

Date: 12.02.2022

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

**Sub: Outcome of the Board Meeting (RP) held on Saturday, 12<sup>th</sup> February, 2022.**

**Ref: Regulation 33 and other applicable regulations of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015**

With reference to the above cited subject, we would like to inform that Board of Directors (RP) in their Board Meeting held on Saturday, 12<sup>th</sup> February, 2022 have inter alia, transacted the following matters:

1. Approved the Un-Audited Standalone Financial Results for the Third Quarter ended 31<sup>st</sup> December, 2021.
2. Approved the Un-Audited Consolidated Financial Results for the Third Quarter ended 31<sup>st</sup> December, 2021.
3. Limited Review Reports of the Statutory Auditors on the standalone and Consolidated Financial Results of the Company for the Third Quarter ended on 31<sup>st</sup> December, 2021 issued by the Statutory Auditors, M/s. P C N & Associates as required under Regulation 33 of the Listing Regulations.

The Board Meeting (RP) Commenced at 02.30 P.M and concluded at 4:20.PM

This is for your information and records.

Thanking You,  
Yours Faithfully,

For Viceroy Hotels Limited

N. Sharon Sneha

Company Secretary & Compliance Officer



**VICEROY HOTELS LIMITED**

## VICEROY HOTELS LIMITED

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

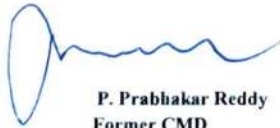
CIN : L55101TG1965PLC001048

## STATEMENT OF STANDALONE UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021

(Rs. in Lakhs)

Particulars	STANDALONE					
	QUARTER ENDED			NINE MONTHS ENDED		YEAR ENDED
	UN-AUDITED 31.12.2021	UN-AUDITED 30-09-2021	UN-AUDITED 31.12.2020	UN-AUDITED 31-12-2021	UN-AUDITED 31-12-2020	AUDITED 31-03-2021
<b>Income</b>						
(a) Revenue from operations	1,697.47	1,065.06	887.36	3,241.50	1,422.60	2,206.75
(b) Other Income	62.77	135.00	70.92	230.06	110.30	267.54
<b>Total Income</b>	<b>1,760.24</b>	<b>1,200.07</b>	<b>958.28</b>	<b>3,471.56</b>	<b>1,532.90</b>	<b>2,474.29</b>
<b>Expenses</b>						
(a) Cost of materials consumed	357.47	249.47	229.87	719.44	331.58	551.70
(b) Employee benefits expense	347.70	310.16	302.08	963.54	670.44	1,027.96
(c) Fuel, Power and Light	168.37	128.07	94.10	383.65	252.94	373.10
(d) Finance Cost	2.61	15.70	0.02	18.33	7.26	30.24
(e) Depreciation and amortisation expense	212.43	212.47	212.62	637.35	637.57	849.90
(f) Other expenses	661.89	408.13	563.94	1,298.43	1,194.00	1,654.91
<b>Total Expenses</b>	<b>1,750.47</b>	<b>1,324.01</b>	<b>1,402.63</b>	<b>4,020.74</b>	<b>3,093.79</b>	<b>4,487.81</b>
<b>Profit / (Loss) before Exceptional items and Tax</b>	<b>9.77</b>	<b>(123.94)</b>	<b>(444.35)</b>	<b>(549.18)</b>	<b>(1,560.89)</b>	<b>(2,013.52)</b>
Exceptional items	-	-	-	-	-	-
<b>Profit / (Loss) before Tax</b>	<b>9.77</b>	<b>(123.94)</b>	<b>(444.35)</b>	<b>(549.18)</b>	<b>(1,560.89)</b>	<b>(2,013.52)</b>
<b>Tax expense</b>	-	-	-	-	-	-
- Current Tax	-	-	-	-	-	-
- Deferred Tax	(20.47)	(117.29)	(96.30)	(61.86)	(289.10)	(386.08)
<b>Profit / (Loss) for the period from Continuing operations</b>	<b>(10.70)</b>	<b>(241.23)</b>	<b>(348.05)</b>	<b>(611.04)</b>	<b>(1,271.79)</b>	<b>(1,627.44)</b>
Extraordinary Item	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	-
i) items that will not reclassified to Profit & Loss Account	-	-	-	-	-	-
ii) items that will be reclassified to Profit & Loss Account	-	-	-	-	-	-
<b>Total Comprehensive Income for the period</b>	<b>(10.70)</b>	<b>(241.23)</b>	<b>(348.05)</b>	<b>(611.04)</b>	<b>(1,271.79)</b>	<b>(1,627.44)</b>
<b>Paid-up equity share capital</b> (Face Value : Rs.10/- per share)	<b>4,240.52</b>	<b>4,240.52</b>	<b>4,240.52</b>	<b>4,240.52</b>	<b>4,240.52</b>	<b>4,240.52</b>
<b>Earnings per share (Face value of Rs.10/- each)</b>						
(a) Basic	(0.03)	(0.57)	(0.82)	(1.44)	(3.00)	(3.84)
(b) Diluted	(0.03)	(0.57)	(0.82)	(1.44)	(3.00)	(3.84)

