities				
i. Borrowings	38,172.15	38,258.05	53,836.50	52,878.83
ii. Trade Payable	2465.05	1,906.50	3,141.52	3,010.12
iii. Other financial liabilities				
b Other Current Liabilities				
i. Other Liabilities	18,938.23	18,410.72	20,572.25	19,930.53
ii. Short Term Borrowings	869.16	412.78	907.65	448.61
c Short Term Provisions	1,764.83	1,297.28	1,074.20	1,300.07
Sub-total - Current Liabilities	62,209.42	60,285.33	79,532.12	77,568.16
TOTAL - EQUITY AND LIABILITIES	28,441.26	27,341.80	44,920.88	44,166.77


P. Prabhakar Reddy
Former CMD


CMA K.K.Rao
Resolution Professional


M.Sreedhar Singh
CEO


Devraj Govind Raj
Former Director


J.Dasvanth Kumar
CFO



Place:Hyderabad
Date: 29/05/2019

STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS (FOR AUDIT REPORT WITH MODIFIED OPINION) SUBMITTED ALONG-WITH ANNUAL AUDITED FINANCIAL RESULTS – STANDALONE BASIS-VICEROY HOTELS LIMITED

(Rs.in Lakhs except for EPS)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31,2019				
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
I.	SI. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	8853.17	8853.17
	2.	Total Expenditure	9846.19	9846.19
	3.	Net Profit/(Loss)	(1248.97)	(1248.97)
	4.	Earnings Per Share	(2.95)	(2.95)
	5.	Total Assets	28441.26	28441.26
	6.	Total Liabilities	28441.26	28441.26
	7.	Net Worth	(37061.10)	(37061.10)
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	Audit Qualification			
II(1)	a. Details of Audit Qualification:			
	<p>a)Capital Work In progress: The Company has converted capital work in progress into Fixed Assets during the F.Y 2017-18 of an amount of Rs.111.94 Crores. However the company has not submitted us any valuation certificate towards capitalization of fixed assets of Rs.111.94 crores, we could not obtained sufficient appropriate audit evidence for such conversion of capital work in progress into fixed assets. Hence we are unable to comment on the same.</p>			
	b. Type of Audit Qualification : Qualified Opinion			
	c. Frequency of qualification: Appeared second time			
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:			
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:			
	(i) Management's estimation on the impact of audit qualification: NA			
	(ii) If management is unable to estimate the impact, reasons for the same: The company has passed board resolution on 26-08-2017 for converting Capital work in progress of Rs. 111 .94 Crores to fixed assets. Depreciation has been calculated accordingly.			
	(iii) Auditors' Comments on (i) or (ii) above: Since the company has not submitted us any valuation certificate towards capitalization of fixed assets of Rs.111.94 crores, the depreciation claimed by the company is not correctly ascertainable by us.			

