



# HLV LIMITED

11<sup>th</sup> July, 2023

**The Department of Corporate Services  
BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001  
**Scrip Code: 500193**

**The Listing Department  
National Stock Exchange of India  
Limited**  
Exchange Plaza, 5th Floor,  
Plot No. C/1, G Block, Bandra Kurla  
Complex,  
Bandra (E), Mumbai – 400 051  
**Scrip Code: HLVLTD**

Dear Sir,

**Sub: Submission of Annual Report for the Financial Year 2022-23 including Notice of the 42<sup>nd</sup> Annual General Meeting of the Company**

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Annual Report of the Company for the Financial Year 2022-23 along with the Notice convening the 42<sup>nd</sup> Annual General Meeting scheduled to be held on Thursday, 3<sup>rd</sup> August, 2023 at 3:00 p. m. (IST) through Video Conferencing / Other Audio Visual Means. The Annual Report is being sent through electronic mode to the shareholders of the Company and the same is also available on the Company's website viz., [www.hlvlt.com](http://www.hlvlt.com).

Please take the above information on record.

Thanking you,

Yours faithfully,  
For **HLV Limited**

**Savitri Yadav**  
**Company Secretary**

Encl: as above

# ANNUAL REPORT

2022-23



**HLV LIMITED**

[www.hvltd.com](http://www.hvltd.com)



# *Mission Statement*

To not just satisfy our guests,  
but delight them.

To show the warmth and grace  
unique to Indian hospitality.

To set a new global standard  
of service in which wishes are not simply  
granted, but anticipated.



Lobby Lounge at The Leela Mumbai



Entrance of The Leela Mumbai

## Chairman's Statement



Dear Shareholders,

I am pleased to present you, the 42nd Annual Report and Financial Statements for the year ended 31st March, 2023 of HLV Limited.

We have a long-standing reputation for pursuing excellence which has been a tremendous strength for our Company. We put our guests first and maintain high standards in every aspect of business – from ethics and transparency, to environmental and social sustainability, to diversity and inclusion.

At the Leela, we are fortunate to continue the legacy of our founder Chairman Capt. Krishnan Nair. His commitment to perfection and quality are imbibed in our blood and we continue to follow the principle of 'Atiti Devo Bhava' which we follow with conviction today.

Your Company has performed well in the financial year 2022-23 with a turnover of Rs.172.88 Crores and total income of Rs.182.85 Crores and has reported profits for the first time since the financial year 2011-12. During the Financial Year 2022-23 occupancy levels at the Company's Hotel were at 74% as against 78% in the previous year. The average room rate was Rs. 9,538/- in the Financial Year 2022-23 as against Rs. 7,852 in the Financial Year 2021-22. During the FY 2022-23 RevPAR has improved upto Rs.6,943/- against Rs. 6,400/- in the FY 2021-22.

We would like to inform you that, The Leela, Mumbai has been ranked number one in Mumbai for "Best Hotel for Business Travelers" by CNBC Travels and "Jamavar", our fine dine Indian Restaurant has been awarded with the "Wine Spectator Award of Excellence for housing one of the most outstanding wine lists".

The on going disputes with the Airports Authority of India (AAI) are still pending before the Bombay High Court and the Supreme Court. Though this matter was listed a couple of times, this matter has yet to be heard. In the meanwhile, your company has approached AAI to settle the

matter before the settlement advisory committee and we are awaiting the outcome of the same in the near future.

The hotel industry has suffered a lot during Covid-19 wave and the bottom-line of the hotel industry was hit badly, but thanks to social gatherings and banquet business, which has supported a lot to the industry to bounce back, still the foreign tourists coming to India is very limited.

This year the foreign tourist arrival is expected to bounce back, along with corporate sector, which will help the hotel industry financially to achieve the desired room occupancies resulting in good return on investment (ROI) in rooms division, and the conferences and meetings business is also expected to come back on track, which will further support the overall revenues of the hotel sector.

We are expecting a good growth for the Company in financial year 2023-24 and coming years, efforts are being made towards the same. The demand is going to rise and room rates are expected to further improve. The MICE (Meetings, Incentives, Conferences and Exhibitions) segment and Weddings segment have contributed significantly to improved revenues in food and beverages and is expected to perform better in the future.

I wish to convey my sincere thanks to our valued shareholders and seek their continued support and trust in us.

I also acknowledge the support of the Board, Management and associates of "The Leela, Mumbai" and the management of Brookfield for their commitment and commendable efforts and look forward to their continued whole hearted support who stood by the Company during the difficult times the Company had to endure.

A handwritten signature in black ink, appearing to read 'Vivek Nair'. The signature is fluid and cursive, written over a light blue background.

Vivek Nair  
Chairman & Managing Director  
HLV Limited

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

Mr. Vivek Nair	Chairman & Managing Director
Mr. Dinesh Nair	Co-Chairman & Managing Director
Ms. Saija Nair	Director
Mrs. Salini Madhu Nair	Director
Ms. Amruda Nair	Director
Mr. Ashok Rajani	Director
Mr. Shereveer Vakil	Director
Ms. Niranjana Unnikrishnan	Director

## KEY MANAGERIAL PERSONNEL

Mr. Vivek Nair	Chairman & Managing Director
Mr. Dinesh Nair	Co-Chairman & Managing Director
Mr. Umesh Dombé	Chief Financial Officer
Ms. Savitri Yadav	Company Secretary

## REGISTERED & CORPORATE OFFICE

The Leela

Sahar

Mumbai - 400 059

E-mail: [investor.service@hlvlttd.com](mailto:investor.service@hlvlttd.com)

Website: [www.hlvlttd.com](http://www.hlvlttd.com)

## STATUTORY AUDITORS

N. S. Shetty & Co.

Chartered Accountants

## INTERNAL AUDITORS

Baker Tilly DHC Private Limited

Corporate Identity Number (CIN): L55101MH1981PLC024097

42<sup>nd</sup> Annual General Meeting

Date | Thursday, 3<sup>rd</sup> August, 2023

Time | 3.00 P. M.

For any assistance pertaining to • Room Reservations • Conferences • Weddings • Holiday Packages and Weekend Offers at The Leela Mumbai, please feel free to contact : T. +91 (22) 6691 1234 ; F. +91 (22) 6691 1212, Toll Free No. 1800 1031 444  
Mail us at: [reservations@theleela.com](mailto:reservations@theleela.com) ; Website: [www.hlvlttd.com](http://www.hlvlttd.com)

## SOLICITORS & ADVOCATES

Cyril Amarchand Mangaldas

## REGISTRAR & TRANSFER AGENTS

MCS Share Transfer Agent Limited

Unit: HLV Limited

3B3, 3<sup>rd</sup> Floor, B-Wing,

Gundecha Onclave Premises Co-op. Society Ltd.,

Kherani Road, Saki Naka, Andheri East,

Mumbai-400072

Tel. 022 – 2851 6021 / 22 / 022- 4604 9717

Email: [helpdeskmmum@mcsregistrars.com](mailto:helpdeskmmum@mcsregistrars.com)

Website: <https://www.mcsregistrars.com>

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# DIRECTORS' REPORT



Dear Members

Your Directors' present the 42<sup>nd</sup> Annual Report on the business and operations of your Company, together with the audited accounts for the year ended 31<sup>st</sup> March, 2023.

## 1. Financial Performance

The financial performance of the Company during the year under review is summarized below:

₹ Lakhs

Particulars	Financial year 2022-23	Financial Year 2021-22
Revenue from Operations	17,288.32	7,299.71
Other Income	997.07	332.32
<b>Total income</b>	<b>18,285.39</b>	7,632.03
Less: Expenses other than finance costs and depreciation / amortization	15,700.10	9,374.96
Less: Finance costs	510.67	235.34
Less: Depreciation and amortisation expenses	1,114.36	1,276.37
<b>Profit/(loss) before exceptional items and Tax</b>	<b>960.26</b>	(3,254.64)
Exceptional items - Profit/(loss) (net)	(99.52)	(996.32)
<b>Profit/(loss) before Tax</b>	<b>860.74</b>	(4,250.96)
<b>Tax expense</b>	<b>96.06</b>	-
<b>Profit/(loss) after Tax</b>	<b>764.68</b>	(4,250.96)
Other comprehensive income / (loss), net of tax	(109.54)	301.66
<b>Total comprehensive income for the year</b>	<b>655.15</b>	(3,949.30)
Earnings Per Share (Basic and Diluted)	0.12	(0.66)

Your Company recorded a turnover of ₹ 18,285.39 Lakhs as against ₹ 7,632.03 Lakhs in previous financial year. The Company registered profit before tax of ₹ 860.74 Lakhs for the financial year ended 31<sup>st</sup> March, 2023 against a loss of ₹ 4,250.96 Lakhs in the previous financial year.

There has been no fundamental change in the nature of business of the Company during the financial year ended 31<sup>st</sup> March, 2023.

## 2. Share Capital

During the year, the Company has not issued or allotted any securities. The issued and paid up share capital of the Company as on 31<sup>st</sup> March, 2023 stands at ₹ 131,85,19,798/- (Rupees one hundred thirty one crores eighty five lakhs nineteen thousand seven hundred ninety eight only) divided into 65,92,59,899 (sixty five crores ninety two lakhs fifty nine thousand eight hundred ninety nine) Equity Shares of face value of ₹2/- (Rupees two only) each.

## 3. Dividend

Your directors do not recommend any dividend for the financial year ended 31<sup>st</sup> March, 2023.

## 4. Dividend Distribution Policy

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI Listing Regulations], the Board of Directors of the Company had formulated a Dividend Distribution Policy which is available on the Company's website at [https://www.hlvtd.com/assets/investors\\_relations/Dividend%20Distribution%20Policy.pdf](https://www.hlvtd.com/assets/investors_relations/Dividend%20Distribution%20Policy.pdf).

## 5. Material Changes and Commitments affecting Financial Position of the Company having occurred since the end of the financial year and till the date of this report

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year i.e. 31<sup>st</sup> March, 2023 and date of this Directors' Report.

## 6. Management Discussion and Analysis

A detailed review of the operations, performance and future outlook of the Company and its businesses is given in the Management Discussion and Analysis, which forms part of this Annual Report.

## 7. Litigations against the Company

### (i) Litigation on the transaction with Brookfield for sale of Undertakings

ITC Limited and its subsidiary Russel Credit Limited, members of the Company holding then 8.72% (at present 8.34%) of the equity share capital, have on 22<sup>nd</sup> April, 2019 filed against the Company, a petition under Section 241 of the Companies Act, 2013 for oppression and mismanagement along with 2 applications for urgent hearing and for waiver of the requirement of minimum threshold of 10% shareholding in relation to the transaction with BSREP III India Ballet Pte. Ltd. or its affiliates ("Brookfield") for sale of hotel undertakings before the NCLT in May 2019 which is to be reheard in future as the Bench hearing the case is reconstituted. Though the case was listed from time to time, due to paucity of time the matter will be taken up in due course of time.

Two minority members i.e. ITC Limited and Life Insurance Corporation of India (LIC) had filed complaint with the Securities and Exchange Board of India (SEBI) against the aforesaid transaction with Brookfield, alleging violation of the provisions related to related party transactions and oppression and mismanagement by the majority members against minority members. Later LIC withdrew from contesting this case. On 23<sup>rd</sup> July, 2019, SEBI passed its detailed, reasoned and speaking order in the matter of "Complaints Filed by Minority Shareholder of Hotel Leela Venture Limited".

Aggrieved by the aforesaid Order, ITC filed an appeal before the Hon'ble Securities Appellate Tribunal ("SAT") challenging the findings in the Order.

On 14<sup>th</sup> August, 2019, ITC sought interim relief in the nature of a direction from the Hon'ble SAT that till the Appeal is finally



heard, the Promoters of the Company and JM Financial Asset Reconstruction Company Limited should be restrained from voting in respect of the proposed sale of the Undertakings, failing which the captioned Appeal would be rendered infructuous. The Hon'ble SAT did not find it proper to grant a stay with respect to the Postal Ballot Notice and / or the voting process. The final judgment of the Hon'ble SAT was pronounced on 26<sup>th</sup> September, 2019, wherein the appeal of ITC has been rejected. Subsequently, ITC has filed a statutory appeal in the Supreme Court of India and reply has been filed by all the respondents. The matter will be listed in due course of time before the Supreme Court of India.

**(ii) Litigations with Airports Authority of India**

There are ongoing disputes regarding the exorbitant demand of lease rentals and royalty in the form of Minimum Guaranteed Amount with Airports Authority of India (AAI) [as referred in the Lease Deed executed between the Company and AAI] which is in relation to the Mumbai Hotel land, admeasuring 18,000 sq.m and the adjacent land of 11,000 sq.m. The Company initiated Arbitration proceedings in the High Court of Bombay in 2017. AAI simultaneously initiated Eviction Proceedings against the Company, which is still continuing before the Eviction Officer at Mumbai. However, there is a stay to the Eviction Proceedings, as granted by the Bombay High Court. There are a few litigations in this regard, pending in the Bombay High Court, Supreme Court and the Local District Court in Mumbai. The cases will be taken up in due course of time.

In the meantime, the Company has approached AAI to settle the matter, which is progressing before the Settlement Advisory Committee (SAC) that is duly constituted by the Board of AAI since December, 2019. The Company is awaiting the outcome of the same.

**(iii) Litigations on the Company's land in Hyderabad**

The Company had entered into an MOU on 9<sup>th</sup> April, 2014, with PBSAMP Projects Private Limited (PBSAMP) for sale of land owned by the Company in Hyderabad admeasuring 3 acres and 28 guntas for a consideration of ₹ 85 crores. As per the MOU, the Company had agreed to settle all pending litigations on the land and obtain permission under the Urban Land Ceiling Act (ULC) for change in land usage from hotel to residential and for permission to alienate the land within 180 days from the date of MOU. As per the MOU, PBSAMP had advanced ₹15.5 crores to the Company and the Company settled two claims out of this amount. However, the Company could not settle remaining claims and could not get permission from the State Government under the Urban Land Ceiling Act (ULC) for change in land usage and to alienate the land. At present, there are five suits pending in the City Civil Court against the Company, wherein the Plaintiffs claim to be the owners of certain portion of the aforesaid land.

PBSAMP terminated the MOU on completion of 180 days from the date of MOU and demanded refund of ₹ 15.5 crores together with interest @ 21% per annum. Since the Company could not make payment, they initiated legal proceedings against the Company and secured an arbitral award in their favour. As per the arbitral award dated 8<sup>th</sup> September, 2019 an amount of ₹ 35 Crores inclusive of interest needs to be paid to the Claimant within 90 days of the award. The Company has filed an appeal under

section 34 of the Arbitration and Conciliation Act, 1996 against the said impugned award before City Civil Court at Hyderabad which was dismissed. PBSAMP filed an Execution Petition before the City Civil Court, Hyderabad for execution of the said arbitral award. The Company paid an amount of ₹ 39,41,43,969/-, including interest, to PBSAMP. The matter is now kept for final arguments on the aforesaid amount before the City Civil Court in Hyderabad.

**8. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future**

No significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future. However, attention of the Members is drawn to the legal proceedings pending against the Company as mentioned at Para No.7 of this Board Report.

**9. Management**

**i. Directors**

As on the date of this Report, the Company has Eight (8) Directors consisting of Four (4) Independent Directors, Two (2) Executive Directors and Two (2) Non-executive Directors.

**(a) Appointment of Directors**

The Board of Directors on the recommendation of Nomination and Remuneration Committee at their meeting held on 3<sup>rd</sup> October, 2022 have appointed Mr. Vivek Nair (DIN: 00005870) as the Chairman and Managing Director and Mr. Dinesh Nair (DIN: 00006609) as the Co-Chairman and Managing Director of the Company for a period of three years respectively commencing from 3<sup>rd</sup> October, 2022 upto 2<sup>nd</sup> October, 2025 and Mr. Shereveer Shereyar Vakil (DIN: 08068987) as an Additional Director in the capacity of Non-Executive, Independent Director of the Company to hold office for a period of five years from 3<sup>rd</sup> October, 2022 to 2<sup>nd</sup> October, 2027 not liable to retire by rotation. The members have approved the same via postal ballot on 20<sup>th</sup> November, 2022.

The Board of Directors on the recommendation of Nomination and Remuneration Committee vide their Circular Resolution dated 4<sup>th</sup> May, 2023 have appointed Ms. Niranjana Unnikrishnan (DIN: 10140976) as an Additional Director in the capacity of Non-Executive, Independent Director of the Company to hold office for a term of five years from 8<sup>th</sup> May, 2023 to 7<sup>th</sup> May, 2028 and at their meeting held on 29<sup>th</sup> May, 2023 have re-appointed Ms. Saija Ramchandran Nair (DIN: 03623949) as a Non-Executive Independent Director of the Company for the second consecutive term of five years commencing from 30<sup>th</sup> May, 2023 upto 29<sup>th</sup> May, 2028, subject to approval of the Members of the Company at the ensuing Annual General Meeting.

We seek approval of members for appointment of Ms. Niranjana Unnikrishnan (DIN: 10140976) and Ms. Saija Ramchandran Nair (DIN: 03623949) as Non-Executive Independent Directors of the Company not liable to retire by rotation.



**(b) Cessation of Directorship**

Mr. Vinay Kapadia (DIN: 07958301) and Mr. Vijay Sharma (DIN 00138852), Independent Directors of the Company, their term of five years ended on 6<sup>th</sup> October, 2022 and 8<sup>th</sup> May, 2023 respectively.

**(c) Director retiring by rotation**

Mrs. Salini Madhu Nair (DIN 00011223) is liable to retire by rotation at the ensuing Annual General Meeting and offers herself for re-appointment.

We seek approval of members for appointment of Mrs. Salini Madhu Nair (DIN 00011223) as Non-Executive Director of the Company liable to retire by rotation.

**(d) Disqualification of Directors**

In terms of the provisions of section 164(2)(b) of the Companies Act 2013, any person who is or has been a Director of a Company, which has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay any dividend declared and such failure to pay or redeem continues for one year or more, shall not be eligible to be re-appointed as a Director of that company or appointed in other company for a period of 5 years from the date of default. Moreover, pursuant to section 167(1)(a), a director incurring the disqualification under section 164(2) has to vacate his office of director in all other companies, other than the company which is in default under that sub-section.

The Company had defaulted in payment of installments towards redemption of principal amounts due on Secured Redeemable Non-Convertible Debentures and also defaulted in payment of interest on the Debentures issued to LIC of India. Accordingly, the disqualification under the aforesaid provision got triggered on 30<sup>th</sup> September, 2017. The Company made a one-time settlement with the debenture holder in October, 2019.

Due to default as mentioned above, all the Directors on the Board as on 30<sup>th</sup> September 2017 and the directors appointed thereafter and before the settlement with the debenture holder in October 2019 became disqualified.