For VICEROY HOTELS LIMITED



P. Prabhakar Reddy  
Former CMD



CMA K.K.Rao  
Resolution Professional



M.Sreedhar Singh  
CEO



Sd/-  
Devraj Govind Raj  
Former Director



N Sharon Sueha  
Compliance officer

Place: HYDERABAD  
Date: 12-02-2022





## P C N & ASSOCIATES

CHARTERED ACCOUNTANTS

Plot No. 12, "N Heights"

Ground Floor, Software Layout Unit

Cyberabad, Hyderabad - 500 081.

Tel. : (91-40) 2311 9499

E-mail : pcnassociates@yahoo.com

Independent Auditor's Review Report on the Quarterly Unaudited Ind AS Standalone Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, as amended

To,  
The Resolution Professional  
Viceroy Hotels Limited

We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of Viceroy Hotels Limited ("the Company") for the quarter and nine months ended 31<sup>st</sup> December 2021 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019.

The preparation of "the Statement", which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

However we draw attention to the below mentioned points:

- 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, and the depreciation claimed by the company towards such capitalization of fixed assets for the F.Y 2017-18 is Rs.358.34 Lakhs, F.Y 2018-19 Rs.599.98 Lakhs and FY 2019-20 is Rs. 601.63 Lakhs and so on which increase the Loss to that Extent, As we could not obtain sufficient audit evidence in this regard and the capitalization is not in compliance with the generally accepted accounting principles we are unable to comment upon the true and fair view of the same.
- b) **Forfeiture of advance:** The Company has forfeited an advance of amounting to Rs.134.65 Crores received from Mahal Hotel Private Limited, Bhagyanagar Investments and trading private limited and Ganga Industrial Corporation Limited in the F.Y 2013-14 and adjusted in slump sale proceeds as disclosed in







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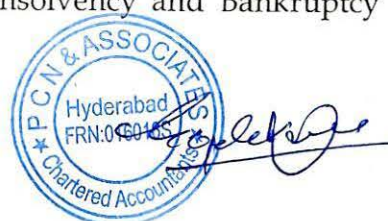
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the annual report of F.Y 2013-14. In the financial year 2017-18 again the company has recognised the forfeited advances in the books of accounts as liability which is not in line with the IND AS accounting policies, also the management of the company 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 02<sup>nd</sup> 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. However no interest has been paid or provided by the company in its Books of Accounts since the termination of the agreement, which is not in line with the accounting principles.

Hence we are unable to comment upon the true and fair view of the same.

- 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 Honourable 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. The resolution professional has challenged the provisional attachment order of Enforcement Directorate, Chennai, before the Hon'ble NCLT, Hyderabad on 08-04-2019. NCLT has raised the attachment of Enforcement Directorate, Chennai. Subsequently Directorate of Enforcement, Chennai has gone to High Court, Chennai vide their writ petition number: WP/29970/2019 which was declared in their favour. Then the resolution professional of Viceroy Hotels Limited has approached Supreme Court and at present it is pending at Supreme Court.vide order no SLP(C) no. 008259/2020.
- 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,





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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 18<sup>th</sup> COC meeting and identified as a successful resolution applicant, subject to the approval of the Hon'ble NCLT, Hyderabad bench.