II(2)	<p>a. Details of Audit Qualification:</p> <p>b. Forfeiture of advance: the company has forfeited an advance of amount Rs.134.65 Crores in the F.Y 2013-14 and adjusted in slump sale proceeds as disclosed in the annual report of F.Y 2013-14, in the financial year 2017-18 again the company has recognised the forfeited advances in the books of accounts as liability which is not in line with the IND AS accounting policies, also the management of the company has not provided us any supporting document towards re recognition of such advances as liability in the books of accounts in the F.Y 2017-18. As per the Business transfer agreement (BTA) entered between Viceroy Hotels Limited and Mahal Hotels Limited dated 02nd April, 2011, the company M/s Viceroy Hotels Ltd received an advance of Rs.,124.52 Crores (Included in above said advance Rs.,134.65 Crores). The date of termination of the agreement is 31.12.2011. In the event of termination, the company is liable to repay the advance along with the interest @2% per month till the date of repayment.</p>
	<p>b. Type of Audit Qualification : Qualified Opinion</p>
	<p>c. Frequency of qualification: Appeared second time</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
	<p>(i) Management's estimation on the impact of audit qualification:NA</p>
	<p>(ii) If management is unable to estimate the impact, reasons for the same: The company has forfeited an amount of Advance of Rs.134.65crores erroneously in the Financial year 2013-14 (Bhagyanagar Investment &Trading Private Limited- Rs.11.77 Crores, Ganga Industrial Corporation- Rs.0.65 Crores,Mahal Hotel Private Limited Rs.122.23 crores) and the same is taken back into the Books as Exceptional Item, which was qualified by the auditors.</p>
	<p>(iii) Auditors' Comments on (i) or (ii) above: The Company has forfeited advance an amount of Rs. 134.65 crores in the F.Y 2013-14 and adjusted in Slump sale proceeds as disclosed in the annual report of F.Y 2013-14.in the current financial year again the company has recognized the forfeited advances in the books of Accounts as outstanding liability which is not in line with IND AS accounting policies. Also the management of the company has not provided to any supporting document towards re recognition of such advances liability in the books of accounts of the current financial year 2017-18.</p>
II(3)	<p>a. Details of Audit Qualification:</p> <p>c) Directorate of Enforcement: The Directorate of Enforcement made a Provisional Attachment Order in PAO No. 04/2019 dated 26.03.2019 passed by the Deputy Director, Directorate of Enforcement against the M/s Viceroy Hotels Limited of OC No.1118/2019 pending adjudication before the Honorable Adjudicating Authority, PMLA, 2002, from alienating the proceeds of crime in the form of movable and immovable properties which are involved in money laundering and the non-attachment may seriously affect and frustrate the proceedings under PMLA, 2002. The Directorate of Enforcement has also filed an application under Insolvency and Bankruptcy code 2016 against M/s Viceroy Hotels Limited in respect advances taken from Mahal hotels Ltd and the same has been admitted by the Hon'ble NCLT on dated 06-05-2019. Further proceedings are subject to the respective authorities.</p> <p>b. Type of Audit Qualification : Qualified Opinion</p> <p>c. Frequency of qualification: Appeared first time</p> <p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>(i) Management's estimation on the impact of audit qualification: NA</p> <p>(ii) If management is unable to estimate the impact, reasons for the same: We have received the provisional attachment from the department and the same has been challenged in NCLT by Resolution professional.</p> <p>(iii) Auditors' Comments on (i) or (ii) above:</p>

II(4)	<p>a. Details of Audit Qualification:</p> <p>d) NCLT: The Asset Reconstruction Company (India) Ltd (ARCIL) has filed plea under Sec.7 of The Insolvency and Bankruptcy code 2016 against M/s Viceroy Hotels Limited for nonpayment of dues and the same has been accepted by the Hon'ble NCLT. Further proceedings are subject to NCLT order. The Resolution Professional has invited Expression of Interest from the prospective bidders for submission of Resolution Plans for revival of the Company. In terms of provisions of the Insolvency and Bankruptcy Code, 2016 (IBC) the resolution plan submitted by M/s CFM Asset Reconstruction Company Private Limited for M/s Viceroy Hotels Limited has been approved by the Committee of Creditors (COC) of the company in its 18th COC meeting and identified as a successful resolution applicant, subject to the approval of the Hon'ble NCLT, Hyderabad bench.</p>
	<p>b. Type of Audit Qualification : Qualified Opinion</p>
	<p>c. Frequency of qualification: Appeared second time</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor: NA</p>
	<p>(i) Management's estimation on the impact of audit qualification:</p>
	<p>(ii) If management is unable to estimate the impact, reasons for the same: The application filed by the Asset Reconstruction Company (India) Ltd (ARCIL) against the company under Sec. 7 of The Insolvency Bankruptcy Code 2016, has been approved by the NCLT and the order to initiate Corporate Insolvency Resolution Process was also passed. The Committee of Creditors meeting was conducted and a Resolution Professional was appointed. The resolution plan submitted by M/s CFM Asset Reconstruction Company Private Limited for M/s Viceroy Hotels Limited has been approved by the Committee of Creditors (COC) of the company in its 18th COC meeting and identified as a successful resolution applicant, subject to the approval of the Hon'ble NCLT, Hyderabad bench. The final impact/effect can be known based on the approval of resolution plan.</p>
	<p>(iii) Auditors' Comments on (i) or (ii) above: The Company is in the process of corporate insolvency Resolution process, which may affect the going concern of the company.</p>
II(5)	<p>a. Details of Audit Qualification:</p> <p>e) Loans from Banks of Financial Institutions: During the current Financial Year, the company has not provided interest on the loans obtained from various Banks and financial Institutions which is not in accordance with generally accepted accounting principles. Confirmations from Banks/Financial Institutions are not yet received.</p>
	<p>b. Type of Audit Qualification : Qualified Opinion</p>
	<p>c. Frequency of qualification: Appeared second time</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: NA</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
	<p>(i) Management's estimation on the impact of audit qualification:</p>
	<p>(ii) If management is unable to estimate the impact, reasons for the same: As the loans turned as Non-Operating Assets, there is no correspondence from the banks and financial institutions regarding the interest provision, hence as a result the company could not provide for the interest expense during the year</p>
	<p>(iii) Auditors' Comments on (i) or (ii) above : The company has not provided , interest on the loans obtained from various Banks and Financial Institutions , which is not in accordance with the Generally Accepted Accounting Principles and all the Loans has been turned out as NPA's.</p>