Mr. Vivek Nair (DIN 00005870), Mr. Dinesh Nair (DIN 00006609), Mrs. Anna Rajan Malhotra (DIN 00005903), Mr. Vinay Kapadia (DIN 07958301), Ms. Saija Nair (DIN 03623949) and Mr. Vijay Sharma (DIN 00138852) were disqualified during the abovementioned period. Mr. Vivek Nair, Mr. Dinesh Nair and Ms. Saija Nair their applications for removal of disqualification were approved by Ministry of Corporate Affairs. Mrs. Anna Rajan Malhotra passed away on 17<sup>th</sup> September, 2018.

During the year, the two remaining disqualified directors Mr. Vinay Kapadia and Mr. Vijay Sharma, completed their

term of five years as Independent Directors as permitted under Section 167(1)(a) of the Companies Act, 2013. Mr. Vinay Kapadia's term expired on 6<sup>th</sup> October, 2022 and that of Mr. Vijay Sharma expired on 8<sup>th</sup> May, 2023.

As on the date of this Report none of the Directors of the Company are disqualified under section 164 of the Companies Act, 2013.

**(e) Declaration by Independent Directors and statement on compliance of code of conduct**

The Company has received necessary declaration from each of the Independent Directors, under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. In the opinion of the Board, the Independent Directors fulfill the conditions of independence specified in Section 149(6) of the Act and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. There has been no change in the circumstances affecting their status as independent directors of the Company. The Independent Directors have also confirmed that they have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013 and Company's "Code of Conduct for Board Members and Senior Management Personnel. The disqualified Independent Directors as mentioned in para 9(i)(d) have served their term of five years as permitted under Section 167(1)(a) of the Companies Act, 2013.

In the opinion of the Board all the Independent Directors possess integrity, expertise and experience (including the proficiency).

All of the Independent Directors have passed online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs notified under sub-section (1) of section 150 except Ms. Niranjana Unnikrishnan who was appointed with effect from 8<sup>th</sup> May, 2023.

**(f) Woman Director**

Your Company has complied with the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to appointment of woman director. Your Company has four women directors among them two are independent directors. Ms. Saija Nair and Ms. Niranjana Unnikrishnan are the Women Independent Directors of the Company.

**ii. Key Managerial Personnel (KMP)**

The Company has following persons as Key Managerial Personnel in accordance with section 203 of the Companies Act, 2013 read



with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Sr. No.	Name of the Person	Designation
1	Mr. Vivek Nair	Chairman and Managing Director
2.	Mr. Dinesh Nair	Co-Chairman and Managing Director
3.	Mr. Umesh Dombé	Chief Financial Officer
4.	Ms. Savitri Yadav	Company Secretary

### iii. Meetings of the Board

Regular meetings of the Board are held to discuss and decide on various business policies, strategies and other businesses. The schedule of the Board / Committee meetings to be held in the forthcoming financial year are circulated to the Directors in advance to enable them to plan their time schedule for effective participation in the meetings.

During the Financial Year, the Board of Directors met five times i.e. on 27<sup>th</sup> May, 2022, 10<sup>th</sup> August, 2022, 3<sup>rd</sup> October, 2022, 11<sup>th</sup> November, 2022 and 6<sup>th</sup> February, 2023. Detailed information on the meetings of the Board is included in the 'Report on Corporate Governance', which forms part of this Annual Report.

### iv. Audit Committee

The Audit Committee met five times during the year under review. The Audit Committee is constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on the date of this Report, the Committee comprises of four Directors, i.e. three Independent Directors and a Non- executive Non-Independent Director as a member.

The details with respect to the composition, roles, terms of reference, etc. of the Audit Committee are given in detail in the 'Report on Corporate Governance' of the Company which forms part of this Annual Report.

There are no recommendations of the Audit Committee which have not been accepted by the Board.

### v. Nomination and Remuneration Committee

The Nomination and Remuneration Committee met twice during the year under review. As on the date of this Report, the Committee comprises of four Directors, i.e. three Independent Directors and one Non-Executive Non-Independent Director as members.

The details with respect to the composition, roles, terms of reference, etc. of the Nomination and Remuneration Committee are given in detail in the 'Report on Corporate Governance' of the Company which forms part of this Annual Report.

### vi. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee met once during the year under review. As on the date of this Report, the Committee comprises of four Directors, i.e. three Independent Directors and one Non Executive – Non Independent Director as members.

The details with respect to the composition, roles, terms of reference, etc. of the Committee are given in detail in the 'Report on Corporate Governance' of the Company which forms part of this Annual Report.

### vii. Risk Management Committee

The Risk Management Committee is constituted in accordance with the provisions of Regulation 21 and Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee met twice during the year under review. As on the date of this Report, the Committee comprises of two Independent Directors, one Non-Executive Non-Independent Director and one Senior executive who is Chief Financial Officer of the Company as members.

The details with respect to the composition, roles, terms of reference, etc. of the Committee are given in detail in the 'Report on Corporate Governance' of the Company which forms part of this Annual Report.

### viii. Policy on Directors' Appointment and Remuneration

The Company has formulated and adopted the "Nomination, Appointment and Remuneration Policy" for Directors, Key Managerial Personnel and Senior Management Personnel of the Company in accordance with the provisions of Companies Act, 2013 read with the Rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said Policy of the Company, provides for Criteria for determining qualifications, positive attributes and independence of a director, Policy on Diversity of Board of Directors, Policy on Remuneration of the Directors, Key Managerial Personnel and Senior Management of the Company, Succession Plan for Board of Directors and Senior Management.

The Policy on Remuneration of the Directors, Key Managerial Personnel and Senior Management of the Company as well as the weblink of the same is provided in the 'Report on Corporate Governance'.

### ix. Performance Evaluation of the Board

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10), 19(4) and Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Board Evaluation Policy has been framed and approved by the Nomination and Remuneration Committee and by the Board.

The Board carried out an annual performance evaluation of its own performance, the Independent Directors individually as well as the evaluation of the working of the Committees of the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors.

The purpose of the Board evaluation is to achieve persistent and consistent improvement in the governance of the Company at the Board level. The Board intends to establish and follow "best practices" in Board governance in order to fulfill its fiduciary obligation to the Company.



The Company has in place a structured questionnaire, which has been prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. The Directors expressed their satisfaction with the evaluation process.

#### 10. Directors' Responsibility Statement

Pursuant to the requirement under Section 134 of the Companies Act, 2013, the Directors, hereby state and confirm that:

- (a) in the preparation of the annual accounts for the financial year ending 31<sup>st</sup> March, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

#### 11. Report on Corporate Governance

A Report on Corporate Governance for the year under review, as required under Regulation 34 read with Schedule V, Part C of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this annual report.

#### 12. Whistle Blower Policy / Vigil Mechanism

The Company has a Whistle Blower Policy / Vigil Mechanism for directors and employees to report genuine concerns or grievances. The details of which are available in 'Report on Corporate Governance' forming part of this Annual Report.

#### 13. Risk Management

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan and policy for the Company. The Committee is responsible to ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company and to monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems. The Audit Committee has additional oversight in the area of financial

risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The Risk Management Policy of the Company includes a framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability, information, cyber security risks or any other risk as may be determined by the Committee, measures for risk mitigation including systems and processes for internal control of identified risks and business continuity plan.

#### 14. Contracts or Arrangements with Related Parties

All Related Party Transactions entered during the year were in the ordinary course of business and on arm's length basis. As per the policy on Related Party Transactions, the Audit Committee granted omnibus approval for the transactions which are repetitive in nature. The related party transactions were placed before the Audit Committee on quarterly basis for review, pursuant to omnibus approval.

During the year under review, your Company had entered into material related party transactions and these transactions too were in the ordinary course of business of your Company and were on arm's length basis, details of which are disclosed in Form AOC-2 as **Annexure I** pursuant to the requirements of section 134(3)(h) of the Companies Act, 2013, which forms part of this Report.

As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any, related party transaction(s) exceeds ₹ 1,000 crore or 10% of the annual consolidated turnover as per the last audited financial statement whichever is lower, would be considered as material and would require Members approval even if the transactions are in the ordinary course of the business of the Company and at arms' length basis. During the year the Company paid Rent and Royalty to Leela Lace Holdings Private Limited (LLHPL), a promoter Group Company in excess of the 10% of the annual turnover of the Company as per the last audited financial statements for use of leasehold land for Hotel Building and commercial building for corporate office and administration office owned by LLHPL, for which prior approval of members could not be obtained. The reason for the same is that, the Company pays royalty to LLHPL monthly, based on the revenues for the relevant month. Therefore, total amount of royalty for the entire financial year cannot be ascertained in advance. The turnover had fallen during the financial year 2021-22 due to Covid 19 pandemic, but improved to ₹ 172.88 Crores in the financial year 2022-23. Therefore, the Company had to pay higher amount of royalty which at the end of the financial year exceeded the threshold limits prescribed under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015).

The above transactions are approved by Audit Committee and Board. Necessary approval of members is being sought at the ensuing Annual General Meeting (AGM). Details of the transactions are provided in the explanatory statement to the Notice of AGM.

The policy on related party transactions as approved by the board of directors has been uploaded on the website of the company.

The web link of the same has been provided in the 'Report on Corporate Governance'.

#### **15. Internal Financial Control Systems and their adequacy**

Your Company has in place adequate internal financial controls with reference to financial statements, commensurate with the size, scale and complexity of its operations. The Company has laid down standards, processes and structures which enable implementation of internal financial control across the organization and ensure that the same are adequate and operating effectively. Financial Controls are operative for all the business activities of the Company and no material weakness in the design or operation of any control was observed. During the year the internal financial controls as laid down are adequate and were operating effectively.

The Company has appointed M/s. Baker Tilly DHC Private Limited as Internal Auditors who review the internal control systems of the Company and report thereon. The report of the Internal Auditors is reviewed by the Audit Committee.

#### **16. Annual Return**

The annual return of the Company as required under section 92 (3) and section 134 (3) (a) of the Companies Act, 2013 will be available on the website of the Company at [https://www.hlvtd.com/investor\\_relation.html](https://www.hlvtd.com/investor_relation.html).

#### **17. Loans, Guarantees or Investments**

During the year under review, the Company has not granted any loan or given any guarantee or made any investments under Section 186 of the Companies Act, 2013.

#### **18. Disclosure under Section 22 of the Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013**

Your Company has zero tolerance towards any action on the part of any employee which may fall under the ambit of 'Sexual Harassment' at workplace, and is fully committed to uphold and maintain the dignity of every woman employee in the Company. The Company's policy provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### **19. Auditors**

##### **(a) Statutory Auditors and Auditors' Report**

Pursuant to the provisions of section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Members, at the 41<sup>st</sup> Annual General Meeting of the Company held on 24<sup>th</sup> August, 2022, had re-appointed M/s. N. S. Shetty & Co., Chartered Accountants, as the Statutory Auditors for the second consecutive term of five years, from the conclusion of the 41<sup>st</sup> Annual General Meeting till the conclusion of the 46<sup>th</sup> Annual General Meeting of the Company to be held in the year 2027.

The Statutory Auditors were present at the last Annual General Meeting.

During the period under review, even though there are no audit qualifications or adverse remarks, there are audit observations on the financial statements. The explanation for the same has been provided in Note No. 36.1 and 36.3 of the Financial Statements. The said notes are self-explanatory and do not call for any further comments.

##### **(b) Secretarial Auditors and Secretarial Audit Report**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed R. Bhandari & Co., Practicing Company Secretaries, as its Secretarial Auditor to conduct the secretarial audit of the Company for the FY 2022-23.

The report of Secretarial Auditor for the FY 2022-23 is annexed to this report as **Annexure II**.

The Secretarial Auditor has made certain observations in his report. Para 7, 9(i)d) and 14 of the Board Report explain the status and the same may also be treated as the response to the Secretarial Auditors' observations.

##### **(c) Compliance with Secretarial Standards**

The Secretarial Audit Report confirms that the Company has complied with applicable Secretarial Standards.

##### **(d) Reporting of Frauds by Auditors**

During the year under review, no frauds have been reported by the Auditors under Section 143(12) of the Companies Act, 2013 requiring disclosure in the Board Report.

#### **20. Employee Remuneration**

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report as **Annexure III**.

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is open for inspection at the Registered Office of the Company during working hours up to the date of ensuing Annual General Meeting. In terms of Section 136 of the Act, the Reports and Accounts are being sent to the Members and others entitled thereto, excluding the aforesaid particulars of employees. A copy of this statement may be obtained by the Members by writing to the Company Secretary.

#### **21. Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo and Other Disclosures**

The disclosures to be made under sub-section (3) (m) of Section 134 of the Companies Act 2013 read with Rule (8) (3) of the Companies (Accounts) Rules, 2014 by your Company are furnished below:





**(a) Conservation of Energy**

Energy Conservation, sustainability and efforts to make the hotel more “Green” have been the main drive throughout the year. Major efforts / steps taken towards this are:

- Energy-efficient lighting like LED and energy efficient electrical equipments are installed extensively.
- High efficiency HVAC systems used/retrofitted extensively have reduced electrical consumption.
- Computerized Power Monitoring is implemented to monitor and control power consumption.
- Main chiller plants and steam boilers have been tuned for best efficiency, to conserve energy.
- Hotel is equipped with solar geysers for generating hot water and the rooms are equipped with energy- saving devices during non-occupancy.
- STP treated water and Rain Water Harvesting has been implemented.
- The Company has 3 windmills with a capacity of 4.5 MW power, in the State of Maharashtra. Windmills continue to produce renewable energy for use in its own hotel.

**(b) Technology Absorption**

In the opinion of the Board, the required particulars pertaining to technology absorption under Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, are not applicable, as hotel is a service industry and the Company does not have any significant manufacturing operations.

**(c) Foreign Exchange Earnings and Outgo**

The foreign exchange earnings of the Company during the year stood at ₹ 398.84 lakhs (previous year ₹ 763.31 lakhs) and foreign exchange outgo during the year stood at ₹ 201.95 lakhs (previous year ₹ 333.36 lakhs).

**22. Investor Education and Protection Fund (IEPF)**

For details refer para on “Investor Education and Protection Fund (IEPF)” in ‘Report on Corporate Governance’ forming part of this Annual Report.

**23. Other Disclosures /Reporting**

Your Directors’ state that no disclosure or reporting is required in respect of the following items as there were no transactions/ were not applicable pertaining to these items during the year under review:

- (a) The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 (“the Act”) read with the Companies (Acceptance of Deposit) Rules, 2014 during the period under review. Hence, the requirement for furnishing the details of deposits covered under Chapter V of the Act and the details of deposits which are not in compliance with the requirement of Chapter V of the Act is not applicable.

- (b) Issue of equity shares with differential rights as to dividend, voting or otherwise.
- (c) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- (d) Details of Employee Stock Options
- (e) Shares held in Trust for the benefit of employees where the voting rights are not exercised directly by employees
- (f) Issue of Debenture, Bonds or any other Convertible Securities
- (g) Issue of warrants
- (h) Receipt of remuneration or commission from any of the subsidiaries by the Executive Directors of the Company.
- (i) During the financial year under review, your Company had no joint ventures or subsidiaries nor it has incorporated or acquired any company.
- (j) In terms of Section 135 of Companies Act, 2013, certain companies have to carry out CSR activities as prescribed. Since the Company does not fall within the criteria of turnover and/or profit, due to continuous losses in the preceding financial years the Company was not required to form a CSR Committee nor required to contribute to the CSR activities as mandated under the provisions of section 135 of the Companies Act, 2013 during the financial year 2022-23.
- (k) Maintenance of Cost Records as specified by the Central Government under section 148 (1) of the Companies Act 2013 is not required by the Company.
- (l) During the year under review, there were no proceedings that were filed by the Company or against the Company, which are pending under the Insolvency and Bankruptcy Code, 2016, as amended, before National Company Law Tribunal or other Courts.

**24. Acknowledgements**

The Board wishes to place on record its appreciation for the assistance and support received from the lenders, government, regulatory authorities, customers, business associates and vendors.

Your Directors take this opportunity to express their sincere thanks to all the members and stakeholders for the faith and confidence reposed in the Company and the management.

Your Directors attach immense importance to the contribution of the employees and sincerely thank them for sharing the Company’s vision and philosophy and for the dedication and commitment.

For and on behalf of the Board of Directors

**Vivek Nair**  
Chairman  
DIN: 00005870

Mumbai, 29<sup>th</sup> May, 2023

## Annexure I

### FORM NO. AOC - 2

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

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

**1. Details of contracts or arrangements or transactions not at arm's length basis**

NIL

**2. Details of material contracts or arrangement or transactions at arm's length basis**

Name (s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Mr. Vivek Nair Promoter	Payment of Remuneration	Continual	Remuneration of ₹ 10 lakhs p.m. as Chief Executive Officer from 1 <sup>st</sup> April, 2022 to 30 <sup>th</sup> September, 2022	30 <sup>th</sup> March, 2021	NIL
Mr. Dinesh Nair Promoter	Payment of Remuneration	Continual	Remuneration of ₹ 10 lakhs p.m. as Joint Chief Executive Officer from 1 <sup>st</sup> April, 2022 to 30 <sup>th</sup> September, 2022	30 <sup>th</sup> March, 2021	NIL

The Related Party Transactions mentioned above were in the ordinary course of business and on arms' length basis.

For and on behalf of the Board of Directors

**Vivek Nair**  
Chairman & Managing Director  
DIN:00005870

Mumbai, 29<sup>th</sup> May, 2023



## Annexure II

### SECRETARIAL AUDIT REPORT

Form No. MR-3

[Pursuant to section 204 (1) of the Companies Act, 2013 and rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

For the financial year ended 31<sup>st</sup> March, 2023

To  
**The Members,**  
**HLV Limited**  
The Leela, Sahar,  
Mumbai – 400059.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HLV LIMITED** (hereinafter called the “**Company**”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2023 (**‘Audit Period’**) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct investment and External Commercial Borrowings; (Not applicable as there was no reportable event during the financial year under review)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable during the audit period)
  - d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (not applicable to the company during the audit period)
  - e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable during the audit period)
  - g) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; (Not Applicable during the audit period)
  - h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not Applicable during the audit period)
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (SEBI LODR) and
  - j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (vi) I have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major heads/groups of Acts, laws and Regulations as applicable to the Company are listed below;
- a. The Factories Act, 1948;
  - b. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;



- c. Entertainment Tax;
- d. Luxury Tax Act;
- e. Employees Compensation (Amendment) Act, 2009;
- f. Air (Prevention and Control of Pollution) Act, 1981;
- g. Water (Prevention and Control of Pollution) Act, 1974;
- h. Environment (Protection) Act, 1986;
- i. Hazardous Chemicals Rules;
- j. Hazardous and Other Wastes (Management & Transboundary Movement) Rules, 2016;
- k. Income Tax and other Indirect Tax Laws;
- l. GST Act and Rules Made thereunder;
- m. Indian Contract Act, 1872;
- n. Motor Vehicle Act, 1988;
- o. Maharashtra State Profession Tax, 1975 & Rules made thereunder;
- p. Prevention of Food Adulteration Act, 1954;
- q. Food, Safety and Standards Act, 2006 and Rules, 2011 with allied rules and regulations;
- r. The Legal Metrology Act, 2009;
- s. The Legal Metrology Act (packaged Commodities) Rules, 2011;
- t. All Environmental Related Acts & Rules;
- u. All Applicable labour laws and other incidental laws related to labours and employees appointed by the company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc;
- v. All other laws applicable to the Hospitality and Hotel Industry and in particular Food and Beverages
- w. Other applicable laws

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

- a) Secretarial Standards with regards to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- b) The Listing Agreements entered into by the Company with stock exchanges;

To the best of our knowledge and belief, during the Audit period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and Women Director in terms of Companies Act, 2013 and Regulation 17 of SEBI (LODR), 2015. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings (including meetings of the committees), agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out either unanimously or majority of the Board of Directors or Committee of the Board, as the case may be.