- e) **Loans from Banks or 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 in this regard, due to the non-provision of interest in the financial statements; the financial statements may not give a true and fair view in this regard.
- f) **Statutory Dues:** The Company has not paid the statutory dues for a period more than 6 months is as follows as per the Books and records verified by us as on 30-9-2021.

S.No	Particulars	Amount In Rs.
1	TDS	3,34,20,321/-
	<b>Total</b>	<b>3,34,20,321/-</b>

- g) Non availability of confirmations Trade Receivables, Trade Payables - In the absence of alternative corroborative evidence, we are unable to comment on the extent to which such balances are recoverable.
- h) **Exceptional items:** The management decided to written off various assets directly in the profit & loss account, 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 . As there is no sufficient appropriate audit evidence for such written off , we are unable to comment on the True and Fair Value of such written off in the financial statements due to the write off.
- i) In respect of investment in subsidiaries those have significant accumulated Losses as on March 31<sup>st</sup> 2021, and the Loans and advances given to those subsidiaries. The Management of the company is of the view that the 100 percent provision for made for Loss of such investments in the Profit & Loss account made in this regard. In the absence of fair valuation of those investments in the subsidiaries, we are unable to comment on the total provision made by the company in this regard. we are unable to comment upon the carrying value of





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these investments, recoverability of loans and advances and the consequential impact, if any on the consolidated financial statements. We are unable to comment on the provisions if any required for the corporate guarantees given to its Subsidiary Companies and the provision for interest of loans and advances given to such subsidiaries.

- j) **Tax Disputes:** The Company has material tax disputes with the Income Tax department, service tax and sales tax departments. However the company has not made provision for such dues in the financial statements for the year ending 30-9-2021.
- k) **Going Concern:** The net worth of the company is completely eroded. 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 as on 30-9-2021.
- l) The company needs to make gratuity provision actuarial valuation as per IND AS accounting standards, however the same is not following by the company and the company is not obtaining actuarial valuation report as per Ind AS Accounting standards.
- m) The company has not appointed company secretary, which is not in compliance of the provisions of Sec 203 of the Companies Act.

We have conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion

Based on our review conducted, except for the points mentioned above nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure







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Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For P C N & Associates

Chartered Accountants

Firm's Registration No: 016016S



K. Gopala Krishna

Partner

M.No. 0203604

UDIN: 22203605ABOXJF4807

Place: Hyderabad

Date: 12/02/2022

1. The figures of the corresponding previous period have been regrouped/ reclassified wherever necessary to make them comparable.
2. The interim standalone financial statements have been prepared in accordance with the IND AS-35, Interim Financial reporting.
3. The audited financial results of the company for the third Quarter ended 31<sup>st</sup> December, 2021, have been prepared in accordance with the Indian Accounting Standards (IND AS) as prescribed under section 133 of The Companies Act 2013, read with Companies (Indian Accounting Standards Rules) 2015 as amended.
4. The audit committee has reviewed the above results and Board of Directors has approved the above results and its release at their respective meetings held on 12<sup>th</sup> February, 2022. The statutory auditors have carried out a limited Review of the aforesaid results.
5. As per Indian Accounting Standard 108, "operating Segments" the company has determined its business segment as Hoteling Only, and related services. There are no other primary reportable segments, and secondary reportable segments.
6. The auditors have drawn attention to the unaudited standalone financial results of the company for the third Quarter ended 31<sup>st</sup> December, 2021 in respect of the following matters:
  - a) The Petition filed by the Asset Reconstruction Company (India) Ltd (ARCIL) against the company under Sec. 7 of The Insolvency Bankruptcy Code 2016, has been admitted by the NCLT and the order to initiate Corporate Insolvency Resolution Process was passed. The Committee of Creditors meeting was conducted and a Resolution Professional was appointed. Committee of Creditors approved the Resolution Plan and the same was submitted to NCLT, the final impact/effect will be known based on the approval of resolution plan.
  - b) 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
  - c) 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.
  - d) The company has created provision for diminution of investments and the company is in the process of getting the valuation done for the investments in subsidiaries.
  - e) The company is in the process of repayment of the outstanding TDS amounts.
  - f) Interest on advances given to subsidiaries: The Company is contemplating to convert the advances given to subsidiaries as investments in the future, subsequently to receipt of the approval to the Resolution Plan by Honorable NCLT of Hyderabad