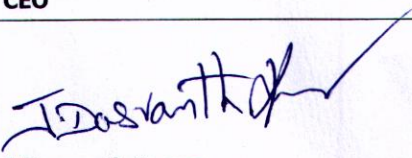
II(6)	<p>a. Details of Audit Qualification:</p> <p>f) Statutory Dues: The Company has not paid the statutory dues for a period more than 6 months is as follows:</p> <table border="1" data-bbox="467 264 1318 528"> <thead> <tr> <th>S.No</th> <th>Particulars</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>TDS</td> <td>3,34,20,321</td> </tr> <tr> <td>2</td> <td>ESI</td> <td>11,695</td> </tr> <tr> <td>3</td> <td>PF</td> <td>1,24,606</td> </tr> <tr> <td></td> <td>Total</td> <td>3,35,56,622</td> </tr> </tbody> </table>	S.No	Particulars	Amount	1	TDS	3,34,20,321	2	ESI	11,695	3	PF	1,24,606		Total	3,35,56,622
S.No	Particulars	Amount														
1	TDS	3,34,20,321														
2	ESI	11,695														
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	Total	3,35,56,622														
	b. Type of Audit Qualification : Qualified Opinion															
	c. Frequency of qualification: Appeared second time															
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:															
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:															
	(i) Management's estimation on the impact of audit qualification:															
	(ii) If management is unable to estimate the impact, reasons for the same: The Company is in the process of clearing outstanding statutory dues.															
	(iii) Auditors' Comments on (i) or (ii) above: The Company has not paid statutory dues of TDS, PF and ESI as per the books of Accounts.															
II(7)	<p>a. Details of Audit Qualification:</p> <p>g)Non availability of confirmations Trade Receivables, Trade Payables - In the absence of alternative corroborative evidence, we unable to comment on the extent to which such balances are recoverable.</p>															
	b. Type of Audit Qualification : Qualified Opinion															
	c. Frequency of qualification: Appeared second time															
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:.															
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:															
	(i) Management's estimation on the impact of audit qualification:															
	(ii) If management is unable to estimate the impact, reasons for the same: Trade Payables and Trade Receivables are true and fair as per the record of the company. The company is in the process of obtaining the confirmation from them.															
	(iii) Auditors' Comments on (i) or (ii) above: the trade receivables and trade payables could not be verified as confirmation of balances have not been received for the same and during the year the company.															
II(8)	<p>a. Details of Audit Qualification:</p> <p>h) Exceptional items: The management decided to written off various assets, capital work in progress etc for an amount of Rs. 291.94 crores in the F.Y 2017-18 for which there is no provision has made for such amount up to F.Y 2016-17 & the approval of shareholders in AGM has not been taken.</p> <p>b. Type of Audit Qualification : Qualified Opinion</p> <p>c. Frequency of qualification: Appeared second time</p> <p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p>															