**I further report that:**

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

The members may note that during the audit period under review:

1. The Members at the 41<sup>st</sup> Annual General Meeting held on 24<sup>th</sup> August, 2022 through video conferencing passed an ordinary resolution for approval of related party transaction for Borrowings/ availing Inter Corporate Loans (secured or unsecured, with or without interest)/Advances from Leela Lace Holdings Private Limited (LLHPL) / Leela Fashions Private Limited (LFPL) / Rockfort Estate Developers Private Limited (REDPL) (promoter group entities) in one or more tranches upto ₹ 100 crores.
2. The company had entered into related party transactions with Leela Lace Holding Private Limited amounting to ₹ 8,09,36,684/- which exceeds the limit of material transaction as per Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence, the Shareholder's approval for the material related party transaction will be taken in the subsequent Annual General Meeting for Compliance.
3. The company has obtained approval of the shareholders through Postal Ballot in relation to the following Resolutions:
  - a) Appointment of Mr. Vivek Nair (DIN: 00005870) as a Director
  - b) Appointment of Mr. Vivek Nair (DIN: 00005870) as a Chairman and Managing Director for a period of three years w.e.f. 03<sup>rd</sup> October, 2022 to 2<sup>nd</sup> October, 2025
  - c) Appointment of Mr. Dinesh Nair (DIN: 00006609) as a Director



- d) Appointment of Mr. Dinesh Nair (DIN: 00006609) as a Co-Chairman and Managing Director for a period of three years w.e.f. 3<sup>rd</sup> October, 2022 to 2<sup>nd</sup> October, 2025
  - e) Appointment of Mr. Shereveer Vakil (DIN: 08068987) as an Independent Director for a period of five years w.e.f. 3<sup>rd</sup> October, 2022 to 2<sup>nd</sup> October, 2027
4. The Company has been in default in payment of principal amount since September, 2016 and interest since March, 2017 to LIC of India, the debenture holder. Although the payment to the debenture holder has been made as one-time settlement, the disqualification under Section 164(2) (b) of the Companies Act, 2013 continues for Mr. Vinay Kapadia and Mr. Vijay Sharma, Independent Directors. However, they were serving their tenure of five years as permitted under Section 167(1) (a) of Companies Act, 2013.

Mr. Vinay Kapadia's tenure ended on 6<sup>th</sup> October, 2022 and that of Mr. Vijay Sharma ended on 8<sup>th</sup> May, 2023 and they were not re-appointed.

5. Litigations against the company:

- (i) Litigation on the transaction with Brookfield for sale of Undertakings

ITC Limited and its subsidiary Russel Credit Limited, shareholders of the Company filed, a petition under Section 241 of the Companies Act, 2013 for oppression and mismanagement and the matter is pending before NCLT since May 2019. Since the Bench, which heard the case earlier has been reconstituted, the matter would be taken up by the reconstituted Bench in due course of time

Two minority members i.e. ITC Limited and Life Insurance Corporation of India (LIC) had filed complaint with the Securities and Exchange Board of India (SEBI) against the transaction with Brookfield for sale of hotel undertakings, alleging violation of the provisions related to related party transactions and oppression and mismanagement by the majority shareholders against minority members. Later LIC withdrew from contesting this case. On 23<sup>rd</sup> July, 2019, SEBI passed its detailed, reasoned and speaking order in the matter of "Complaints Filed by Minority Shareholders of Hotel Leela Venture Limited".

Aggrieved by the aforesaid impugned Order, ITC filed an appeal before the Hon'ble Securities Appellate Tribunal ("SAT") challenging the findings in the impugned Order.

On 14<sup>th</sup> August, 2019, ITC sought interim relief in the nature of a direction from the Hon'ble SAT that till the Appeal is finally heard, the Promoters of the Company and JM Financial Asset Reconstruction Company Limited

should be restrained from voting in respect of the proposed sale of the Undertakings, failing which the captioned Appeal would be rendered infructuous.

The Hon'ble SAT did not find it proper to grant a stay with respect to the Postal Ballot Notice and / or the voting process. The final judgment of the Hon'ble SAT was pronounced on 26<sup>th</sup> September, 2019, wherein the appeal of ITC has been rejected. Subsequently, ITC has filed a statutory appeal in the Supreme Court of India and reply has been filed by all the respondents. The matter will be listed in due course of time before the Supreme Court of India.

- (ii) Litigations with Airports Authority of India

There are ongoing disputes regarding the exorbitant demand of lease rentals and royalty in the form of Minimum Guaranteed Amount with Airports Authority of India (AAI) regarding the Mumbai Hotel land, admeasuring 18,000 sq.m and the adjacent land of 11,000 sq.m. The Company initiated Arbitration proceedings in the High Court of Bombay in 2017. AAI simultaneously initiated Eviction Proceedings against the Company, which is still continuing before the Eviction Officer at Mumbai. However, there is a stay to the Eviction Proceedings, as granted by the Bombay High Court. There are a few litigations in this regard, pending in the Bombay High Court, Supreme Court and the Local District Court in Mumbai. The cases will be taken up in due course of time.

In the meantime, the Company has approached AAI to settle the matter, which is progressing before the Settlement Advisory Committee (SAC) that is duly constituted by the Board of AAI since December, 2019. The Company is awaiting the outcome of the same.

- (iii) Litigations on the Company's land in Hyderabad

The Company had entered into an MOU on 9<sup>th</sup> April, 2014, with PBSAMP Projects Private Limited (PBSAMP) for sale of land owned by the Company in Hyderabad for a consideration of ₹ 85 crores. As per the MOU, the Company had agreed to settle all pending litigations on the land and obtain permission under the Urban Land Ceiling Act (ULC) for change in land usage from hotel to residential and for permission to alienate the land within 180 days from the date of MOU. As per the MOU, PBSAMP had advanced ₹ 15.5 crores to the Company and the Company settled two claims out of this amount. However, the Company could not settle remaining claims and could not get permission from the State Government under the Urban Land Ceiling Act (ULC) for change in land usage and to alienate the land. At present, there are five suits pending

in the City Civil Court against the Company, wherein the Plaintiffs claim to be the owners of certain portion of the aforesaid land.

PBSAMP terminated the MOU on completion of 180 days from the date of MOU and demanded refund of ₹ 15.5 crores together with interest @ 21% per annum. Since the Company could not make payment, they initiated legal proceedings against the Company and secured an arbitral award in their favour. As per the arbitral award dated 8<sup>th</sup> September, 2019 an amount of ₹ 35 Crores inclusive of interest needs to be paid to the Claimant within 90 days of the award. The Company has filed an appeal under section 34 of the Arbitration and Conciliation Act, 1996 against the said impugned award before City Civil Court at Hyderabad which was dismissed. PBSAMP filed a Petition before the City Civil Court, Hyderabad for execution of the said arbitral award. The Company paid an amount of ₹ 39,41,43,969/-, including interest, to PBSAMP.

The matter is now kept for final arguments on the aforesaid amount before the City Civil Court in Hyderabad.

**For M/s. R. Bhandari & Co.  
Company Secretaries**

**Raghunath Bhandari**

Proprietor

FCS No. 8048

CP No. 15381

Peer Review Certificate No.: 1986/2022

UDIN: F008048E000405181

Date: 29<sup>th</sup> May, 2023

Place: Mumbai

This report is to be read with our letter which is annexed as **Annexure A** and forms an integral Part of the Report.

**Annexure A**

To,  
The Members,  
**HLV Limited**  
The Leela, Sahar,  
Mumbai – 400059.

My Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of Secretarial record of applicable laws is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards applicable to the Company is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For M/s. R. Bhandari & Co.  
Company Secretaries**

**Raghunath Bhandari**

Proprietor

FCS No. 8048

CP No. 15381

Peer Review Certificate No.: 1986/2022

UDIN: F008048E000405181

Date: 29<sup>th</sup> May, 2023

Place: Mumbai





## Annexure III

### DETAILS OF RATIO OF REMUNERATION OF DIRECTORS AND RELATED DISCLOSURES

The ratio of the remuneration of each Director to the median employees' remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Requirements	Disclosure
(i)	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23	Mr. Vivek Nair, Chairman & Managing Director (CMD) w.e.f. 3 <sup>rd</sup> October, 2022 - Not Applicable * Mr. Dinesh Nair, Co-Chairman & Managing Director (CCMD) w.e.f. 3 <sup>rd</sup> October, 2022 - Not Applicable *
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2022-23	Mr. Vivek Nair, CEO (up to 30 <sup>th</sup> September, 2022) and CMD (from 3 <sup>rd</sup> October, 2022) - NIL Mr. Dinesh Nair, JCEO (up to 30 <sup>th</sup> September, 2022) and CCMD (from 3 <sup>rd</sup> October, 2022) - NIL Mr. Umesh Dombe, Chief Financial Officer - NIL Ms. Savitri Yadav, Company Secretary – 56%
(iii)	The percentage increase in the median remuneration of employees	10.59%
(iv)	The number of permanent employees on the rolls of Company	There were 447 permanent employees as on 31 <sup>st</sup> March, 2023
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	<ul style="list-style-type: none"> <li>During FY 2022-23, the average percentage increase / (decrease) in salary of the Company's employees, excluding Key Managerial Personnel (KMP) was 12.3%</li> <li>During FY 2022-23, the average percentage increase / (decrease) in salary of the KMP was 14 %.</li> </ul>
(vi)	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, it is confirmed.

\* Since the remuneration is only for part of the year in CY, ratio of their remuneration to median remuneration is not comparable and hence not stated.

# MANAGEMENT DISCUSSION AND ANALYSIS

## 1. Overview of Industry

The global economy witnessed a recovery in 2022 following two years of a pandemic-inflicted environment, although economic slowdown is concentrated in advanced economies especially the Europe and UK where growth is expected to fall to 0.8% and -0.3% in 2023 because of recession and inflation. IMF forecasts global growth for 2023 to decelerate to 2.8% from 3.4% in 2022 before rising to 3.0% in 2024. In contrast, emerging and developing economies are showing stronger economic prospects than advanced economies. In the medium-term, the IMF forecasts global inflation to fall to 7.0% in 2023 and to 4.9% in 2024. (Source: IMF - World Economic Outlook Update, April 2023).

Global tourism is steadily improving towards pre-pandemic levels consequent to the relaxation of travel restrictions across countries and increase in demand for travel. Tourist arrivals internationally for 2022 were 917 million, double that of 2021 but recovering to 63% of pre-pandemic levels of 2019, according to data from the United Nations World Tourism Organization (UNWTO). The UNWTO expects international tourism to consolidate its recovery in 2023 more specifically in Asia and the Pacific region. It attributes this growth to the recent opening of several source markets and destinations including China, which was the world's largest outbound market in 2019. In December, 2022, 116 destinations had no COVID-19 related restrictions. In addition, improved performance of air traffic and robust travel demand from US markets for European holidays backed by a strong US Dollar are expected to be the other contributors to global growth. Domestic tourism will continue to be a key driver of recovery of the tourism sector through 2023. Major risks threatening the ongoing recovery of tourism in 2023 remain economic, health and geopolitical risks. Prime among these are high inflation and interest rates, spike in oil and food prices, higher transport and accommodation costs, fear of a global recession, intermittent COVID-19 virus recurrences and the Russian aggression against Ukraine causing unrest through Europe. UNWTO's scenarios expect international tourist arrivals to reach 80% to 95% of pre-pandemic levels in 2023 (Source: UNWTO, Barometer January 2023).

India is now the fastest growing, major economy in the world. The First Advance Estimates of National Income released by the National Statistical Office (NSO) of the Government of India in January 2023 estimates India's GDP to have grown by 7.0% in FY 2022-23 following a growth of 8.7% in FY 2021-22. The consensus of GDP growth for FY 2022-23 was in the range of 6.5% to 7.0%. (Source: India Economic Survey 2022-23 – January 2023 and National Statistical Office estimates). India's growth rate was 6.8% in 2022 and is estimated to grow by 5.9% in 2023 and 6.3% in 2024 supported by resilient domestic demand. (Source: IMF - World Economic Outlook, April 2023). After factoring the downside risks of domestic inflation, slowing global growth and geopolitical situation, India is expected to grow at the fastest pace among large economies at a rate ranging between 6.0% to 6.5% in FY 2023-24.

FY 2022-23 continued to be a year of strong recovery in the Indian travel and tourism industry. Restrictions on flights were relaxed in most countries into and from India. Travel restrictions, documentation and certifications were also progressively relaxed for travel within India. Consequently, demand for accommodation grew significantly, mainly arising from domestic leisure travel, weddings, social events, conferences and resumption of business travel within the country. Foreign tourist arrivals were 6.19 million for the calendar year 2022 in comparison with 1.52 million in 2021. This constituted 57% of 2019 foreign tourist arrivals at 10.93 million (Government of India, Ministry of Tourism Annual Report – 2022-23). Domestic air traffic passengers for 2022 were at 123 million, growing by 47% over 2021 to 85% of pre-pandemic levels. As per Horwath HTL's India Hotel Market Review 2022, calendar year occupancy for 2022 was 59.8% in comparison with 43.5% in 2021.

## 2. Outlook

India's hotel industry has witnessed a robust turnaround in demand after the pandemic, led by the rising discretionary spending on tours and travels, revenge tourism, improving economic environment fueling corporate travels and revival of mega wedding season and other cultural events. Furthermore, with demand outpacing supply, which the latter is unlikely to catch over the next 2-3 years, we expect both average room rates (ARRs) and occupancies to remain strong, leading to higher RevPar for the industry. The outlook for the Indian hospitality industry during 2023 remains positive. The upsides working in favour of the hospitality industry in India are good macro economic environment evidenced by more than 6% GDP growth, superior performance by the services sector of the Indian economy, abating COVID-19 fears, continuing infrastructure development projects within the country, growth in air and railway passenger traffic and growth in demand for branded rooms outpacing a tepid growth in supply of those rooms to provide long-term sustainable demand. Moreover, the industry has learnt to work with volatility and adopt leaner cost structures thus contributing to higher profitability. Growth in the industry is largely expected from domestic demand which is expected to remain strong through FY 2023-24 even as international travel has shown green shoots of recovery and provides scope for further growth in demand. Additionally, the India's G20 Presidency and an opportunity to host international events, including the ICC Men's World Cup, is expected to increase demand for hotels in the cities hosting the events. Growth in India's service sector and higher disposable income of people working in it, is also expected to increase demand for corporate travel and holidays. All segments of leisure, weddings, conferences events, airline crew layovers and corporate travel are expected to grow further during the year.

## 3. Business Review

During the Financial Year 2022-23 occupancy levels at the Company's Hotel were at 74% as against 78% in the previous year. On an average, 290 rooms were sold per day. Average room rate was ₹ 9,538 in the Financial Year 2022-23 as



against ₹ 7,852 in the Financial Year 2021-22. During the FY 2022-23 RevPAR has improved upto ₹ 6,943 against ₹ 6,400 in the FY 2021-22. It shows that the Company has performed well in the financial year 2022-23. The MICE (Meetings, Incentives, Conferences and Exhibitions) segment and Weddings segment have contributed significantly to improved revenues in food and beverages and is expected to perform better in the future.

#### 4. Awards and Accolades

The Leela Mumbai has received the following award and accolades during the financial year 2022-23:

- CNBC Travels - Ranked no.1 in Mumbai for Best Hotel for Business Travelers.
- Wine Spectator Award of Excellence 2022 – Jamavar accorded with the Wine Spectator Award of Excellence for housing one of the most outstanding wine lists, June 2022

#### 5. A. Sales & Marketing alliances

The Company continues to enjoy the following marketing arrangement through Brookfield for which the Company pays a fee to Brookfield based on the marketing expenses:

##### a. Global Hotel Alliance

Global Hotel Alliance is today the world's largest alliance of independent luxury hotel brands. Based on the airline alliance model, the alliance currently has more than 30 member brands, all with their own unique character, encompassing over 550 upscale and luxury hotels, spread across 75 countries. GHA uses a shared technology platform to operate an award winning, multi-brand loyalty program, DISCOVERY. Currently the total DISCOVERY membership base has crossed 14 million worldwide members. DISCOVERY is about making your stay and travel unforgettable. Discovery program believes that rewarding members with authentic, memorable experiences is much more valuable than collecting points. With this in mind, DISCOVERY instead rewards travelers with Local Experiences. Designed by our local experts, these specially curated experiences offer members the access to a large selection of exclusive activities which are not easily available to the general public.

##### b. Preferred Hotels & Resorts

The Preferred Hotels & Resorts (PHR) represents over 850 independent and distinctive hotels, resorts & residences across 85 countries. Through its five global collections – Legend, LVX, Lifestyle, Connect, and Preferred Residences– Preferred Hotels & Resorts connects discerning travelers to the singular luxury hospitality experience that meets their needs and life and style preferences for each occasion. Preferred Hotels & Resorts brings strategic advantage through its Global Sales team

comprising of 80 sales associates covering Corporate, Group & Leisure segments in 30 global offices.

#### B. Sales, Marketing and PR Representations

The Company continues to avail the services of Sales representation companies across key geographies in the world through Brookfield. These companies are assigned the responsibility to engage with the major tour operators and retail agencies in their respective source markets. These are: Mason Rose in UK, Kartagener Associates Inc. in North America; CA - Hotel Consulting in France and other French speaking markets of Belgium and Switzerland; and H&W Enterprise, sro in Russia & CIS.

#### 6. Opportunities, Threats, Risks and Concerns

The hotel business is dependent on global and domestic economic conditions. Further, your Company has the risk of heavy dependence on only one Hotel at Mumbai. There is also the risk of dependence mainly on higher luxury segment. However, the Company's hotel enjoys premium over many other competitors due to its location and service reputation.

#### 7. Risk Management-Leveraging our experience

Risk management is an integral part of the Company's business process. The Company has a robust risk management framework to identify, assess, and mitigate potential threats. Risks are continuously monitored and effectively controlled through ongoing efforts to conceive and implement mitigation strategies. Pertinent policies and methods are being reviewed and modified to mitigate such risks.