## VICEROY HOTELS LIMITED

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

## STATEMENT OF CONSOLIDATED UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2021

(Rs. in Lakhs)

Particulars	CONSOLIDATED					
	QUARTER ENDED			NINE MONTHS YEAR ENDED		YEAR ENDED
	UN-AUDITED	UN-AUDITED	UN-	UN-AUDITED	UN-AUDITED	AUDITED
	31-12-2021	30-09-2021	31-12-2020	31-12-2021	31-12-2020	31-03-2021
<b>Income</b>						
(a) Revenue from operations	2,319.11	1564.35	1,251.64	4,536.84	1943.87	3,476.48
(b) Other Income	96.71	162.74	128.53	348.43	243.5	587.87
<b>Total Income</b>	<b>2,415.82</b>	<b>1727.09</b>	<b>1,380.17</b>	<b>4,885.27</b>	<b>2187.37</b>	<b>4,064.35</b>
<b>Expenses</b>						
(a) Cost of materials consumed	1,109.58	922.37	412.80	2,217.54	587.5	1,631.15
(d) Employee benefits expense	352.07	344.84	355.80	1,034.56	819.62	1,237.58
(c) Fuel, Power and Light	175.48	134.05	125.85	408.76	317.75	438.41
(d) Finance Cost	8.99	16.97	3.55	28.14	14.38	60.76
(e) Depreciation and amortisation expense	212.43	207.33	246.88	642.89	750.07	994.34
(f) Other expenses	797.69	1136.67	623.76	2,253.56	1471.36	2,145.18
<b>Total expenses</b>	<b>2,656.24</b>	<b>2762.23</b>	<b>1768.64</b>	<b>6585.45</b>	<b>3960.68</b>	<b>6507.42</b>
<b>Profit / (Loss) before Exceptional items and Tax</b>	<b>(240.42)</b>	<b>(1,035.14)</b>	<b>(388.47)</b>	<b>(1,700.18)</b>	<b>(1,773.31)</b>	<b>(2,443.07)</b>
Exceptional items	-	-	-	-	-	-
<b>Profit / (Loss) before Tax</b>	<b>(240.42)</b>	<b>(1,035.14)</b>	<b>(388.47)</b>	<b>(1,700.18)</b>	<b>(1,773.31)</b>	<b>(2,443.07)</b>
<b>Tax expense</b>						
- Current Tax	-	-	-	-	-	-
- Deferred Tax	(20.47)	(104.42)	(74.07)	(50.76)	(222.37)	(386.21)
<b>Profit / (Loss) for the period from Continuing operations</b>	<b>(260.89)</b>	<b>(1,139.56)</b>	<b>(314.40)</b>	<b>(1,750.94)</b>	<b>(1,550.94)</b>	<b>(2,056.86)</b>
Extraordinary Item	-	-	-	-	-	-
Share of profit / (Loss) of Associates/ joint venture	-	-	-	-	-	-
<b>Other Comprehensive Income</b>						
i) items that will not be reclassified to Profit & Loss A/c	-	-	-	-	-	-
ii) Items that will be reclassified to Profit & Loss A/c	-	-	-	-	-	-
<b>Total Comprehensive Income for the period</b>	<b>(260.89)</b>	<b>(1,139.56)</b>	<b>(314.40)</b>	<b>(1,750.94)</b>	<b>(1,550.94)</b>	<b>(2,056.86)</b>
<b>Paid-up equity share capital</b>	<b>4,240.52</b>	<b>4,240.52</b>	<b>4,240.52</b>	<b>4,240.52</b>	<b>4,240.52</b>	<b>4,240.52</b>
(Face Value : Rs 10/- per share)						
<b>Earnings per share (Face value of Rs.10/- each)</b>						
(a) Basic	(0.62)	(2.69)	(0.74)	(4.13)	(3.66)	(4.85)
(b) Diluted	(0.62)	(2.69)	(0.74)	(4.13)	(3.66)	(4.85)