	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification:
	(ii) If management is unable to estimate the impact, reasons for the same: The Company has passed board resolution on 14-02-2018 for Writing off various Assets, Liabilities, Incomes and Expenses.
	(iii) Auditors' Comments on (i) or (ii) above: The company has written off various current and Noncurrent assets during the year for which there is no provision has been created by the company up to previous year and those written off assets, will not going to generate any future cash flows to the company as per the management view , as there is no appropriate audit evidence for writing off the same we are unable to comment on the same.
II(9)	a. Details of Audit Qualification: i) In respect of investment, loans and advances, and Corporate Guarantees given to subsidiaries that have significant accumulated losses as at March, 2019. Based on management's internal assessment, the management of the Company 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, 2019 is appropriate in the accompanying standalone Ind AS financial statements. In absence of fair valuation of these investments, we are unable to comment upon the carrying value of these investments, recoverability of loans and advances and the consequential impact, if any on the standalone financial statements. We are unable to comment on the provisions if any required for the corporate guarantees given to its Subsidiary Companies.
	b. Type of Audit Qualification : Qualified Opinion
	c. Frequency of qualification: Appeared first time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification:
	(ii) If management is unable to estimate the impact, reasons for the same: the company has provided impairment for the investments from F.Y 2017-18 as there is forceable future cash flows from such investments.
	(iii) Auditors' Comments on (i) or (ii) above:
II(10)	a. Details of Audit Qualification: j) Going Concern: The above conditions indicate the existence of material uncertainties which may cast significant doubt on the Company's abilities to continue as going concern. In the event that the going concern assumption of the company is inappropriate, adjustments will have to be made as not a going concern. However the financials has not been made with such adjustments for the F.Y 2018-19.
	b. Type of Audit Qualification : Qualified Opinion
	c. Frequency of qualification: Appeared second time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(iv) Management's estimation on the impact of audit qualification:
	(v) If management is unable to estimate the impact, reasons for the same: Management believes the status of going concern is not affected and is confident of maintaining the going concern status and is undergoing the process of IBC Code, 2016. The final status can be known on approval of resolution plan.

(vi) **Auditors' Comments on (i) or (ii) above:** The above situations indicate the existence of material uncertainty that may cast significant doubt on the company's ability to meet its financial obligations including repayment of loans obtained and unpaid interest.

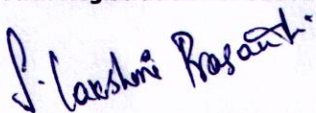
III **Signatories**


M. Sreedhar Singh
CEO



J. Dasvanth Kumar
CFO

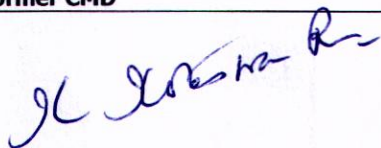
Statutory Auditors:

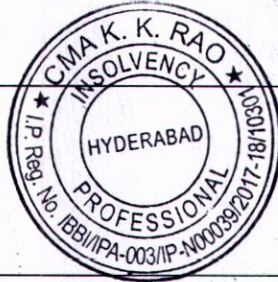
For P C N & Associates.,
chartered Accountants,
Firm Registration no: 016016S


Lakshmi Prasanthi.S
Partner
M.No:236578


DevrajGovind Raj
Former Director


P. Prabhakar Reddy
Former CMD


CMA K.K.Rao
Resolution Professional



Place: HYDERABAD

Date: 29/05/2019



STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS (FOR AUDIT REPORT WITH MODIFIED OPINION) SUBMITTED ALONG-WITH ANNUAL AUDITED FINANCIAL RESULTS – CONSOLIDATED BASIS-VICEROY HOTELS LIMITED

(Rs.in Lakhs except for EPS)

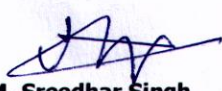

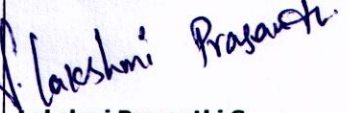



Statement on Impact of Audit Qualifications for the Financial Year ended March 31,2019				
<i>[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]</i>				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover / Total income	12551.51	12551.51
	2.	Total Expenditure	13929.77	13929.77
	3.	Net Profit/(Loss)	(1575.74)	(1575.74)
	4.	Earnings Per Share	(3.72)	(3.72)
	5.	Total Assets	44920.88	44920.88
	6.	Total Liabilities	44920.88	44920.88
	7.	Net Worth	(38100.51)	(38100.51)
	8.	Any other financial item(s) (as felt appropriate by the management)	-	-
II.	Audit Qualification			
II(1)	a. Details of Audit Qualification:			
	a)Capital Work In progress: The Company has converted capital work in progress into Fixed Assets during the F.Y 2017-18 of an amount of Rs.111.94 Crores. However the company has not submitted us any valuation certificate towards capitalization of fixed assets of Rs.111.94 crores, we could not obtained sufficient audit evidence in this regard. Hence we are unable to comment upon the same.			
	b. Type of Audit Qualification : Qualified Opinion			
	c. Frequency of qualification: Appeared second time			
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:			
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:			
	(i) Management's estimation on the impact of audit qualification: NA			
	(ii) If management is unable to estimate the impact, reasons for the same: The company has passed board resolution on 26-08-2017 for converting Capital work in progress of Rs. 111 .94 Crores to fixed assets. Depreciation has been calculated accordingly.			
	(iii) Auditors' Comments on (i) or (ii) above: Since the company has not submitted us any valuation certificate towards capitalization of fixed assets of Rs.111.94 crores, the depreciation claimed by the company is not correctly ascertainable by us.			