The Company has taken several measures to protect the safety and security of its customers. In addition to the physical security measures, the Company has also taken sufficient insurance cover to meet the financial obligations which may arise from any untoward incidents.

To counter the risk of competition, your Company focuses on providing exceptional services consistently.

#### 8. Efficient Internal Control systems

The Company has a well-structured internal audit function. Under the guidance and supervision of an independent Audit Committee, independent and reputed firm of Chartered Accountants conduct regular audits and review adherence to control systems and procedures.

The effectiveness of internal controls is reviewed through the internal audit process.

The focus of these reviews is as follows:

- Identification of weaknesses and areas of improvement
- Compliance with defined policies and processes

- Safeguarding of tangible and intangible assets
- Management of business and operational risks
- Compliance with applicable statutes

The Audit Committee of the Board oversees the adequacy of the internal control environment through regular reviews of the audit findings and monitoring implementation of internal audit recommendations.

#### 9. Human resources and industrial relations

A focused attention on attracting the best talent available in the market, which could help the Company to drive a culture oriented towards high performance and excellence. The Company has implemented an effective customer feedback system which is yielding good results. This platform helps the team to align all its efforts in delivering relevant high quality services to the guests whilst seeking to constantly improve on standards. Industrial relations throughout the year were cordial. As on 31st March, 2023, the total manpower was 688 (including contract labour and fixed term contractors).

#### 10. Corporate Social Responsibility and Environmental Initiatives

Your Company recognizes the need to minimise the adverse impact of its operations, on the environment. The Company maintains large gardens in and around its hotel. The Company has made substantial investments for improving energy efficiencies and fresh and waste water management.

#### 11. Health and Safety Management System

Health and Safety Management System in the Company aims to reduce, eliminate or control workplace hazards and associated risks of illness or injuries to the employees, customers and contractors who might be affected by the Company's activities.

Your Company is committed to ensure healthy and safe working environment for all concerned and to improve the Health and Safety parameters. Under a well-designed program, the Company:

- complies with the requirements of all relevant statutory, regulatory and other provisions.
- Provides and maintains safe & healthy work place through operational procedures, safe systems and methods of work.
- Provides sufficient information, instruction, training and supervision to enable all employees to identify, minimize and manage hazards and to contribute positively to safety at work.
- Organizes audits and mock drills on site to ensure that operations are in compliance with health and safety management requirements and for emergency preparedness.
- ensures that appropriate resources are available to fully implement health and safety policy and continuously

review the policy's relevance with respect to legal and business development.

- seeks continuous occupational health and safety improvements through the establishment of safety management objectives, targets and programs.

#### 12. Analysis / highlights of operating performance, financial results and Balance Sheet

The financial statements for the year ended 31<sup>st</sup> March, 2023 has been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 as amended from time to time.

The financial statement of your Company forms part of this annual report and the analysis / highlights are given below:

At present, the Company operates only one hotel "The Leela, Mumbai" with 394 guest rooms.

##### Revenue:

The revenue from operations was ₹ 17,288.32 lakhs in FY 2022-23 against ₹ 7,299.71 lakhs in FY 2021-22.

Revenue from Food & Beverages increased by 100.05%.

Room Revenue increased by 187.51% mainly due to increase in occupancy and room rates.

Other income was Rs.997.07 lakhs in FY 2022-23 as compared to ₹ 332.32 lakhs in FY 2021-22.

Total revenue was Rs.18,285.39 lakhs in FY 2022-23 against ₹ 7,632.03 lakhs in FY 2021-22.

##### Operating Expenses:

Food & Beverages consumption increased by 87.07% as compared to last year.

Employee Benefit expenses, including contract employee cost increased by 80.84% as compared to last year.

##### Finance costs and interest liability:

Finance cost was ₹ 510.67 lakhs as compared to 235.34 lakhs in the previous year.

##### Depreciation and Amortization:

Depreciation and amortization expenses for the year was ₹ 1,114.36 lakhs as against 1,276.37 lakhs in previous year.

##### Other expenses:

Other expenses for the year amounted to ₹ 9,049.19 lakhs as against ₹ 5,721.76 lakhs in the previous year.

##### Profit/ (Loss) after Tax:

The Company earned a profit of ₹ 764.68 lakhs during the FY 2022-23 as against a loss of ₹ 4,250.96 lakhs during the previous year.





### Property, Plant and Equipment (PPE):

The net Property, Plant, Equipment, capital work in progress, intangible assets, investment property and assets held for sale as on 31<sup>st</sup> March, 2023 was ₹ 35,391.29 lakhs as against ₹ 36,844.45 lakhs as on the last day of the previous year.

### Secured and Unsecured Loans:

The details of the Company's debts (in ₹ lakhs) are as follows:

Particulars	31.3.2023	31.3.2022
<b>Secured Loans:</b>		
Long Term Debt	<b>278.06</b>	4,170.09
Short Term Debt including current maturities of Long Term Debt	<b>609.40</b>	111.31
Interest accrued on borrowings	-	32.72
Unsecured Loans	-	-
<b>Total</b>	<b>887.46</b>	4,314.12

### Share Capital:

The share capital of the Company as at 31<sup>st</sup> March, 2023 was ₹ 131,85,19,798/- divided into 65,92,59,899 Equity Shares of the face value ₹ 2/- each, same as in the previous year.

### Reserves:

In view of previous years' losses, Company decided to retain the earnings to adjust with the previous years' losses, therefore, the Company decided not to transfer any amount to the Reserves for the year under review.

### Net worth:

The details of Company's net worth (in ₹ lakhs) are as follows:

Particulars	31-Mar-23	31-Mar-22
Share Capital	<b>13,185.20</b>	13,185.20
Free Reserves	<b>13,195.39</b>	13,195.39
Securities Premium Account	<b>67,772.08</b>	67,772.08
<b>Total</b>	<b>94,152.67</b>	94,152.67
Less:		
Accumulated Loss	<b>70,746.47</b>	71,818.11
Intangible Assets / Intangible Assets under development	<b>17.99</b>	14.99
<b>Total</b>	<b>70,764.46</b>	71,833.10
<b>Net worth</b>	<b>23,388.21</b>	22,319.57

### Financial Ratios and Return on Net-worth:

Key financial ratios and their definitions are given below:

Sr. No.	Particulars	Year ended 31 <sup>st</sup> March, 2023	Year ended 31 <sup>st</sup> March, 2022
1	Current Ratio (in times)	<b>1.17</b>	1.88
2	Debt-Equity Ratio (in times)	<b>0.08</b>	0.12
3	Debt Service Coverage Ratio (in times)	<b>0.33</b>	Negative
4	Return on Equity Ratio (in %)	<b>1.84%</b>	-10.19%
5	Inventory turnover ratio (in times)	<b>4.49</b>	2.64
6	Trade Receivables turnover ratio (in times)	<b>19.07</b>	18.91
7	Trade payables turnover ratio (in times)	<b>1.58</b>	1.17
8	Net capital turnover ratio (in times)	<b>10.73</b>	1.13
9	Net profit ratio (in %)	<b>4.18%</b>	-55.70%
10	Return on Capital employed (in %)	<b>3.27%</b>	-9.74%
11	Return on investment (in %)	<b>9.44%</b>	0.64%
12	Interest Service Coverage Ratio (in times)	<b>7.15</b>	-21.15
13	Operating Profit Margin (in %)	<b>8.51%</b>	-29.81%

- Interest Service Coverage Ratio equals to Profit before tax added by interest on borrowings, Provision for impairment of assets and Depreciation and Amortization expenses divided by Interest on borrowings.
- Operating profit margin equals Profit / (Loss) before depreciation and amortisation expenses, Interest Tax and Exceptional items less Other Income divided by Revenue from operations.
- The definitions of other financial ratios are given in Note 36.14 of the Notes to Financial Statements.

### 13. Cautionary Statement

Statements made in the Management's Discussion and Analysis Report describing the Company's objectives, projections, estimates, predictions and expectations may be 'forward-looking statements', within the meaning of applicable securities laws and regulations. As "forward-looking statements" are based on certain assumptions and expectations of future events over which the Company exercises no control, the Company cannot guarantee their accuracy nor can it warrant that the same will be realized by the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments or events or for any loss any investor may incur based on the "forward-looking statements".

# REPORT ON CORPORATE GOVERNANCE

A report on compliance with the principles of Corporate Governance as prescribed by SEBI in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:

## 1. Company's Philosophy

The Company's philosophy on Corporate Governance is founded upon a rich legacy of fair, ethical, accountable and transparent governance practices. Maintaining high standards of Corporate Governance has been fundamental to the business of your Company since its inception. The Company has also implemented several best Corporate Governance practices as prevalent globally. The Company has committed itself to the philosophy of good Corporate Governance in all its dealings, utmost integrity in its conduct and in compliance with the highest standards of corporate values and ethics. The Company considers Corporate Governance as a continuous journey to provide a congenial environment to harmonise the goals of maximizing the stakeholders' value and maintaining a customer centric focus in all its dealings with the outside world, besides keeping important segments of the society adequately informed. The Code of Conduct for Board Members and Senior Management adopted by the Board of Directors in terms of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has further enhanced the standards of Corporate Governance in the Company.

## 2. Board of Directors

### 2.1 Size and Composition of the Board

As on 31<sup>st</sup> March, 2023 the Company's Board of Directors consisted of Eight Directors out of which two were Executive Directors, two were Non-Executive Directors and four were Independent Directors, among them the Company has three women directors, out of which one is an Independent Director.

The composition of the Board and category of directors as on 31<sup>st</sup> March, 2023 is as follows:

Name of Directors	Category
Mr. Vivek Nair <sup>1</sup>	Promoter, Chairman & Managing Director
Mr. Dinesh Nair <sup>2</sup>	Promoter, Co-Chairman & Managing Director

Name of Directors	Category
Mrs.Salini Madhu Nair	Promoter, Non-Executive Non- Independent Director
Ms. Amruda Nair	Promoter, Non-Executive Non- Independent Director
Mr. Vinay H. Kapadia <sup>3</sup>	Non-Executive Independent Director
Mr. Vijay Sharma	Non-Executive Independent Director
Ms. Saija Nair	Non-Executive Independent Director
Mr. Ashok Rajani	Non-Executive Independent Director
Mr. Shereveer Vakil <sup>4</sup>	Non-Executive Independent Director

- Ms. Niranjana Unnikrishnan joined the Board as a Non-Executive Independent Director w.e.f. 8<sup>th</sup> May, 2023

<sup>1</sup> Joined the Board with effect from 3<sup>rd</sup> October, 2022

<sup>2</sup> Joined the Board with effect from 3<sup>rd</sup> October, 2022

<sup>3</sup> upto 6<sup>th</sup> October, 2022

<sup>4</sup> Joined the Board with effect from 3<sup>rd</sup> October, 2022

### 2.2 Board Meetings and Attendance

During the financial year 2022-23 the Board of Directors met five times i.e. on 27<sup>th</sup> May, 2022, 10<sup>th</sup> August, 2022, 3<sup>rd</sup> October, 2022, 11<sup>th</sup> November, 2022 and 6<sup>th</sup> February, 2023. The intervening gap between two Meetings was within the period prescribed under the Companies Act, 2013 and Regulations 17 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015. Meetings were scheduled well in advance and the Notice, detailed Board agenda, management reports and other explanatory Board notes were circulated well in advance and in exceptional cases tabled at the meeting to all the Board members to enable them to take informed decisions.



Attendance of each Director at the Board Meetings, at the last Annual General Meeting (AGM) and the number of other public limited companies and Committees where they are Directors / Members are tabulated below.

Name	Attendance at Board Meetings		Attendance at AGM held on 24 <sup>th</sup> August, 2022	No. of Directorships in companies as on 31 <sup>st</sup> March, 2023 (including the Company)*	No. of Committee positions held in listed companies (including the Company)**		No. of Shares and convertible instruments held by Directors	Name of other Listed Company (s) in which Director holds Directorship-Category of Director
	No. of Board Meetings held during the tenure of the Director in 2022-23	No. of Board Meetings attended during the financial year 2022-23			Chairman of Committees	Member of Committees		
Mr. Vivek Nair <sup>1</sup>	3	2	NA	4	0	0	4,77,460	-
Mr. Dinesh Nair <sup>2</sup>	3	2	NA	6	0	0	4,44,180	-
Mrs. Salini Madhu Nair	5	3	NO	14	0	0	360	-
Ms. Amruda Nair	5	3	Yes	6	0	3	3,00,000	Oriental Aromatics Limited – Independent Director, Member of Audit Committee
Mr. Vinay H. Kapadia <sup>3</sup>	3	3	Yes	0	-	-	-	-
Mr. Vijay Sharma	5	5	Yes	6	1	2	0	-
Ms. Saija Nair	5	5	Yes	3	1	2	0	-
Mr. Ashok Rajani	5	4	Yes	6	0	2	0	-
Mr. Shereveer Vakil <sup>4</sup>	3	3	NA	1	0	0	0	-

<sup>1</sup> Joined the Board with effect from 3<sup>rd</sup> October, 2022

<sup>2</sup> Joined the Board with effect from 3<sup>rd</sup> October, 2022

<sup>3</sup> upto 6<sup>th</sup> October, 2022

<sup>4</sup> Joined the Board with effect from 3<sup>rd</sup> October, 2022

\* It covers private, public and listed Companies.

\*\* “Committees” considered for this purpose are those specified in Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, i.e. Audit Committee and Stakeholders’ Relationship Committee

### 2.3 Inter-se relationships among directors

Mr. Vivek Nair, Mr. Dinesh Nair, Mrs. Salini Madhu Nair and Ms. Amruda Nair are relatives. None of any other Director is related.

### 2.4 Familiarization Program for Independent Directors

The Company has familiarized the Independent Directors with the Company, their roles, rights, responsibilities, code of conduct in the Company, nature of industry in which the Company operates, business model of the Company, etc. The details of the familiarization programs imparted to the independent directors is available on the website of the Company at [https://www.hlvtd.com/assets/investors\\_relations/Familiarisation%20Programme\\_20230214.pdf](https://www.hlvtd.com/assets/investors_relations/Familiarisation%20Programme_20230214.pdf).

## 2.5 Skills / expertise / competence of the Board of Directors

The Company's Board of Directors has identified the following skills / expertise / competencies to function and discharge their responsibilities effectively:

- Industry knowledge;
- Accounts and Finance;
- Corporate Governance;
- Legal and compliance;
- Strategic expertise;
- Marketing; and
- General Management.

Name of Director	Skill/ Expertise/ Competencies						
	Industry knowledge	Accounts and Finance	Corporate Governance	Legal and compliance	Strategic expertise	Marketing	General Management
Mr. Vivek Nair <sup>1</sup>	√	√	√	-	√	√	√
Mr. Dinesh Nair <sup>2</sup>	√	√	√	-	√	√	√
Mrs. Salini Madhu Nair	√	-	-	-	√	√	√
Ms. Amruda Nair	√	√	√	-	√	√	√
Mr. Vinay Kapadia <sup>3</sup>	√	√	√	√	√	-	√
Mr. Vijay Sharma	√	√	√	-	√	√	√
Mr. Ashok Rajani	√	√	√	-	√	-	√
Ms. Saija Nair	√	√	√	-	-	√	√
Mr. Shereveer Vakil <sup>4</sup>	√	-	√	-	√	√	√

<sup>1</sup> Joined the Board with effect from 3<sup>rd</sup> October, 2022

<sup>2</sup> Joined the Board with effect from 3<sup>rd</sup> October, 2022

<sup>3</sup> upto 6<sup>th</sup> October, 2022

<sup>4</sup> Joined the Board with effect from 3<sup>rd</sup> October, 2022

The Directors possess experience and knowledge in diverse fields, such as hoteliering, marketing, business development, banking, finance, legal, administration, corporate governance, etc. They collectively also display integrity, interpersonal skills, interest in the organisation, its business and the people and take active participation at deliberations in the meeting.

## 2.6 Disclosures and confirmations:

- None of the Directors of the Company is serving as Director in not more than seven listed entities. None of the Executive Directors of the Company are Independent Directors of more than three listed entities.
- None of the Independent Directors of the Company are Independent Directors of more than seven listed entities.
- None of the Directors of the Board serves as member of more than ten Committees, nor is Chairman of more than five committees of Board across all listed entities, in which he/she is a Director.
- Necessary disclosures regarding Committee positions in other public companies as on 31<sup>st</sup> March, 2023, have been made by the Directors.
- In the opinion of the Board, all Independent Directors of the Company are persons of integrity and possess relevant experience and do not hold more than 2% shareholding/ voting power in the Company. They are not related to any of the promoters, Directors, holding,





subsidiary or associate companies and fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and are independent of the management.

- The Company has received necessary declaration from each of the Independent Directors, under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.
- All the Independent Directors have been appointed for a period of five years and are not liable to retire by rotation and formal appointment letters containing the terms and conditions of their appointment have been issued to them and the said letters have been uploaded on the website of the Company at [https://www.hvltd.com/investor\\_relation.html](https://www.hvltd.com/investor_relation.html).
- During the year, a separate meeting of the Independent Directors of the Company was held on 6<sup>th</sup> February, 2023, which was attended by all the Independent Directors.

### 3. Audit Committee

The Audit Committee of the Board is constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the scope and terms of reference.

The powers and role of the Audit Committee are also in consonance with Regulation 18 and Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

#### 3.1 Composition:

As on 31<sup>st</sup> March, 2023, the Committee had four Members comprising of three Independent Directors and one Non-Executive Director. The Chairman of the Committee is an Independent Director. The members of Committee are financially literate and have experience in banking, finance, accounting and legal matters.

The Chairman & Managing Director, Co-Chairman & Managing Director and Chief Financial Officer were permanent invitees for the meetings during financial year 2022-23. The Statutory Auditors and Internal Auditors also attended the meetings. The Company Secretary acts as the Secretary to the Audit Committee.

The Chairman of the Audit Committee was present at the last Annual General Meeting held on 24<sup>th</sup> August, 2022. During the year under review, the Committee met five times i.e. on 27<sup>th</sup> May, 2022, 10<sup>th</sup> August, 2022, 3<sup>rd</sup> October, 2022, 11<sup>th</sup> November, 2022 and 6<sup>th</sup> February, 2023. The Committee generally meets on the day of the Board meeting, except when otherwise considered expedient.