For VICEROY HOTELS LIMITED



  
P. Prabhakar Reddy  
Former CMD

  
CMA K.K.Rao  
Resolution Professional

  
M.Sreedhar Singh  
CEO

  
Devraj Govind Raj  
Former Director

  
N Sharon Sneha  
Compliance officer

Place: HYDERABAD

Date: 12-02-2022

**P C N & ASSOCIATES**

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**Independent Auditor's Review Report on the Quarterly Unaudited Ind AS Consolidated Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, as amended**

To  
The Resolution Professional,  
Viceroy Hotels Limited

We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of Viceroy Hotels Limited (the "Holding Company") and its subsidiaries (the "Holding Company" and its subsidiaries together referred to as "the Group"), for the quarter ended 31<sup>st</sup> December, 2021 and for the period from 01-04-2021 to 31-12-2021 ("the Statement"), being submitted by the "Holding Company" pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting, ("Ind AS 34") prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on "the Statement" based on our review.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

1. 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







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We draw attention to the below mentioned points:

- 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, and the depreciation claimed by the company towards such capitalization of fixed assets for the F.Y 2017-18 is Rs.358.34 Lakhs, F.Y 2018-19 Rs.599.98 Lakhs and FY 2019-20 is Rs. 601.63 Lakhs and so on which increase the Loss to that Extent, As we could not obtain sufficient audit evidence in this regard and the capitalization is not in compliance with the generally accepted accounting principles we are unable to comment upon the true and fair view of the same.
- b) **Forfeiture of advance:** The Company has forfeited an advance of amounting to Rs.134.65 Crores received from Mahal Hotel Private Limited, Bhagyanagar Investments and trading private limited and Ganga Industrial Corporation Limited 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 02<sup>nd</sup> 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. However no interest has been paid or provided by the company in its Books of Accounts since the termination of the agreement, which is not in line with the accounting principles.
- Hence we are unable to comment upon the true and fair view of the same.
- 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 Honourable 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. The resolution professional has challenged the provisional attachment order of Enforcement Directorate, Chennai, before the Hon'ble NCLT, Hyderabad on 08-04-2019. NCLT has raised the attachment of Enforcement Directorate, Chennai. Subsequently Directorate of Enforcement, Chennai has gone to High Court, Chennai vide their writ petition number: WP/29970/2019 which was declared in their favour. Then the resolution professional of Viceroy Hotels Limited





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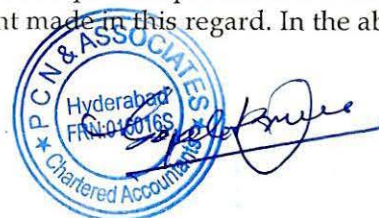
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has approached Supreme Court and at present it is pending at Supreme Court. vide order no SLP(C) no. 008259/2020.

- 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 18<sup>th</sup> COC meeting and identified as a successful resolution applicant, subject to the approval of the Hon'ble NCLT, Hyderabad bench.
- e) **Loans from Banks or 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 in this regard, due to the non-provision of interest in the financial statements; the financial statements may not give a true and fair view in this regard.
- f) **Statutory Dues:** The Company has not paid the statutory dues for a period more than 6 months is as follows as per the Books and records verified by us as on 30-9-2021.

S.No	Particulars	Amount In Rs.
1	TDS	3,34,20,321/-
	Total	3,34,20,321/-

- g) **Non availability of confirmations Trade Receivables, Trade Payables -** In the absence of alternative corroborative evidence, we are unable to comment on the extent to which such balances are recoverable.
- h) **Exceptional items:** The management decided to written off various assets directly in the profit & loss account, 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 . As there is no sufficient appropriate audit evidence for such written off , we are unable to comment on the True and Fair Value of such written off in the financial statements due to the write off.
- i) In respect of investment in subsidiaries those have significant accumulated Losses as on December 31,2022 and the Loans and advances given to those subsidiaries. The Management of the company is of the view that the 100 percent provision for made for Loss of such investments in the Profit & Loss account made in this regard. In the absence







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of fair valuation of those investments in the subsidiaries, we are unable to comment on the total provision made by the company in this regard. 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 consolidated financial statements. We are unable to comment on the provisions if any required for the corporate guarantees given to its Subsidiary Companies and the provision for interest of loans and advances given to such subsidiaries.