II(2)	<p>a. Details of Audit Qualification:</p> <p>b)Forfeiture of advance: the company has forfeited an advance of amount Rs.134.65 Crores in the F.Y 2013-14 and adjusted in slump sale proceeds as disclosed in the annual report of F.Y 2013-14, in the financial year 2017-18 again the company has recognised the forfeited advances in the books of accounts as liability which is not in line with the IND AS accounting policies, also the management of the company has not provided us any supporting document towards re recognition of such advances as liability in the books of accounts in the F.Y 2017-18. As per the Business transfer agreement (BTA) entered between Viceroy Hotels Limited and Mahal Hotels Limited dated 02nd April, 2011, the company M/s Viceroy Hotels Ltd received an advance of Rs.,124.52 Crores (Included in above said advance Rs.,134.65 Crores). The date of termination of the agreement is 31.12.2011. In the event of termination, the company is liable to repay the advance along with the interest @2% per month till the date of repayment.</p>
	<p>b. Type of Audit Qualification : Qualified Opinion</p>
	<p>c. Frequency of qualification: Appeared second time</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>
	<p>(i) Management's estimation on the impact of audit qualification: NA</p>
	<p>(ii) If management is unable to estimate the impact, reasons for the same: The company has forfeited an amount of Advance of Rs.134.65crores erroneously in the Financial year 2013-14 (Bhagyanagar Investment &Trading Private Limited- Rs.11.77 Crores, Ganga Industrial Corporation- Rs.0.65 Crores,Mahal Hotel Private Limited Rs.122.23 crores) and the same is taken back into the Books as Exceptional Item, which was qualified by the auditors.</p>
	<p>(iii) Auditors' Comments on (i) or (ii) above: The Company has forfeited advance an amount of Rs. 134.65 crores in the F.Y 2013-14 and adjusted in Slump sale proceeds as disclosed in the annual report of F.Y 2013-14.in the current financial year again the company has recognized the forfeited advances in the books of Accounts as outstanding liability which is not in line with IND AS accounting policies. Also the management of the company has not provided to any supporting document towards re recognition of such advances liability in the books of accounts of the current financial year 2017-18.</p>
II(3)	<p>a. Details of Audit Qualification:</p> <p>c) Directorate of Enforcement: The Directorate of Enforcement made a Provisional Attachment Order in PAO No. 04/2019 dated 26.03.2019 passed by the Deputy Director, Directorate of Enforcement against the M/s Viceroy Hotels Limited of OC No.1118/2019 pending adjudication before the Honorable Adjudicating Authority, PMLA, 2002, from alienating the proceeds of crime in the form of movable and immovable properties which are involved in money laundering and the non-attachment may seriously affect and frustrate the proceedings under PMLA, 2002. The Directorate of Enforcement has also filed an application under Insolvency and Bankruptcy code 2016 against M/s Viceroy Hotels Limited in respect advances taken from Mahal hotels Ltd and the same has been admitted by the Hon'ble NCLT on dated 06-05-2019. Further proceedings are subject to the respective authorities.</p> <p>b. Type of Audit Qualification : Qualified Opinion</p> <p>c. Frequency of qualification: Appeared first time</p> <p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>(i) Management's estimation on the impact of audit qualification: NA</p> <p>(ii) If management is unable to estimate the impact, reasons for the same: We have received the provisional attachment from the department and the same has been challenged in NCLT by Resolution professional.</p> <p>(iii) Auditors' Comments on (i) or (ii) above:</p>