### 3.2 Committee meetings and attendance of the members

The particulars of members of the Committee and the details of meetings attended by its members during the financial year 2022-23 are as follows:

Name of the Director	Designation	Category of Directorship	No. of Meetings during the year	
			Held	Attended
Mr. Vinay H. Kapadia <sup>1</sup>	Chairman	Non Executive, Independent Director	3	3
Mr. Vijay Sharma <sup>2</sup>	Chairman	Non Executive, Independent Director	5	5
Ms. Saija Nair	Member	Non Executive, Independent Director	5	5
Ms. Amruda Nair	Member	Non Executive Director	5	3
Mr. Ashok Rajani <sup>3</sup>	Member	Non Executive, Independent Director	2	2

- Ms. Niranjana Unnikrishnan, Independent Director, joined the Committee w.e.f. 29<sup>th</sup> May, 2023

<sup>1</sup> upto 6<sup>th</sup> October, 2022

<sup>2</sup> appointed as the Chairman with effect from 7<sup>th</sup> October, 2022

<sup>3</sup> Joined the Committee with effect from 7<sup>th</sup> October, 2022

### 3.3 Role and terms of reference of the Audit Committee

The role and terms of reference of the Audit Committee inter-alia, include the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

- changes, if any, in accounting policies and practices and reasons for the same;
  - major accounting entries involving estimates based on the exercise of judgment by management;
  - significant adjustments made in the financial statements arising out of audit findings;
  - compliance with listing and other legal requirements relating to financial statements;
  - disclosure of any related party transactions;
  - modified opinion(s) in the draft audit report.
- v. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter.
- vii. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- viii. Approval or any subsequent modification of transactions of the Company with related parties.
- ix. Scrutiny of inter-corporate loans and investments.
- x. Valuation of undertakings or assets of the Company, wherever it is necessary.
- xi. Evaluation of internal financial controls and risk management systems.
- xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- xiii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- xiv. Discussion with internal auditors of any significant findings and follow up thereon.
- xv. Reviewing the findings of any internal investigations by the internal auditors in matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- xvi. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- xviii. To review the functioning of the whistle blower mechanism.
- xix. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.
- xx. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- xxi. Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- xxii. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- The audit committee also reviews the following information:
- (1) Management discussion and analysis of financial condition and results of operations.
  - (2) Management letters/letters of internal control weaknesses issued by the statutory auditors.
  - (3) Internal audit reports relating to internal control weaknesses.
  - (4) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
  - (5) Statement of deviations:
    - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32 (1);
    - b. annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32 (7).
- The Audit Committee also looks into the matters that are specifically referred to it by the Board of Directors besides looking into the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of Section 177 of the Companies Act, 2013.

#### **4 Nomination and Remuneration Committee**

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

##### **4.1 Composition:**

As on 31<sup>st</sup> March, 2023 the Nomination and Remuneration Committee had four Members consisting of three Independent Directors and one Non Executive Director. The Chairman of the Committee is an Independent Director. During the year under review, the Committee met two times, i.e. on 3<sup>rd</sup> October, 2022 and 6<sup>th</sup> February, 2023. The Chairman of the Committee was present



at the last Annual General Meeting held on 24<sup>th</sup> August, 2022. The Company Secretary acts as the Secretary to the Committee.

#### 4.2 Nomination and Remuneration Committee Meetings and Attendance

The particulars of members of the Committee and their attendance during the financial year 2022- 23 are as follows:

Name of the Director	Designation	Category of Directorship	No. of Meetings during the year	
			Held	Attended
Mr. Vijay Sharma <sup>1</sup>	Chairman	Non Executive, Independent Director	2	2
Mr. Vinay H. Kapadia <sup>2</sup>	Member	Non Executive, Independent Director	1	1
Ms. Saija Nair	Member	Non Executive, Independent Director	2	2
Ms. Amruda Nair	Member	Non-Executive Director	2	2
Mr. Ashok Rajani <sup>3</sup>	Chairman	Non Executive, Independent Director	1	1

- Ms. Niranjana Unnikrishnan, Independent Director, joined the Committee w.e.f. 29<sup>th</sup> May, 2023

<sup>1</sup> Chairman upto 6<sup>th</sup> October, 2022

<sup>2</sup> Member upto 6<sup>th</sup> October, 2022

<sup>3</sup> Joined the Committee with effect from 7<sup>th</sup> October, 2022

#### 4.3 Role and terms of reference of the Nomination and Remuneration Committee

The Nomination & Remuneration Committee's role and terms of reference are in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 and Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The role and terms of reference of the Committee inter-alia include the following:

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate

the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
- (3) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
  - (4) Devising a policy on diversity of board of directors;
  - (5) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
  - (6) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
  - (7) Recommend to the board, all remuneration, in whatever form, payable to senior management.

#### 4.4 Performance Evaluation Criteria for Independent Directors

Based on the Policy of Performance Evaluation of Board, approved by the Nomination and Remuneration Committee and the Board, the performance evaluation criteria for independent directors are as follows:

##### Role and Accountability

- a. Exercising Independent judgement / view on potential conflict of management, board members and the promoters and safeguarding interests of minority shareholders
- b. Understanding of nature and role of Independent Directors' position
- c. Offer constructive contribution to the Board's discussions and deliberations based on his / her expertise and domain knowledge

##### Objectivity

- a. Non-partisan appraisal of issues
- b. Own recommendations given professionally without tending to majority or popular views

##### Personal Attributes

- a. Commitment to role and fiduciary responsibilities as a Board member

- b. Attendance at the Meetings and preparedness for the meetings.

## 5. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee has been constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 and Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the scope, role and terms of reference.

### 5.1 Composition:

As on 31<sup>st</sup> March 2023, the Committee comprises of four members, three Independent Directors and one Non-Executive Director. The Chairman of the Committee is a Non Executive, Independent Director. During the year under review, the Committee met once on 27<sup>th</sup> May, 2022. The Chairperson of the Committee was present at the last Annual General Meeting held on 24<sup>th</sup> August, 2022. The Company Secretary acts as the Secretary to the Committee.

### 5.2 Stakeholders' Relationship Committee Meetings and Attendance

The particulars of members and the meetings attended by the members during the financial year 2022-23 are given below:

Name of the Director	Designation	Category of Directorship	No. of Meetings during the year	
			Held	Attended
Mr. Vinay H. Kapadia <sup>1</sup>	Chairman	Non Executive, Independent Director	1	1
Mr. Vijay Sharma	Member	Non Executive, Independent Director	1	1
Ms. Saija Nair <sup>2</sup>	Chairperson	Non Executive, Independent Director	1	1
Ms. Amruda Nair	Member	Non Executive Director	1	0
Mr. Ashok Rajani <sup>3</sup>	Member	Non Executive, Independent Director	NA	NA

- Ms. Niranjana Unnikrishnan, Independent Director, joined the Committee w.e.f. 29<sup>th</sup> May, 2023

<sup>1</sup> upto 6<sup>th</sup> October, 2022

<sup>2</sup> Chairperson with effect from 7<sup>th</sup> October, 2022

<sup>3</sup> Joined the Committee with effect from 7<sup>th</sup> October, 2022

The Company Secretary acts as the Compliance Officer and has been regularly interacting with the Registrar & Share Transfer Agents (RTA), to ensure that the complaints / grievances of the shareholders / investors are attended to without delay and where

deemed expedient, the complaints are referred to the Chairman of the Committee or discussed at its meetings.

### 5.3 Role and terms of reference of Stakeholders' Relationship Committee

The role and terms of the committee inter-alia include the following:

- Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the company.

### 5.4 Number of complaints received and redressed during the year 2022-23

Opening Balance	Received during the year 2022-23	Resolved during the year 2022-23	Closing Balance
0	7	7	0

The above complaints were related to request for inspection of documents, non-receipt of shares transferred to IEPF Authority, procedure for transmission of shares, procedure for duplicate shares.

None of the Complaints were pending for a period exceeding 30 days.

During the year, the Registrar processed 63 requests for dematerialization of 68,122 shares and 1 request for rematerialization of 50 shares. The Company did not receive any request for transfer of shares. As such, there were no valid requests pending for share transfers at the end of the year.

## 6. Risk Management Committee

The Board of Directors constituted the Risk Management Committee in accordance with the provisions of Regulation 21 and Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the scope, role, responsibilities and terms of reference.

### 6.1 Composition:

As on 31<sup>st</sup> March 2023, the Committee had four members comprising of two Independent Directors, one Non-Executive Director and one Senior Executive of the Company. The Company





Secretary acts as the Secretary to the Risk Management Committee and Chairman & Managing Director and Co-Chairman & Managing Director are permanent invitees to the meetings of the Risk Management Committee. During the year under review, the Committee met two times, i.e. on 10<sup>th</sup> August, 2022 and 6<sup>th</sup> February, 2023.

## 6.2 Committee meetings and attendance of the Members

The particulars of members of Risk Management Committee and the meetings held and attended by the members during the financial year 2022-23 are given below:

Name of the Director	Designation	Category of Directorship	No. of Meetings during the year	
			Held	Attended
Mr. Vijay Sharma	Chairman	Non Executive, Independent Director	2	2
Mr. Vinay H. Kapadia <sup>1</sup>	Member	Non Executive, Independent Director	1	1
Ms. Amruda Nair	Member	Non Executive Director	2	1
Mr. Ashok Rajani <sup>2</sup>	Member	Non Executive, Independent Director	1	1
Mr. Umesh Dombe	Member	Chief Financial Officer	2	2

- Ms. Niranjana Unnikrishnan, Independent Director, joined the Committee w.e.f. 29<sup>th</sup> May, 2023

<sup>1</sup> upto 6<sup>th</sup> October, 2022

<sup>2</sup> Joined the Committee with effect from 7<sup>th</sup> October, 2022

## 6.3 Role and terms of reference of Risk Management Committee

The role of the committee, inter alia, includes the following:

- (1) To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

## 7. Remuneration of Directors

### 7.1 Nomination, Appointment and Remuneration Policy

In terms of the provisions of Section 178 (3) of the Act and Regulation 19(4) read with Part D of Schedule II and any other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board, upon the recommendation of Nomination and Remuneration Committee (NRC), has approved the Nomination, Appointment and Remuneration Policy for Directors, Key Managerial Personnel and Senior Management Personnel of the Company. This Policy provides for Criteria for determining qualifications, positive attributes and independence of a director, Policy on Diversity of Board of Directors, Policy on Remuneration of the Directors, Key Managerial Personnel and Senior Management of the Company, Succession Plan for Board of Directors and Senior Management.

### Remuneration Policy for Directors, Key Managerial Personnel and Senior Management

The remuneration to the Board of Directors of the Company is broadly governed by the provisions of the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As per the provisions of the Companies Act, a director or manager may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the company (Commission) or partly by one way and partly by the other. In the event of losses or inadequacy of profits, the remuneration shall be within the ceilings applicable under the Companies Act, 2013 or with the approval of the shareholders and Central Government, if any, for payment of higher remuneration.

#### i. Remuneration of Executive/Managing Directors

Executive/Managing Directors are eligible to receive a fixed remuneration on a monthly basis. The fixed remuneration is determined based on market standards and the Company's specific requirements. Apart from the fixed remuneration, the Executive/Managing Directors are also eligible for commission linked to profit of the Company as may be decided by Board on the recommendation of the Nomination and Remuneration Committee, subject to adequacy of profits and approval of the shareholders. They are also eligible for perquisites and allowances, retiral

benefits (like Provident Fund / Gratuity / Superannuation / Leave encashment, etc.) and other benefits like medical policy, car, telephone, etc. as per policy of the Company. The Board of Directors on recommendation of Nomination and Remuneration Committee shall evaluate remuneration of Executive /Managing Directors annually based on the performance of the Company, the prevailing market trends and the individual performance. The Executive/ Managing Directors shall not be entitled to any sitting fee for attending meetings of the Board or Committee thereof. The remuneration payable to the Executive/Managing Directors shall be comparable with the remuneration paid to the Executive/Managing Directors of other companies which are similar to the Company in terms of nature of business, size and complexity.

## ii. Remuneration of non-executive directors

The Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, allow a Company to pay remuneration including sitting fees to its Non-Executive Directors.

The Non-executive and Independent Directors are entitled to receive sitting fee for attending meetings of the Board or Committee thereof or any other meeting within the limits prescribed under Companies Act, 2013 and any other fixed remuneration or commission as may be recommended by the Committee and approved by the Board of Directors and Shareholders within the limits as laid down under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Non-Executive Directors are paid a sitting fee of ₹ 30,000 for every meeting of the board or committee thereof attended by them as member.

The Board has the flexibility to enhance the sitting fees up to the maximum limit allowed by the Companies Act, 2013 and Rules thereunder.

Payment of any other fixed remuneration or commission to each Non-Executive Director shall be at the discretion of the Board, based on the following criteria:

- Performance of the Company during the particular Financial Year
- Attendance at the meetings of the Board and Committees
- Reviewing the Industry practices and bench marks
- Adherence to Corporate Governance norms during the discussions and proceedings of the Board / Committees
- Timely guidance to the Board on important policy matters of the Company
- Extra time that may be devoted and contributions made by the Non-Executive Directors

Independent Directors are not entitled for any stock options.

Non-Executive Directors may also be paid/reimbursed such sums either as fixed allowance and /or actual as fair compensation for travel, boarding and lodging and incidental and /or actual out of pocket expenses incurred by such member for attending Board/ Committee Meetings.

## iii. Remuneration of Key Managerial Personnel and Senior Management

Key Managerial Personnel and Senior Management Personnel are eligible to receive a fixed remuneration on a monthly basis. The aim of providing fixed remuneration is to attract and retain qualified and talented professionals. The fixed remuneration is determined based on market standards and the Company's specific requirements. Remuneration to Key Managerial Personnel and Senior Management Personnel, who are members of the core management team (excluding the Board of Directors) comprising of all members of management one level below the Chief Executive Officer/Managing Director/ whole time Director (including CEO/Manager, in case they are not part of the Board) specifically including the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer, are determined / reviewed / and recommended to the Board by the Nomination and Remuneration Committee considering short and long term performance objectives appropriate to the working of the Company and its goals and the market trends.

The Nomination and Remuneration Policy of the Company is available on the website of Company at [https://www.hlvtd.com/assets/investors\\_relations/Nomination,%20Appointment%20and%20Remuneration%20Policy.pdf](https://www.hlvtd.com/assets/investors_relations/Nomination,%20Appointment%20and%20Remuneration%20Policy.pdf).

## 7.2 Disclosures with respect to remuneration of Directors during the financial year 2022-23

Details of the Remuneration paid to Managing Directors during the financial year 2022-23 are given hereunder:

Name	Salary & Allowances (₹)	Perquisites	Other benefits	Total (₹)
Mr. Vivek Nair, Chairman & Managing Director (appointed for a period of three years w.e.f. 3 <sup>rd</sup> October, 2022 upto 2 <sup>nd</sup> October, 2025)	59,35,484	-	-	59,35,484
Mr. Dinesh Nair, Co-Chairman & Managing Director (appointed for a period of three years w.e.f. 3 <sup>rd</sup> October, 2022 upto 2 <sup>nd</sup> October, 2025)	59,35,484	-	-	59,35,484



Services of the Managing Directors may be terminated by either party, giving the other party six months' notice or the Company paying six months' salary in lieu thereof. There is no separate provision for payment of severance pay.

The details of sitting fees paid to Non-Executive Directors during the financial year 2022-23 are given below:

Name of the Non-Executive Directors	Sitting Fees Paid (₹ )
Mr. Vinay H. Kapadia	270,000
Mr. Vijay Sharma	480,000
Ms. Saija Nair	420,000
Mrs. Salini Madhu Nair	90,000
Mr. Ashok Rajani	270,000
Ms. Amruda Nair	270,000
Mr. Shereveer Vakil	120,000

**Notes:**

- The Company did not pay any amount to Directors by way of commission.
- The Company has not issued any stock options to its Directors.

**8. General Body Meetings and Postal Ballot**

Location, date and time of the Annual General Meetings (AGM) and Postal Ballot for the last 3 years are as follows:

**(a) General Body Meetings**

Financial Year	General Meeting	Date / Time	Location	Special Resolutions passed
2021-22	41 <sup>st</sup> AGM	24.08.2022 at 11.00 a.m.	Through video conferencing at the Registered Office of the Company	NIL
2020-21	40 <sup>th</sup> AGM	18.08.2021 at 11.00 a.m.	Through video conferencing at the Registered Office of the Company	1. Appointment of Mr. Ashok Girdharidas Rajani as an Independent Director 2. Issue of Equity Shares on Preferential basis to M/s. Rockfort Estate Developers Private Limited on conversion of existing loan
2019-20	39 <sup>th</sup> AGM	21.09.2020 at 11.00 a.m	Through video conferencing at the Registered Office of the Company	NIL

All the resolutions as set out in the notices were passed by requisite majority by the Members of the Company.

**(b) Postal Ballot**

During the financial year 2022-23, the Company conducted a postal ballot for seeking approval of the shareholders on the resolutions contained in the notice dated 3<sup>rd</sup> October, 2022.

The Postal ballot was carried out as per the provisions of Section 110 of the Companies Act, 2013 ("the Act"), Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 ("the Rules") and other applicable provisions of the Act and the Rules, General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020, issued by the Ministry of Corporate Affairs ("MCA Circulars"), Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India and other applicable laws, rules and regulations.

Members were provided with the facility to cast their vote electronically through e-voting services provided by KFin Technologies Limited, on the resolutions set forth in the Postal Ballot Notice. The voting rights were reckoned as per the paid-up value of the shares registered in the names of the members as on 14<sup>th</sup> October, 2022. The E-Voting portal was open for voting from 22<sup>nd</sup> October, 2022 to 20<sup>th</sup> November, 2022. Mr. Kaushal Doshi, a Practicing Company Secretary (COP No. 13143), Proprietor of M/s. Kaushal Doshi & Associates, Company Secretaries, was appointed as the Scrutinizer to scrutinize the entire postal ballot process held through electronic means in a fair and transparent manner.

The particulars of resolutions passed through Postal Ballot on 20<sup>th</sup> November, 2022 and the results of which were announced on 22<sup>nd</sup> November, 2022 are as follows:

Sr. No.	Brief particulars of the Resolution	Total No. of valid votes	Votes in favour of the resolution		Votes against the resolution	
			No. of Shares	% of votes	No. of Shares	% of votes
1	Appointment of Mr. Vivek Nair as a Director (Ordinary Resolution)	32,53,78,651	32,53,65,997	99.9961	12,654	0.0039
2	Appointment of Mr. Vivek Nair as Chairman & Managing Director (Special Resolution)	32,53,78,651	32,53,65,997	99.9961	12,654	0.0039
3	Appointment of Mr. Dinesh Nair as a Director (Ordinary Resolution)	32,53,78,651	32,53,65,997	99.9961	12,654	0.0039
4	Appointment of Mr. Dinesh Nair as Co-Chairman & Managing Director (Special Resolution)	32,53,78,651	32,53,65,997	99.9961	12,654	0.0039
5	Appointment of Mr. Shereveer Shereyar Vakil as an Independent Director (Special Resolution)	32,53,78,621	32,53,66,782	99.9964	11,839	0.0036

#### 9. Means of Communication

The Company communicates with its shareholders through its Annual Report, General Meeting, Newspapers and the Company's web-site. Information, latest updates and announcements made by the Company can be accessed at Company's website: [https://www.hvltd.com/investor\\_relation.html](https://www.hvltd.com/investor_relation.html). It also includes inter-alia the following:

- Quarterly /Half-Yearly /Annual Financial Results
- Quarterly Shareholding Pattern
- Annual Reports
- Quarterly Corporate Governance Report
- News Releases
- Investor Presentations
- Postal Ballot Results

The financial Results of the Company are published in the prescribed proforma within 48 hours of the conclusion of the meeting of the Board in which they are considered, at least in one English newspaper circulating in the whole or substantially the whole of India and in one Vernacular newspaper of the State of Maharashtra where the Registered Office of the Company is situated. The Company regularly publishes its financial results in Free Press Journal and Navashakti.