- j) **Tax Disputes:** The Company has material tax disputes with the Income Tax department, service tax and sales tax departments. However the company has not made provision for such dues in the financial statements for the year ending 30-9-2021.
- k) **Going Concern:** The net worth of the company is completely eroded. 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 as on 30-9-2021.
- l) The company needs to make gratuity provision actuarial valuation as per IND AS accounting standards, however the same is not following by the company and the company is not obtaining actuarial valuation report as per Ind AS Accounting standards.
- m) The company has not appointed company secretary, which is not in compliance of the provisions of Sec 203 of the Companies Act.

We conducted our review of "the Statement" in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India (ICAI). This standard requires that we plan and perform the review to obtain moderate assurance as to whether "the Statement" is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



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Based on our review conducted and procedures performed as stated above and based on the considerations of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatements.

We didn't review the interim financial results and other unaudited financial information in respect of 5 subsidiaries, whose interim Ind AS financial results and other financial information reflect total revenue of Rs.1413.71 Lakhs, total net loss after tax of Rs.1139.9 Lakhs for the period from 01-04-2022 to 31-12-2022, as considered in the consolidated unaudited financial results. These unaudited interim financial results and other unaudited financial information have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries is based solely on such unaudited interim financial results and other unaudited financial information.

Our conclusion on the Statement in respect of matters stated above is not modified with respect to our reliance on the financial results certified by the Management

For P C N &amp; Associates

Chartered Accountants

Firm's Registration No: 016016S

Gopala Krishna.K

Partner

Membership No: 203605

UDIN: 22203605ABOXYT2790



Place: Hyderabad

Date: 11-02-2022



1. The figures of the corresponding previous period have been regrouped/ reclassified wherever necessary to make them comparable.
2. The interim consolidated financial statements have been prepared in accordance with the IND AS-35, Interim Financial reporting.
3. The un-audited financial results of the company for the third quarter ended 31<sup>st</sup> December 2021, have been prepared in accordance with the Indian Accounting Standards (IND AS) as prescribed under section 133 of The Companies Act 2013, read with Companies (Indian Accounting Standards Rules) 2015 as amended.
4. The audit committee has reviewed the above results and Board of Directors has approved the above results and its release at their respective meetings held on 12<sup>th</sup>, February 2022. The statutory auditors have carried out a limited Review of the aforesaid results.
5. As per Indian Accounting Standard 108, "operating Segments" the company has determined its business segment as Hoteling Only, and related services. There are no other primary reportable segments, and secondary reportable segments.
6. The auditors have drawn attention to the unaudited standalone financial results of the company for third quarter ended 31<sup>st</sup> December, 2021 in respect of the following matters:
  - a) The Petition filed by the Asset Reconstruction Company (India) Ltd (ARCIL) against the company under Sec. 7 of The Insolvency Bankruptcy Code 2016, has been admitted by the NCLT and the order to initiate Corporate Insolvency Resolution Process was passed. The Committee of Creditors meeting was conducted and a Resolution Professional was appointed. Committee of Creditors approved the Resolution Plan and the same was submitted to NCLT, the final impact/effect will be known based on the approval of resolution plan.
  - b) 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
  - c) 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.
  - d) The company has created provision for diminution of investments and the company is in the process of getting the valuation done for the investments in subsidiaries.
  - e) The company is in the process of repayment of the outstanding TDS amounts.
  - f) Interest on advances given to subsidiaries: The Company is contemplating to convert the advances given to subsidiaries as investments in the future, subsequently to receipt of the approval to the Resolution Plan by Honorable NCLT of Hyderabad.