II(4)	<p>a. Details of Audit Qualification:</p> <p>d)NCLT: The Asset Reconstruction Company (India) Ltd (ARCIL) has filed plea under Sec.7 of The Insolvency and Bankruptcy code 2016 against M/s Viceroy Hotels Limited for nonpayment of dues and the same has been accepted by the Hon'ble NCLT. Further proceedings are subject to NCLT order. The Resolution Professional has invited Expression of Interest from the prospective bidders for submission of Resolution Plans for revival of the Company. In terms of provisions of the Insolvency and Bankruptcy Code, 2016 (IBC) the resolution plan submitted by M/s CFM Asset Reconstruction Company Private Limited for M/s Viceroy Hotels Limited has been approved by the Committee of Creditors (COC) of the company in its 18th COC meeting and identified as a successful resolution applicant, subject to the approval of the Hon'ble NCLT, Hyderabad bench.</p>
	<p>b. Type of Audit Qualification : Qualified Opinion</p>
	<p>c. Frequency of qualification: Appeared second time</p>
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p>
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor: NA</p>
	<p>(i) Management's estimation on the impact of audit qualification:</p>
	<p>(ii) If management is unable to estimate the impact, reasons for the same: The application filed by the Asset Reconstruction Company (India) Ltd (ARCIL) against the company under Sec. 7 of The Insolvency Bankruptcy Code 2016, has been approved by the NCLT and the order to initiate Corporate Insolvency Resolution Process was also passed. The Committee of Creditors meeting was conducted and a Resolution Professional was appointed. The resolution plan submitted by M/s CFM Asset Reconstruction Company Private Limited for M/s Viceroy Hotels Limited has been approved by the Committee of Creditors (COC) of the company in its 18th COC meeting and identified as a successful resolution applicant, subject to the approval of the Hon'ble NCLT, Hyderabad bench. The final impact/effect can be known based on the approval of resolution plan.</p>
	<p>(iii) Auditors' Comments on (i) or (ii) above: The Company is in the process of corporate insolvency Resolution process, which may affect the going concern of the company.</p>
II(5)	<p>a. Details of Audit Qualification:</p> <p>e)Loans from Banks of Financial Institutions: During the current Financial Year, the company has not provided interest on the loans obtained from various Banks and financial Institutions which is not in accordance with generally accepted accounting principles. Confirmations from Banks/Financial Institutions are not yet received.</p> <p>b. Type of Audit Qualification : Qualified Opinion</p> <p>c. Frequency of qualification: Appeared second time</p> <p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: NA</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>(i) Management's estimation on the impact of audit qualification:</p> <p>(ii) If management is unable to estimate the impact, reasons for the same: As the loans turned as Non-Operating Assets, there is no correspondence from the banks and financial institutions regarding the interest provision, hence as a result the company could not provide for the interest expense during the year</p> <p>(iii) Auditors' Comments on (i) or (ii) above : The company has not provided , interest on the loans obtained from various Banks and Financial Institutions , which is not in accordance with the Generally Accepted Accounting Principles and all the Loans has been turned out as NPA's.</p>

II(6)	<p>a. Details of Audit Qualification:</p> <p>a) Statutory Dues: The Company has not paid the statutory dues for a period more than 6 months is as follows:</p> <table border="1" data-bbox="467 297 1368 593"> <thead> <tr> <th>S.No</th> <th>Particulars</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>TDS</td> <td>3,34,20,321</td> </tr> <tr> <td>2</td> <td>ESI</td> <td>11,695</td> </tr> <tr> <td>3</td> <td>PF</td> <td>1,24,606</td> </tr> <tr> <td></td> <td>Total</td> <td>3,35,56,622</td> </tr> </tbody> </table>	S.No	Particulars	Amount	1	TDS	3,34,20,321	2	ESI	11,695	3	PF	1,24,606		Total	3,35,56,622
S.No	Particulars	Amount														
1	TDS	3,34,20,321														
2	ESI	11,695														
3	PF	1,24,606														
	Total	3,35,56,622														
	<p>b. Type of Audit Qualification : Qualified Opinion</p>															
	<p>c. Frequency of qualification: Appeared second time</p>															
	<p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p>															
	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p>															
	<p>(i) Management's estimation on the impact of audit qualification:</p>															
	<p>(ii) If management is unable to estimate the impact, reasons for the same: The Company is in the process of clearing outstanding statutory dues.</p>															
	<p>(iii) Auditors' Comments on (i) or (ii) above: The company has not paid statutory dues of TDS, PF and ESI as per the books of Accounts.</p>															
II(7)	<p>a. Details of Audit Qualification:</p> <p>g) Non availability of confirmations Trade Receivables, Trade Payables - In the absence of alternative corroborative evidence, we unable to comment on the extent to which such balances are recoverable.</p> <p>b. Type of Audit Qualification : Qualified Opinion</p> <p>c. Frequency of qualification: Appeared second time</p> <p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:.</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>(i) Management's estimation on the impact of audit qualification:</p> <p>(ii) If management is unable to estimate the impact, reasons for the same: Trade Payables and Trade Receivables are true and fair as per the record of the company. The company is in the process of obtaining the confirmation from them.</p> <p>(iii) Auditors' Comments on (i) or (ii) above: The trade receivables and trade payables could not be verified as confirmation of balances have not been received for the same and during the year the company.</p>															
II(8)	<p>a. Details of Audit Qualification:</p> <p>h) Exceptional items: The management decided to written off various assets, capital work in progress etc for an amount of Rs. 291.94 crores in the F.Y 2017-18 for which there is no provision has made for such amount up to F.Y 2016-17 & the approval of shareholders in AGM has not been taken. As there is no sufficient appropriate audit evidence for such written off, we are unable to comment on the same.</p> <p>b. Type of Audit Qualification : Qualified Opinion</p> <p>c. Frequency of qualification: Appeared second time</p>															