#### 10. General Shareholder Information

##### a. Company Information

i)	CIN	L55101MH1981PLC024097
ii)	Registration Date	20 <sup>th</sup> March, 1981
iii)	Address of the Registered office and contact details	HLV Limited The Leela, Sahar, Mumbai – 400 059 Tel. +91-22-6691 1182/83 Fax +91-22-6691 1458 E-mail: investor.service@hvltd.com; Website: www.hvltd.com
iv)	The Company's hotel	The Leela, Sahar, Mumbai – 400 059

##### b. 42<sup>nd</sup> Annual General Meeting

Day / Date	Time	Venue
3 <sup>rd</sup> August, 2023	3.00 P.M.	The Company is conducting AGM through VC / OAVM without the physical presence of the Members at a common venue pursuant to the MCA and SEBI Circulars and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.

##### c. Financial Calendar for the Year

<b>Financial Year</b>	1 <sup>st</sup> April to 31 <sup>st</sup> March
<b>Dividend Payment</b>	The Company has not proposed any dividend for the financial year ended 31 <sup>st</sup> March, 2023.
<b>Book Closure Dates</b>	Saturday, 29 <sup>th</sup> July, 2023 to Thursday, 3 <sup>rd</sup> August, 2023 (both days inclusive).
<b>Unaudited Financial reporting for the quarter ending (tentative)</b>	
30 <sup>th</sup> June, 2023	August, 2023
30 <sup>th</sup> September, 2023	November, 2023
31 <sup>st</sup> December, 2023	February, 2024
31 <sup>st</sup> March, 2024	May, 2024
Annual General Meeting for the year ending 31 <sup>st</sup> March, 2024	August / September, 2024





d. **Stock Exchanges**

<b>Listing on Stock Exchanges</b>	Equity Shares:
	I) BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001
	II) National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051
<b>Listing Fees</b>	The Company has paid the annual listing fees to the Stock Exchanges for the financial year 2022-23.

e. **Scrip Information – Equity Shares**

<b>Particulars</b>	<b>Scrip Code/ Information</b>
<b>BSE Limited</b>	500193
<b>National Stock Exchange of India Limited</b>	HLVLTD
<b>Demat ISIN allotted by NSDL/CDSL</b>	INE102A01024
<b>Face Value</b>	₹ 2/- each

f. **Stock Market Data**

The monthly high / low prices of the equity shares of the Company from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023 are given below:

Month	BSE Limited				National Stock Exchange of India Limited			
	High (₹)	Low (₹)	Volume (Nos.)	SENSEX (Closing)	High (₹)	Low (₹)	Volume (Nos.)	S&P CNX NIFTY (Closing)
Apr-22	12.35	9.05	25,40,540	57,060.87	12.20	9.10	88,73,140	17,102.55
May-22	10.75	8.45	9,79,665	55,566.41	10.50	8.45	47,49,911	16,584.55
Jun-22	10.72	7.90	13,95,007	53,018.94	10.65	8.00	61,98,456	15,780.25
Jul-22	9.75	8.75	5,66,015	57,570.25	9.75	8.60	27,96,979	17,158.25
Aug-22	10.68	9.02	8,15,771	59,537.07	10.75	9.20	52,80,801	17,759.30
Sep-22	11.13	9.15	17,67,030	57,426.92	11.20	9.20	85,06,914	17,094.35
Oct-22	10.64	9.25	10,02,303	60,746.59	10.75	9.20	67,72,304	18,012.20
Nov-22	13.24	9.60	47,68,582	63,099.65	13.20	9.55	2,55,13,135	18,758.35
Dec-22	15.88	10.75	62,47,054	60,840.74	15.85	10.75	3,95,63,627	18,105.30
Jan-23	12.30	9.95	10,26,372	59,549.90	12.30	10.00	87,93,638	17,662.15
Feb-23	11.90	10.00	13,44,175	58,962.12	12.05	9.90	87,80,075	17,303.95
Mar-23	10.75	8.00	12,71,452	58,991.52	10.75	8.00	65,33,456	17,359.75

Sources: www.bseindia.com & www.nseindia.com respective websites

g. **Distribution of shareholding as on 31<sup>st</sup> March, 2023**

Slab of Shareholding (No. of Shares)	No. of Shareholders	% of Total	No. of shares held	% of Total
Upto 5,000	81,470	93.45	3,12,73,004	4.74
5,001 to 10,000	2,955	3.39	1,13,28,416	1.72
10,001 to 20,000	1,499	1.72	1,16,74,876	1.77
20,001 to 30,000	430	0.49	53,85,840	0.82
30,001 to 40,000	233	0.27	42,73,262	0.65
40,001 to 50,000	151	0.17	35,06,652	0.53
50,001 to 1,00,000	251	0.29	90,98,877	1.38
Above 1,00,000	194	0.22	58,27,18,972	88.39
<b>TOTAL</b>	<b>87,183</b>	<b>100.00</b>	<b>659,259,899</b>	<b>100.00</b>

**h. No. of Shares held in dematerialized and physical mode as on 31<sup>st</sup> March, 2023**

Sr. No.	Particulars	No. of Shareholders	No. of Shares	% of total capital issued
1	Held in dematerialized form in NSDL	46,789	58,42,57,504	88.62
2	Held in dematerialized form in CDSL	38,776	7,07,12,924	10.73
3	Held in Physical form	1,618	42,89,471	0.65
	<b>Total</b>	<b>87,183</b>	<b>65,92,59,899</b>	<b>100.00</b>

**i. Shareholding Pattern as on 31<sup>st</sup> March, 2023**

Sr. No.	Category	No. of Shares held	% of Holding
1	Promoters (including persons acting in concert)	32,68,65,337	49.58
2	Banks / Public Financial Institutions / Insurance Companies	1,02,19,852	1.55
3	Bodies Corporate / Trusts	22,76,46,556	34.53
4	FIIIs	38,092	0.01
5	NRIIs / OCBs	65,36,474	0.99
6	Resident Individuals	8,55,21,537	12.97
7	IEPF	24,32,051	0.37
	<b>Total</b>	<b>65,92,59,899</b>	<b>100.00</b>

As on 31<sup>st</sup> March, 2023, the Promoters have pledged 6,00,00,000 equity shares of the Company representing 9.1% of paid up capital of the Company.

The detailed share holding pattern is posted on the Company's website ([www.hvlt.com](http://www.hvlt.com)) and also filed electronically with BSE Limited and National Stock Exchange of India Limited.

**j. Reconciliation of Share Capital Audit Report**

As required by the Securities & Exchange Board of India (SEBI), quarterly audit of the Company's share capital is being carried out by a Practicing Company Secretary with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital. The report with regard to the same is submitted to BSE Limited and National Stock Exchange of India Limited and is also placed before the Board of Directors.

**k. Share Transfer System**

In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide amendment Notification No. SEBI/LAD-NRO/GN/2022/66 dated January 24, 2022, SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 and SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/70 dated May 25, 2022 requests for effecting i) transfer of securities ii) issue of duplicate securities certificate, iii) Claim from Unclaimed Suspense Account, iv) Renewal / Exchange of securities certificate, v) Endorsement, vi) Sub-division / Splitting of securities certificate, vii) Consolidation of securities certificates/folios, viii) Transmission, ix) Transposition shall be processed only in dematerialized mode.

All activities relating to processing of above mentioned activities are undertaken at the Company's Registrar & Transfer Agents ("the Registrar"), MCS Share Transfer Agent Limited. The Registrar verifies and processes the service requests and thereafter issues a 'Letter of confirmation' in lieu of physical securities certificate(s), to the securities holder /claimant within 30 days of its receipt of such request after removing objections, if any. The 'Letter of Confirmation' is valid for a period of 120 days from the date of its issuance, within which the securities holder /claimant has to make a request to the Depository Participant for dematerializing the said securities. In case the securities holder /claimant fails to submit the demat request within the aforesaid period, the Registrar / Company will credit the securities to the Suspense Escrow Demat Account of the Company.

**l. Dematerialization of shares**

The trading in equity shares of the Company is permitted only in dematerialized form. Considering the advantages of trading in demat form, members are encouraged to consider dematerialization of their shares.



Shareholders seeking dematerialization / rematerialization of their shares need to approach their Depository Participants (DP) through whom they will send the physical share certificates to the Registrar and Share Transfer Agents (“the Registrar”) of the Company. Upon receipt of the request and share certificates, the Registrar would verify the same.

The Registrar would then request National Securities Depository Ltd. (NSDL) / Central Depository Services (India) Ltd. (CDSL) to confirm the demat request. The demat account of the respective shareholder are then credited with equivalent number of shares. In case of rejection of the request, the decision is communicated to the shareholder.

In respect of rematerialization, upon receipt of the request from the shareholder, the DP generates a request and its verification is done by the Registrar. The Registrar then requests NSDL and CDSL to confirm the same. Thereafter, eligible number of shares is issued in physical form to the shareholder within 21 days.

**m. Address for correspondence**

The correspondence address of the Compliance Officer and the Registrar & Share Transfer Agent are as follows:

- **Compliance Officer:**

Name of the Compliance Officer	Ms. Savitri Yadav, Company Secretary
Address	HLV Limited, The Leela, Sahar, Mumbai – 400 059
Telephone	+91-22-6691 1182/83
Fax	+91-22-6691 1212
Designated E-mail ID for investor grievances	investor.service@hlvtd.com

- **Registrar & Share Transfer Agent for Equity Shares**

MCS Share Transfer Agent Limited has been appointed as one point agency for dealing with shareholders with effect from 13<sup>th</sup> April, 2023. Correspondence from Shareholders should be addressed to the Company’s Registrar & Share Transfer Agent at the address mentioned below:

**MCS Share Transfer Agent Limited**

**Unit: HLV Limited**

3B3, 3<sup>rd</sup> Floor, B-Wing,  
Gundecha Onclave Premises Co-op. Society Ltd.,  
Kherani Road, Saki Naka,  
Andheri East, Mumbai-400072  
Tel. 022 – 2851 6021 / 22 / 022- 4604 9717  
Email: helpdesk@mcsregistrars.com  
Website: <https://www.mcsregistrars.com>

**11. Disclosures**

**a. Disclosures on materially significant related party transactions**

During the financial year 2022-23, there have been no materially significant related party transactions that have potential conflict with the interests of Company at large.

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board is available on the website of the Company at [https://www.hlvtd.com/assets/investors\\_relations/Policy%20on%20Related%20Party%20Transactions.pdf](https://www.hlvtd.com/assets/investors_relations/Policy%20on%20Related%20Party%20Transactions.pdf) .

**b. Disclosure of Loans and advances in the nature of loans to firms/ companies in which directors are interested**

During the year Company has not given any loans or advances to firms/companies in which directors are interested.

**c. Disclosure on Non-compliances by the Company related to the Capital Markets**

During the last three years, there were no strictures or penalties imposed by either the Securities and Exchange Board of India or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets.

**d. Whistle Blower Policy/Vigil Mechanism**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has implemented the Whistle Blower Policy pursuant to which whistle blowers can raise concerns relating to Reportable Matters (as defined in the policy) such as fraud, bribery, corruption, illegality, health and safety, environmental issues and wastage/ misappropriation of Company’s funds/assets, etc. Further, the mechanism adopted by the Company encourages the whistle blower to report genuine concerns or grievances and provides for adequate safeguards against victimization of whistle blower who avail such mechanism. The Vigil mechanism also provides direct access to the Members of the Audit Committee, including the chairman of the Audit Committee. The functioning of the Vigil Mechanism is reviewed periodically by the Audit Committee.

None of the whistle blowers have been denied access to the Audit Committee of the Board. The above policy is available on the website of the Company at [https://www.hlvtd.com/assets/investors\\_relations/Whistle%20Blower%20Policy.pdf](https://www.hlvtd.com/assets/investors_relations/Whistle%20Blower%20Policy.pdf) .

**e. Subsidiary Company**

The Company does not have any subsidiary as on 31<sup>st</sup> March, 2023. However, the Board of Directors of the Company has adopted the policy and procedures with regard to determination of Material Subsidiaries. The Policy is available on the website of the Company at [https://www.hlvtd.com/assets/investors\\_relations/Policy%20for%20Determining%20Material%20Subsidiaries.pdf](https://www.hlvtd.com/assets/investors_relations/Policy%20for%20Determining%20Material%20Subsidiaries.pdf) .

**f. Outstanding ADR/ GDR/ Warrants and their impact on equity**

During the financial year, the Company has not issued any ADR/ GDR/any convertible securities.

**g. Commodity price risks and commodity hedging activities**

The Company is not dealing in commodities and hence disclosure relating to commodity price risks and commodity hedging activities is not required.

**h. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)**

The Company has not raised any funds through preferential allotment or qualified institutions placement, therefore the disclosures as specified under Regulation 32 (7A) are not applicable.

**i. Recommendations of the Committees of the Board**

There are no recommendations of the committees of the Board which have not been accepted by the Board.

**j. Fees paid to the Statutory Auditors**

M/s. N. S. Shetty & Co., Chartered Accountants, are the statutory auditors of the Company. During the financial year 2022-23, the Company has paid ₹ 12 Lakhs to the auditors as the statutory audit fee, ₹ 3 Lakhs towards tax audit fees and ₹ 7.51 Lakhs towards other services.

**k. Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has established an appropriate mechanism for dealing with complaints in relation to Sexual Harassment of Women at Workplace, in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year no complaint pertaining to sexual harassment was received. As such, no complaint remained pending at the end of the year.

**12. Adoption of Discretionary Requirements:**

The status of adoption of discretionary requirements of Regulation 27(1) as specified under Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided below:

**12.1 Non-Executive Chairperson:**

The Board is headed by an Executive Chairman with effect from 3<sup>rd</sup> October, 2022.

**12.2 Separate posts of Chairman and Managing Director or CEO:**

The Company has not appointed separate persons to the posts of the Chairman and the Managing Director.

**12.3 Shareholders' Rights:**

The quarterly, half-yearly and annual financial results of the Company are published in English and Marathi newspapers having wide circulation, communicated to the Stock Exchanges and are uploaded on the Company's web-site.

**12.4 Modified opinion in Audit Report:**

The Company's financial statement for the financial year 2022-23 does not contain any modified audit opinion. However, even though there is no audit qualification, there are audit observations.

**12.5 Reporting of Internal Auditor:**

The Internal auditors of the Company report to Audit Committee. Executive Summary of the Internal Audit Report is presented to the Audit Committee. The Internal Auditors are invited to attend the Audit Committee meetings for interaction with the Audit Committee members and to respond to the queries of the Audit Committee.

**13 Compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46**

The Company has complied with the compliances as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of Listing Regulations.

**14 CEO / CFO Certification**

The CMD and the CFO have issued the certificate as required under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on the Financial Statements, the Cash Flow Statement and the Internal Control Systems for financial reporting. The said certificate is annexed and forms part of the Annual Report.

**15 Code of Conduct for Board Members and Senior Management**

The Company has in place a detailed Code of Conduct for Board Members and Senior Management adopted by the Board of Directors in terms of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said Code of Conduct is available on the website of the Company. The members of the Board and senior management of the Company have submitted their affirmation on compliance with the code for the effective period. A declaration by the Chairman affirming compliance to the Code of Conduct is appended to this Report.

**16 Certificate of Compliance with Corporate Governance and disqualification of Directors**

A certificate from Mr. Raghunath Bhandari, Practicing Company Secretary regarding compliance with the conditions of Corporate Governance forms part of this Annual Report.



A certificate from Mr. Raghunath Bhandari, Practicing Company Secretary regarding disqualification of directors on the Board of the Company forms part of this Report.

**17 Code of Conduct for Prevention of Insider Trading**

The Company has adopted an ‘Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons’ (“the Code”) in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations).

The Code is applicable to Promoters, Members of Promoters’ Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said PIT Regulations.

The Code requires pre-clearance for dealing in the Company’s shares beyond threshold limits. Further, it prohibits the purchase or sale of Company’s shares by the Directors and the designated employees during the period when the Trading Window is closed and while in possession of unpublished price sensitive information in relation to the Company. The Company has also formulated “Policy for Inquiry” in case of leak of UPSI, which forms part of the Insider Trading Code.

The Company has also formulated ‘The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)’ in compliance with the PIT Regulations. The Company has also formulated a Policy for Determination of “Legitimate Purposes” which forms part of ‘The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)’.

The above documents are displayed on the Company’s website viz. [https://www.hvlttd.com/investor\\_relation.html](https://www.hvlttd.com/investor_relation.html).

**18 Investor Education and Protection Fund (IEPF)**

**a. Transfer of unpaid / unclaimed Dividend amount to Investor Education and Protection Fund**

During the year under review, there was no unpaid/unclaimed dividend lying in the accounts of the Company which needed to be transferred to the Investor Education and Protection Fund (IEPF) pursuant to section 124(5) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

**b. Transfer of Shares to Demat Account of Investor Education and Protection Fund Authority (IEPFA) in case of unpaid/unclaimed dividend on shares for a consecutive period of seven years**

Pursuant to the provisions of section 124 (6) of the Companies Act, 2013 read with the Investor Education and Protection Fund

Authority (Accounting, Audit, transfer and refund) Rules, 2016 (“the rules”), all shares in respect of which dividend has not been en-cashed or claimed by the shareholders for seven consecutive years or more shall be transferred by the Company to the Investor Education and Protection Fund (IEPF).

The Company, after sending intimation to the shareholders, has transferred shares, in respect of which dividend was declared upto the financial year ended 31<sup>st</sup> March, 2011 and remained unclaimed, to the Investor Education and Protection Fund. The particulars of shares transferred to IEPF are as follows:

Date of transfer	No. of shareholders involved	No. of shares	Dividend unpaid
7 <sup>th</sup> December, 2017	4,456	14,94,308	FY 2009-10
31 <sup>st</sup> October, 2018	3,165	9,48,318	FY 2010-11

The voting rights on the shares with IEPF Authority shall remain frozen till the rightful owners of such shares claim the shares.

As there is no unclaimed dividend lying with the Company, the Company is not required to transfer any shares to IEPF Authority in future.

Shareholders may note that both the unclaimed dividend and shares transferred to the IEPF Authority can be claimed back by them after following the procedure prescribed under the IEPF Rules.

Ms. Savitri Yadav, Company Secretary, is the Nodal Officer appointed by the Company under the provisions of IEPF.

**19 Disclosure in respect of Equity Shares transferred to Unclaimed Share Suspense Account**

Pursuant to Regulation 39 and corresponding Schedule VI of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to transfer shares which remain unclaimed by the shareholders to an unclaimed share suspense account.

All the corporate benefits, if any, on the above shares would also be transferred to Unclaimed Suspense Account of the Company.

After sending reminders to the shareholders at their latest available address(es) with the Company, the Company had transferred 25,98,970 unclaimed equity shares lying with the Company to “Hotel Leelaventure Limited-Unclaimed Share Suspense Account” in May, 2015.

The shareholders can make their claim with the Company / Registrars. The Registrars / Company on proper verification of the shareholders’ identity and other relevant documents would transfer the shares in their favour.



The disclosure as required under Regulation 34(3) read with Schedule VI of the the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) is given below:

Description	No. of Shareholders	No. of Equity Shares
A) Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account as on 1 <sup>st</sup> April, 2022.	2,097	13,90,195
B) Number of shareholders who approached the Company for transfer of shares from the unclaimed suspense account during the year.	8	6,890
C) Number of shareholders to whom shares were transferred from unclaimed suspense account during the year;	8	6,890
D) Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account at the year ended 31 <sup>st</sup> March, 2023.	2089	13,83,305

The voting rights on the shares in the suspense accounts shall remain frozen till the rightful owners of such shares claim the shares.

#### 20 Directors and Officers Liability Insurance (D&O)

As per the provisions of the Act and in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has taken a Directors and Officers (D&O)

Liability Insurance policy on behalf of all Directors including Independent Directors and selected employees of the Company for indemnifying them against any liability in respect of any negligence, default, breach of duty, misstatement or errors in their managerial capacity.

#### 21 Dispatch of documents in electronic form (GREEN INITIATIVE)

In terms of Section 20 of the Companies Act, 2013 and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a company can send documents like notice, annual report, etc., in electronic form to its shareholders. Accordingly, the said documents are sent by e-mail to those members who have registered their e-mail addresses with their DP / the Company.

As part of "Green Initiative", Members who have not registered their e-mail addresses are requested to register their e-mail addresses, with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to write to the Company / Registrar for registration of e-mail address.

For and on behalf of the Board of Directors

**Vivek Nair**  
Chairman & Managing Director  
DIN: 00005870

Mumbai, 29<sup>th</sup> May, 2023



## DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT

To,

The Board of Directors  
**HLV Limited**  
Mumbai

I hereby confirm that all the Directors and Senior Management personnel of the Company have affirmed compliance with the provisions of the Code of Conduct for the financial year ended 31<sup>st</sup> March, 2023.

**Vivek Nair**  
Chairman & Managing Director  
DIN: 00005870

Mumbai, 29<sup>th</sup> May, 2023

## CERTIFICATE ON CORPORATE GOVERNANCE

To,

The Members  
**HLV Limited**  
CIN: L55101MH1981PLC024097

I have examined the compliance of conditions of Corporate Governance by **HLV LIMITED** ('the Company'), for the financial year ended 31<sup>st</sup> March, 2023 as specified under Regulations 17 to 27, Clauses (b) to (i) of sub-Regulations (2) of Regulation 46 and paras C, D & E of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The Company's management also takes full responsibility of the Compliance of the conditions of Corporate Governance stipulated in the Regulation, and my examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

In my opinion, and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid provision of Listing Regulations.

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

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purpose.

**For R. Bhandari & Co.**  
**Company Secretaries**

**Raghunath Bhandari**  
Proprietor  
FCS No. 8048  
COP No. 15381  
Peer Review Certificate No.: 1986/2022  
UDIN: F008048E000360389

Date: 29<sup>th</sup> May, 2023

Place: Mumbai

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members of

**HLV Limited**

CIN:L55101MH1981PLC024097

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **HLV LIMITED** having CIN: L55101MH1981PLC024097 and having its registered office situated at The Leela, Sahar, Mumbai - 400059, (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that the following Directors on the Board of the Company for the Financial Year ending on 31<sup>st</sup> March, 2023 have been disqualified from being appointed or continuing as Directors of companies under Section 164(2)(b) of the Companies Act, 2013 as the Company had defaulted in payment of principal amount and interest to LIC of India, the debenture holder:

Sr. No.	Name of Director	DIN	Date of Appointment	Remarks
1.	Mr. Vinay Hansraj Kapadia	07958301	07/10/2017	Mr. Vinay Kapadia was disqualified as a director under section 164(2) (b) of the Companies Act, 2013. However, he served his tenure of five years as permitted under Section 167(1) (a) of Companies Act, 2013 upto 6 <sup>th</sup> October, 2022 and was not re-appointed.
2.	Mr. Vijay Sharma	00138852	09/05/2018	Mr. Vijay Sharma was disqualified as a director under section 164(2) (b) of the Companies Act, 2013. However, he served his tenure of five years as permitted under Section 167(1) (a) of Companies Act, 2013 upto 8 <sup>th</sup> May, 2023 and was not re-appointed.

I further confirm that the Company has subsequently repaid the debenture holder as a one-time settlement on 16<sup>th</sup> October, 2019.

I further certify that the following Directors on the Board of the Company for the financial year ending on 31<sup>st</sup> March, 2023 are not debarred or disqualified under Section 164 of the Companies Act, 2013:

Sr. No.	Name of Director	DIN	Date of appointment
1.	Mrs. Salini Madhu Nair	00011223	10/02/2020
2.	Ms. Saija Ramchandran Nair	03623949	30/05/2018
3.	Ms. Amruda Nair	06716791	30/03/2021
4.	Mr. Ashok Rajani	00267748	30/03/2021
5.	Mr. Vivek Nair	00005870	03/10/2022
6.	Mr. Dinesh Nair	00006609	03/10/2022
7.	Mr. Shereveer Shereyar Vakil	08068987	03/10/2022

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

**For R. Bhandari & Co.  
Company Secretaries**

**Raghunath Bhandari**

Proprietor

FCS No. 8048 / COP No. 15381

Peer Review Certificate No.: 1986/2022

UDIN: F008048E000360257

Date: 29<sup>th</sup> May, 2023

Place: Mumbai



## CEO and CFO CERTIFICATION

[Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Board of Directors

**HLV Limited**

Mumbai

1. We have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2023 and to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee:
  - (i) significant changes, if any, in internal control over financial reporting during the year;
  - (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed to the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Vivek Nair**  
Chief Executive Officer

**Umesh Dombé**  
Chief Financial Officer

Date: 29<sup>th</sup> May, 2023

Place: Mumbai

# INDEPENDENT AUDITOR'S REPORT

To the Members of HLV Limited

## Report on the Standalone Financial Statements

### Opinion

We have audited the accompanying financial statements of **HLV Limited ("the Company")** which comprise the Balance Sheet as at 31<sup>st</sup> March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2023, and Profit including Other Comprehensive Income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of Matter

We draw attention to the following matters in notes to the financial statements: -

Note 36.1(a) relating to enhancement in lease rentals and unilateral termination of lease agreement of 18000 sq. mtrs. of land by Airports Authority of India (AAI) relating to Mumbai hotel and eviction proceedings initiated by them which the Company is legally contesting. Disputed amount not provided in the Books for the period up to 31<sup>st</sup> March, 2023 cumulatively amounts to ₹ 11,479 lakhs (Previous Year ₹ 9,408 lakhs).

Note 36.1(b) relating to the demands made by AAI relating to Rent and Minimum Guarantee Fees as royalty including interest in respect of 11000 sq. mtrs. of land in Mumbai cumulatively amounting to ₹ 80,705 lakhs up to 31<sup>st</sup> January, 2019 (Previously ₹ 28,537 lakhs up to 31<sup>st</sup> January, 2017) not provided in the Books as the liability is disputed and not crystalized as per the legal opinion and the additional cost the company may have to incur towards restoration of FSI, which is not ascertainable.

### Matter related to Going Concern

We draw attention to Note no. 36.3 in the Financial Statements regarding the preparation of financial statements on 'going concern basis' for the reasons stated therein. However, matters stated in Emphasis of Matter above indicate that there is uncertainty exists that may cast doubt on company's ability to continue as a going concern. As stated in Note no. 36.3, the appropriateness of assumption of going concern depend on getting favorable judgments and settlements in respect of disputes with Airports Authority of India including the renewal of lease and continuing the Business.

Our conclusion is not modified in respect of these matters.

### Key Audit Matters

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





We have determined the matters described below to be the key audit matter to be communicated in our Report:

Key audit matters	How our audit addressed the key audit matters
(a) Contingent Liabilities in respect of claim made by Airport Authority of India (AAI) (Ref. Note No.36.1 to the financial statement)	Obtained Lease Agreements and supplementary Agreement with Airport Authority of India (AAI). Correspondence from and with AAI, eviction orders judgment of Arbitrator, Judgment of Delhi High court. Petition filed before Supreme Court and their judgment. Petition filed before Eviction officer and their revised claim, various Legal opinions, case filed before Bombay City Civil Court and Bombay High Court and interim orders of Bombay High Court, subsequent developments in the court matters, application made before Settlement Advisory Committee constituted by the Board of AAI, submissions made before them on various meetings and subsequent developments.

#### Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive Income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, based on our audit we report that, :
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The financial statements dealt with by this report are in agreement with the books of accounts.
  - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. The matter described in paragraph relating to Emphasis of Matter may have an adverse effect on the functioning of the company.
  - f. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of Directors except Mr. Vijay Sharma are disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.



- g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- h. With respect to the matters to be included in the Auditor's Report under section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its Managing Directors during the current year is in accordance with the provisions of section 197 of the Act and does not exceeds the prescribed limit under section 197 read with Schedule V to the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.
- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note 36.4 to the financial statements);
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv.
    - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - v. The Company has neither declared nor paid the dividend during the year.

**For N. S. Shetty & Co.**

Chartered Accountants

FR No. : 0110101W

**Rohit Shetty**

Partner

M. No.135463

UDIN: 23135463BGXUAI2122

Place: Mumbai

Date: 29<sup>th</sup> May, 2023

## ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

### (Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements' section of our report of even date)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i. In respect of the Company's Property, Plant and Equipment and intangible assets
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress, investment properties and relevant details of right of use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. Pursuant to the programme, certain fixed assets were physically verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) Except disputes relating to the title deeds/renewal of lease agreement as detailed hereunder, according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties disclosed in the Financial Statements are held in the name of the Company.

Particulars	Number of cases	Carrying value as on 31 <sup>st</sup> March, 2023 (₹ In lakhs)	Remarks
Land at Hyderabad	Seven	5,550.00	Title deeds are under dispute
Building constructed on leasehold land at Mumbai	One	20,341.42	Lease agreement not renewed since 11 <sup>th</sup> January, 2016 (refer Note-36.1) to the Financial Statements.

- (d) The Company has not revalued its property, plant and equipment or intangible assets during the year.
- (e) No proceedings initiated or pending against the company for holding any benami property under Benami Transaction (prohibition) Act, 1988 and rules made thereunder.
- ii. (a) The management has conducted physical verification of Inventory at reasonable intervals. In our opinion the frequency of such verification is reasonable. The discrepancies noticed on such verification between the physical stock and book records were not material and have been properly dealt in the books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital facility from banks on the basis of assignment of lease rentals, hence submission of working capital eligibility statement does not arise.
- iii. The Company has not made investment, provided guarantee or security and granted secured or unsecured loans to Companies, firms, Limited Liability Partnerships, or other parties covered in the register maintained under Section 189 of the act during the year. Hence, reporting under clause 3 (iii)(a) to (f) of the Order is not applicable to the company.
- iv. The Company has not granted any loans or provided any guarantees or security or made investment to the parties covered in Section 185 and Section 186 of the Act. Hence, reporting under clause 3(iv) of the Order is not applicable to the company.
- v. The Company has not accepted any deposits within the meaning from Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules 2014 (as amended) during the year. Hence, reporting under clause 3(v) of the Order is not applicable to the company.
- vi. The Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Act, for any of the services rendered by the Company.
- vii. According to the information and explanations given to us in respect of Statutory dues :
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.



- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at 31<sup>st</sup> March, 2023 for a period of more than six months from the date they became payable.
- (c) Details of disputed Sales Tax, Service Tax, Luxury Tax and Value Added Tax which have not been deposited as at 31<sup>st</sup> March, 2023 are as under:

Name of the statute	Nature of Dues	Amount (in lakhs)*	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax, Interest and penalty	2591.24	FY 2007-08 to 2011-12	CESTAT, Bangalore
Maharashtra VAT 2002	VAT with interest and penalty	118.88	2007-08, 2009-10 and 2010-11	Jt. Commissioner of Appeals-VAT Mumbai
Maharashtra VAT 2002	VAT	39.73	FY 2008-09	VAT Tribunal, Mumbai
Finance Act 1994	Service Tax with Penalty	93.62	July 2012 to March 2017	CESTAT, Mumbai
Kerala Tax on Luxury 1976	Luxury Tax, interest and penalty	68.88	2010-11, 2011-12	Deputy Commissioner of (Appeals), Thiruvananthapuram
KGST and KVAT Act	KGST and KVAT	46.58	FY 2011-12	Matter remanded back to the Assessing Officer by High Court.
Income Tax Act, 1961	TDS	74.83	2013-14	CIT Appeals, New Delhi

\* Net of amounts paid under protest.

- viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.
- ix. (a) The Company has not defaulted in repayment of loans / dues to banks and financial institutions.
- (b) As explained, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate companies.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. Hence, the requirement to report on clause (ix) (f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (b) During the year and upto the date of this audit report, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year.



- xii. The Company is not a nidhi company. Hence reporting under clause 3 (xii) of the order is not applicable to the company.
- xiii. In our opinion all transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.  
(b) We have considered, the internal audit reports issued to the Company during the year.
- xv. During the year the Company has not entered into non cash transaction with its directors or person connected with directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Hence reporting under clause 3(xvi)(a) to (c) of the order are not applicable.  
(b) There is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash loss during the year. However, there was a cash loss of ₹ 2,652 lakhs during the previous year.
- xviii. There has been no resignation of statutory auditor of the Company.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, there is material uncertainty exists regarding contingent liability of Disputed liabilities as on the date of the audit report (refer para Emphasis of matter in audit report).
- We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The company does not fall under the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, hence the said provision is not applicable to the Company.

**For N. S. Shetty & Co.**  
Chartered Accountants  
FR No. : 0110101W

**Rohit Shetty**  
Partner  
M. No.135463  
Place: Mumbai  
Date: 29<sup>th</sup> May, 2023



## **ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred in Para 2(g) under "Report on Other Legal and Regulatory Requirements" section of our report of even date)**

### **Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **HLV Limited** ("the Company") as of 31<sup>st</sup> March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **For N. S. Shetty & Co.**

Chartered Accountants  
FR No. : 0110101W

#### **Rohit Shetty**

Partner  
M. No.135463

Place: Mumbai  
Date: 29<sup>th</sup> May, 2023

# BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2023

₹ Lakhs

Particulars	Note No.	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	24,617.63	25,025.70
Right of use assets	4	2,376.75	437.96
Capital work-in-progress	5	477.87	32.04
Investment Property	6	4,190.82	4,293.50
Intangible assets	7	17.99	14.99
Financial assets:			
Other financial assets	8	4,125.00	1,665.88
Tax assets (net)	9	572.52	1,111.07
Other non-current assets	10	2,927.19	2,090.93
<b>Total non-current assets</b>		<b>39,305.77</b>	<b>34,672.07</b>
<b>Current assets</b>			
Inventories	11	605.70	654.62
Financial assets			
Investments	12	-	4,012.60
Trade receivables	13	1,325.10	488.47
Cash and cash equivalents	14	1,384.03	317.59
Other balances with banks	15	3,545.28	2,357.48
Other financial assets	16	559.39	1,491.63
Other current assets	17	3,771.98	4,515.19
<b>Total current assets</b>		<b>11,191.48</b>	<b>13,837.58</b>
Non current assets held for sale		6,086.98	7,478.23
<b>Total assets</b>		<b>56,584.23</b>	<b>55,987.88</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	18	13,185.20	13,185.20
Other equity	19	28,694.85	28,039.69
<b>Total Equity</b>		<b>41,880.05</b>	<b>41,224.89</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	20	278.06	4,170.09
Lease Liabilities		2,111.21	304.22
Other financial liabilities	21	183.99	195.65
Provisions	22	500.54	675.46
<b>Total non-current liabilities</b>		<b>3,073.80</b>	<b>5,345.42</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	23	609.40	111.31
Lease Liabilities		281.24	178.09
Trade Payable:	24		
Outstanding dues of MESE		21.24	6.13
Outstanding dues other than of MESE		7,104.62	5,931.21
Other financial liabilities	25	408.99	459.66
Other liabilities	26	930.70	413.88
Provisions	27	224.19	278.07
<b>Total current liabilities</b>		<b>9,580.38</b>	<b>7,378.35</b>
Liabilities classified as held for sale		2,050.00	2,039.22
<b>Total equity and liabilities</b>		<b>56,584.23</b>	<b>55,987.88</b>
Notes forming part of the financial statements	1 to 38		

In terms of our report attached

**For N. S. Shetty & Co.**

Chartered Accountants

Registration No : 110101W

**Rohit Shetty**

Partner

Membership No. 135463

Mumbai, 29<sup>th</sup> May 2023

**For and on behalf of the Board of Directors**

**Vivek Nair**

DIN: 00005870

Chairman and

Managing Director

**Savitri Yadav**

Company Secretary

**Umesh Dombe**

Chief Financial Officer

# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023



₹ Lakhs

Particulars	Note No.	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
<b>Income</b>			
Revenue from operations	28	17,288.32	7,299.71
Other income	29	997.07	332.32
<b>Total income</b>		<b>18,285.39</b>	<b>7,632.03</b>
<b>Expenses</b>			
Food and beverages consumed	30	1,338.41	715.46
Employee benefit expenses and payment to contractors	31	5,312.50	2,937.74
Finance costs	32	510.67	235.34
Depreciation and amortisation expenses	33	1,114.36	1,276.37
Other expenses	34	9,049.19	5,721.76
<b>Total Expenses</b>		<b>17,325.13</b>	<b>10,886.67</b>
<b>Profit/(loss) before exceptional items and Tax</b>		<b>960.26</b>	<b>(3,254.64)</b>
Exceptional items - Profit/(loss) (net)	35	(99.52)	(996.32)
<b>Profit/(loss) before Tax</b>		<b>860.74</b>	<b>(4,250.96)</b>
Tax expense	36.11	96.06	-
<b>Profit/(loss) after Tax (A + B)</b>		<b>764.68</b>	<b>(4,250.96)</b>
<b>Other comprehensive income:</b>			
<b>Items that may not be reclassified to the statement of profit and loss</b>			
Remeasurement of defined benefit plan		(109.54)	301.66
Income tax relating to items that may not be reclassified to the statement of profit and loss		-	-
<b>Total other comprehensive income, net of tax</b>		<b>(109.54)</b>	<b>301.66</b>
<b>Total comprehensive income for the year</b>		<b>655.15</b>	<b>(3,949.30)</b>
Earnings per share (of ₹ 2 each):			
Basic & Diluted		0.12	(0.66)
Notes forming part of the financial statements	1 to 38		