	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification:
	(ii) If management is unable to estimate the impact, reasons for the same: The Company has passed board resolution on 14-02-2018 for Writing off various Assets, Liabilities, Incomes and Expenses.
	(iii) Auditors' Comments on (i) or (ii) above: The company has written off various current and Noncurrent assets during the year for which there is no provision has been created by the company up to previous year and those written off assets, will not going to generate any future cash flows to the company as per the management view , as there is no appropriate audit evidence for writing off the same we are unable to comment on the
II(9)	a. Details of Audit Qualification: i) In respect of investment, loans and advances, and Corporate Guarantees given to subsidiaries that have significant accumulated losses as at March, 2019. Based on management's internal assessment, the management of the Company 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, 2019 is appropriate in the accompanying standalone Ind AS financial statements. In absence of fair valuation of these investments, we are unable to comment upon the carrying value of these investments, recoverability of loans and advances and the consequential impact, if any on the standalone financial statements. We are unable to comment on the provisions if any required for the corporate guarantees given to its Subsidiary Companies.
	b. Type of Audit Qualification : Qualified Opinion
	c. Frequency of qualification: Appeared first time
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	e. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(i) Management's estimation on the impact of audit qualification:
	(ii) If management is unable to estimate the impact, reasons for the same: the company has provided impairment for the investments from F.Y 2017-18 as there is forceable future cash flows from such <i>Investment</i>
	(iii) Auditors' Comments on (i) or (ii) above:
II(9)	f. Details of Audit Qualification: j)Going Concern: The above conditions indicate the existence of material uncertainties which may caste significant doubt on the Company's abilities to continue as going concern. In the event that the going concern assumption of the company is inappropriate, adjustments will have to be made as not a going concern. However the financials has not been made with such adjustments for the F.Y 2018-19.
	g. Type of Audit Qualification : Qualified Opinion
	h. Frequency of qualification: Appeared first time
	i. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
	j. For Audit Qualification(s) where the impact is not quantified by the auditor:
	(iv) Management's estimation on the impact of audit qualification:
	(v) If management is unable to estimate the impact, reasons for the same: Management believes the status of going concern is not affected and is confident of maintaining the going concern status and is undergoing the process of IBC Code, 2016. The final status can be known on approval of resolution plan.
	(vi) Auditors' Comments on (i) or (ii) above: The above situations indicate the existence of material uncertainty that may cast significant doubt on the company's ability to meet its financial obligations including repayment of loans obtained and unpaid interest.

III	<p>Signatories</p> <p> M. Sreedhar Singh CEO</p> <p> J. Dasvanth Kumar CFO</p> <p>Statutory Auditors:</p> <p>For P C N & Associates, Chartered Accountants, Firm Registration no: 016016S</p> <p> Lakshmi Prasanthi.S Partner M.No:236578</p> <p> Devraj Govind Raj Former Director</p> <p> P. Prabhakar Reddy Former CMD</p> <p> CMA K.K.Rao Resolution Professional</p> <p>Place: HYDERABAD</p> <p>Date: 29/05/2019</p>
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