In terms of our report attached

**For N. S. Shetty & Co.**

Chartered Accountants

Registration No : 110101W

**Rohit Shetty**

Partner

Membership No. 135463

Mumbai, 29<sup>th</sup> May 2023

**Savitri Yadav**

Company Secretary

**For and on behalf of the Board of Directors**

**Vivek Nair**

DIN: 00005870

Chairman and

Managing Director

**Umesh Dombe**

Chief Financial Officer

# CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023

₹ Lakhs

Particulars		Year ended 31 <sup>st</sup> March 2023		Year ended 31 <sup>st</sup> March 2022	
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
	<b>Net Profit/(loss) before exceptional items and Tax</b>		<b>960.26</b>		<b>(3,254.64)</b>
	Adjustments for:				
	Depreciation & amortisation	<b>1,114.36</b>		1,276.37	
	Interest charged	<b>510.67</b>		235.34	
	(Profit)/Loss on sale of property, plant and equipment	<b>12.81</b>		9.35	
	Gain/Loss on derecognition of Financial Instrument/Assets	<b>(143.24)</b>		(58.83)	
	Provisions/ liabilities written back	<b>(34.39)</b>		(144.07)	
	Change in fair value of investment	<b>(189.49)</b>		(12.80)	
	Provision for trade & other receivables	<b>5.12</b>		8.51	
	Interest income	<b>(497.93)</b>		(53.00)	
			<b>777.90</b>		<b>1,260.87</b>
	<b>Operating Profit before working capital changes</b>		<b>1,738.17</b>		<b>(1,993.77)</b>
	<b>Adjustments for (increase)/decrease in operating assets:</b>				
	Inventories	<b>48.92</b>		(32.33)	
	Trade and other receivables	<b>(841.76)</b>		(213.26)	
	Other financial assets	<b>(60.01)</b>		(175.68)	
	Other assets	<b>864.63</b>		(1,951.90)	
	Adjustments for increase /(decrease) in operating liabilities:				
	Trade payables	<b>1,222.91</b>		1,009.62	
	Other financial liabilities	<b>(392.43)</b>		(1,151.83)	
	Other liabilities	<b>516.82</b>		(108.20)	
			<b>1,359.08</b>		<b>(2,623.58)</b>
	<b>Cash generated from operating activities</b>		<b>3,097.25</b>		<b>(4,617.35)</b>
	Less : Direct Tax paid (net of refunds)		<b>442.50</b>		<b>(244.63)</b>
	<b>Net cash flow from operating activities</b>		<b>3,539.75</b>		<b>(4,861.98)</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
	<b>Inflows:</b>				
	Proceeds from Sale of Current Investment		<b>4,202.09</b>		-
	Proceeds from Sale of property, plant and equipment (net of sale) (including advance receipts)		<b>828.68</b>		8,529.42
	Interest received		<b>533.50</b>		53.00
	<b>Outflows:</b>				
	Increase in Fixed Deposit with bank		<b>(3,923.55)</b>		(2,351.48)
	Purchase of current investment		-		(3,999.80)
	<b>Net cash flow from investing activities</b>		<b>1,640.72</b>		<b>2,231.14</b>



# CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2023 (contd.)



₹ Lakhs

Particulars		Year ended		Year ended	
		31 <sup>st</sup> March 2023		31 <sup>st</sup> March 2022	
<b>C</b>	<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>				
	<b>Inflows:</b>				
	Proceeds from term borrowings		<b>701.28</b>		6,946.00
	<b>Less: Outflows</b>				
	Repayment of term borrowings		<b>(4,095.21)</b>		(3,780.19)
	Payment of Lease liability		<b>(236.89)</b>		(436.04)
	Interest paid		<b>(483.21)</b>		(112.89)
	<b>Net cash flow from financing activities</b>		<b>(4,114.03)</b>		2,616.88
	<b>Net changes in cash and cash equivalents</b>		<b>1,066.44</b>		(13.96)
	<b>Cash and cash equivalents at the beginning of the year</b>		<b>317.59</b>		331.55
	<b>Cash and cash equivalents at the end of the year</b>		<b>1,384.03</b>		317.59

In terms of our report attached

**For N. S. Shetty & Co.**

Chartered Accountants

Registration No : 110101W

**Rohit Shetty**

Partner

Membership No. 135463

Mumbai, 29<sup>th</sup> May 2023

**For and on behalf of the Board of Directors**

**Vivek Nair**

DIN: 00005870

Chairman and

Managing Director

**Umesh Dombe**

Chief Financial Officer

**Savitri Yadav**

Company Secretary

# STATEMENT OF CHANGES IN EQUITY

₹ Lakhs

## a) Equity Share Capital

<b>As at 1<sup>st</sup> April, 2021</b>	12,611.04
Changes in the equity share capital during the year	574.16
<b>As at 31<sup>st</sup> March 2022</b>	<u>13,185.20</u>
Changes in the equity share capital during the year	-
<b>As at 31<sup>st</sup> March 2023</b>	<u><u>13,185.20</u></u>

₹ Lakhs

## b) Other equity

Particulars	Reserves and surplus					Total
	Capital redemption reserve	Security premium	General reserve	Retained earnings	Other comprehensive income	
<b>Balance as at 1 April 2021</b>	8,750.00	65,346.24	13,195.39	(57,562.63)	(165.85)	29,563.15
Profit/(loss) for the year	-	-	-	(4,250.96)	-	(4,250.96)
Premium on issue of equity shares	-	2,425.84	-	-	-	2,425.84
Other comprehensive income for the year, net of tax	-	-	-	-	301.66	301.66
<b>Total comprehensive income for the year</b>	-	2,425.84	-	(4,250.96)	301.66	(1,523.46)
<b>Allocations/Appropriations</b>						
Transferred (to)/from reserve	-	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<u>8,750.00</u>	<u>67,772.08</u>	<u>13,195.39</u>	<u>(61,813.59)</u>	<u>135.81</u>	<u>28,039.69</u>
<b>Balance as at 1 April 2022</b>	8,750.00	67,772.08	13,195.39	(61,813.59)	135.81	28,039.69
Profit/(loss) for the year	-	-	-	764.70	-	764.70
Premium on issue of equity shares	-	-	-	-	-	-
Other comprehensive income for the year, net of tax	-	-	-	-	(109.54)	(109.54)
<b>Total comprehensive income for the year</b>	-	-	-	764.70	(109.54)	655.16
<b>Allocations/Appropriations</b>						
Transferred (to)/from reserve	-	-	-	-	-	-
<b>Balance as at 31 March 2023</b>	<u><u>8,750.00</u></u>	<u><u>67,772.08</u></u>	<u><u>13,195.39</u></u>	<u><u>(61,048.89)</u></u>	<u><u>26.27</u></u>	<u><u>28,694.85</u></u>

In terms of our report attached

**For N. S. Shetty & Co.**

Chartered Accountants

Registration No : 110101W

**Rohit Shetty**

Partner

Membership No. 135463

Mumbai, 29<sup>th</sup> May 2023

**For and on behalf of the Board of Directors**

**Vivek Nair**

DIN: 00005870

Chairman and

Managing Director

**Savitri Yadav**

Company Secretary

**Umesh Dombe**

Chief Financial Officer

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS



## Note 1: Corporate Information

**HLV Ltd. ("HLVL" or the "Company")** is a public limited company incorporated in India and has its registered office situated at "The Leela Mumbai", Sahar, Mumbai 400 059.

The Company is primarily engaged in the business of owning, operating & managing hotels, palaces and resorts.

The financial statements for the year ended 31<sup>st</sup> March, 2023 were approved by the Board of Directors and authorised for issue on 29<sup>th</sup> May, 2023.

## Note 2: Basis of Preparation, Critical Accounting Estimates and Judgements, Significant Accounting Policies and Recent Accounting Pronouncements:

### (i) Compliance with Ind AS

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

The accounting policies are applied consistently to all the periods presented in the financial statements.

### (ii) Basis of preparation

These financial statements have been prepared on a historical cost basis, except for the following:

- i) Defined benefit plans – plan assets measured at fair value.
- ii) Certain financial instruments which are measured at fair value at the end of each reporting period.
- iii) Assets held for sale (or disposal groups) –measured at lower of carrying amount or fair value less cost to sell.

### (iii) Critical accounting estimates and judgements

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

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

#### (a) Useful lives of property, plant and equipment and intangible assets:

The Company has estimated the useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the useful life of property, plant and equipment and intangible assets as at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

#### (b) Impairment testing:

Property, plant and equipment and intangible assets that are subject to amortisation /depreciation are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which include turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, and future economic and market conditions.

#### (c) Income Taxes:

Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charge in the Statement of Profit or Loss.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit or Loss.

**(d) Litigation:**

From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

**(e) Defined benefit plans:**

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

**(iv) Significant Accounting Policies:**

**(a) Revenue recognition:**

**(i) Income from operations**

Revenue from operations is accounted on accrual, is net of indirect taxes, returns and discounts. Revenue is measured at the fair value of the consideration received or receivable. Revenue comprises of sale of rooms, food and beverages and allied services. Rentals basically consists of rental revenue earned from letting of residential and commercial spaces. Revenue for rental is recognised in the period in which services are being rendered.

**(ii) Interest:**

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

**(b) Property, Plant and Equipment:**

Property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, expenses directly related to bringing the asset to the location and condition necessary for making them operational for their intended use and, in the case of qualifying assets, the attributable borrowing costs.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

On transition to Ind AS, the Company has elected to continue with the carrying value of all property, plant and equipment recognised as at 1<sup>st</sup> April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

**(c) Investment Property:**

Investment Property are initially measured at cost, including transaction cost. Subsequent to initial recognition, Investment property are carried at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment Property are derecognised either when they have disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from the disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the Statement of Profit and Loss in the period of derecognising.

Transfers to or from investment property is made when and only when there is a change in use.

On transition to Ind AS, the company has elected to continue with the carrying value of all its investment properties recognised as of April 1, 2016 measured as per previous GAAP and use that carrying value as its deemed cost as of the transition date.



**(d) Intangible Assets:**

Intangible assets are stated at cost less accumulated amortisation and impairments, if any. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably.

On transition to Ind AS, the company has elected to continue with the carrying value of all its intangible assets recognised as of April 1, 2016 measured as per previous GAAP and use that carrying value as its deemed cost as of the transition date.

**(e) Capital WIP**

Capital work-in-progress comprises the cost of property, plant and equipment that are not yet ready for their intended use on the reporting date and materials at site net of impairment if any.

**(f) Depreciation and Amortisation:**

The Company depreciates its property, plant and equipment and investment property over the useful life in the manner prescribed in Schedule II of the Companies Act, 2013 under straight line method except as under:

- (i) Based on technical evaluation, the useful life of continuous process plant other than windmill has been estimated as 15 years (on a single shift basis) and that of motor boat 6 years.
- (ii) Depreciation on additions / deletions during the year are provided on pro-rata basis. Assets purchased / installed during the year costing less than ₹ 5,000 each are fully depreciated.
- (iii) Building constructed on leasehold land are depreciated at the applicable rate on the assumption that the lease would be renewed in the normal course.
- (iv) Computer Software and website is amortised in six years and other intangible assets are amortised in five years.

The useful lives of assets and residual values are reviewed at the Balance Sheet date and the effects of any changes in estimates are accounted for on a prospective basis.

Depreciation /amortisation is not provided on non-current assets held for sale or part of the disposal group from the date of such assets are classified as held for sale or part of disposal group.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

**(g) Investments in subsidiaries:**

Investment in a subsidiary is a long-term investment and is carried at cost. On transition to Ind AS, previous GAAP carrying amount as on that date, i.e. April 1, 2016 is considered as cost.

**(h) Inventories:**

Stock of food and beverages, stores and operating supplies are stated 'at cost or net realisable value, whichever is lower'. Cost comprise fair value of consideration paid including duties and taxes (other than those refundable), cost of conversion and other costs in bringing the inventories to their present location and condition computed under weighted average cost method. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

**(i) Employee benefits:**

- (i) Short-term benefits:

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service.

- (ii) Post-employment obligations

The Company operates the following post-employment schemes:

- (a) The Company makes annual contributions to gratuity fund which is a defined benefit plan.

The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

calculated annually by actuaries using the projected unit credit method. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

(b) Defined contribution plans such as provident fund are charged to the Statement of Profit and Loss as and when incurred.

### (j) **Borrowing Costs:**

Borrowing costs that are directly attributable to the acquisition and construction of qualifying assets are capitalised. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.

Interest cost for the borrowings is computed under effective interest method.

Foreign exchange difference relating to foreign currency borrowings regarded as an adjustment to borrowing cost to the extent not capitalised is disclosed under finance cost.

### (k) **Taxation:**

(i) Provision for current taxation has been made in accordance with the Income Tax laws applicable to the assessment year considering the taxable income of both continued and discontinued operations.

(ii) Deferred tax is recognized on timing difference being the difference between taxable incomes and accounting income that originates in one period and is capable of reversal in one or more subsequent periods. Where there is unabsorbed depreciation, or carry forward losses, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets.

### (l) **Impairment of assets:**

The carrying amounts of assets are reviewed at each balance sheet date, to assess any indication of impairment. If any such indication exists, the recoverable amount of such assets is estimated. An impairment loss is recognized wherever the carrying amount of the assets exceed its recoverable amount. The recoverable amount is greater of the net selling price or value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, based on an appropriate discounting factor.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

### (m) **Foreign currency transaction:**

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transactions.

The monetary assets and liabilities in foreign currency as at balance sheet date are translated at rates prevailing at the year-end and the resultant net gains or losses are recognized as income or expense in the year in which they arise.

### (n) **Leases :**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

#### **Company as a lessee**

The Company's leases assets mainly comprise buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Company assesses whether: (i) the contact involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.





As a lessee, the Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate. Generally, the Company uses incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including in-substance fixed payments;

The lease liability is measured at amortised cost using the effective interest method.

The Company has used number of practical expedients when applying Ind AS 116 - Short-term leases, leases of low-value assets and single discount rate.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less, leases of low-value assets and lease where term of the lease is already expired and not yet renewed. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments are presented as follows in the Company's statement of cash flows:

- short-term lease payments, payments for leases of low-value assets and variable lease payments that are not included in the measurement of the lease liabilities are presented within cash flows from operating activities;
- payments for the interest element of recognised lease liabilities are included in 'interest paid' within cash flows from operating activities; and
- payments for the principal element of recognised lease liabilities are presented within cash flows from financing activities.

As practical expedient of Ind AS 116 "Leases", the company has considered Covid-19-related rent concessions not to be lease modification, hence the income towards rent concession is recognised in "Other Income" in the statement of profit and loss account.

#### **Company as a lessor**

Leases for which the Company is a lessor is classified as finance or operating lease. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

#### **(o) Government Grants/Incentives:**

Government grants/incentives that the Company is entitled to on fulfilment of certain conditions, but are available to the Company only on completion of some other conditions, are recognised as income at fair value on completion of such other conditions.

Grants/incentives that the Company is entitled to unconditionally on fulfilment of certain conditions, such grants/incentives are recognised at fair value as income when there is reasonable assurance that the grant/incentive will be received.

#### **(p) Income from Joint Development Agreement (JDA):**

Income from JDA is accounted under percentage of completion method (POCM) as per the Guidance Note on Accounting for Real Estate Transactions. Balance cost of land and other expense related to JDA is grouped under Assets held for sale.

#### **(q) Accounting for Provisions, Contingent Liabilities and Contingent Assets:**

- (i) Provisions are recognised when the Company has a binding present obligation. This may be either legal because it derives from a contract, legislation or other operation of law because the Company created valid expectations on the part of the third

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

parties by accepting certain responsibilities. To record such an obligation it must be probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

- (ii) Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.
- (iii) Disclosure of the contingent assets are made when it is probable that there is an inflow of future economic benefits. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

### (r) Exceptional items:

The company discloses certain financial information both including and excluding exceptional items. The presentation of information excluding exceptional items allows a better understanding of the underlying performance of the company and provides consistency with the company's internal management reporting. Exceptional items are identified by virtue of either their size or nature so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of the company.

### (s) Statement of Cash Flows:

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

### (t) Earnings per Share:

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

### (u) Financial Instruments:

#### (1) Financial assets

##### (i) Initial recognition and measurement

Financial assets are recognised when and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

##### (ii) Classification:

###### a. Cash and Cash Equivalents

Cash comprises cash/cheques on hand and demand deposits with banks. Cash equivalents are short-term balances with an original maturity of three months or less from the date of acquisition, highly liquid investment that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

###### b. Debt Instruments

The Company classifies its debt instruments, as subsequently measured at amortised cost or fair value through Other Comprehensive Income or fair value through profit or loss based on its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

##### (i) Financial assets at amortised cost

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



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

Financial assets are subsequently measured at fair value through Other Comprehensive Income if these financial assets are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest. Movements in the carrying value are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from Other Comprehensive Income to the Statement of Profit and Loss. Interest income on such financial assets is included as a part of the Company's income in the Statement of Profit and loss using the effective interest rate method.

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

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

**c. Equity Instruments**

The Company subsequently measures equity investment at cost. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payment is established.

**De-recognition**

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

**(2) Financial liabilities**

**Initial recognition and measurement**

Financial liabilities are recognised when and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

**Subsequent measurement**

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised, and through the amortisation process.

**De-recognition**

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

**(3) Impairment of financial assets**

The Company assesses, at each reporting date, whether a financial asset or a group of financial assets is impaired and allowance for losses on such assessment is made in the Statement of Profit and Loss.

**(v) Recent accounting pronouncements:**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

- **Ind AS 1 – Presentation of Financial Statements**

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements.

- **Ind AS 12 – Income Taxes**

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

- **Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The Company does not expect the effect of this amendment on financial statements to be material.

**Note 3: Property, plant and equipment**

₹ Lakhs

	Land - freehold	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Total
<b>Gross carrying amount</b>							
<b>As at 1 April 2021</b>	1,173.88	23,703.29	3,769.76	704.24	622.83	103.62	30,077.62
Additions	-	-	109.34	8.22	-	17.45	135.01
Disposals/ discards/ adjustments	-	(2.99)	(558.99) *	(76.99)	(23.00)	(3.38)	(665.35)
<b>Balance as at 31 March 2022</b>	<b>1,173.88</b>	<b>23,700.30</b>	<b>3,320.11</b>	<b>635.47</b>	<b>599.83</b>	<b>117.69</b>	<b>29,547.28</b>
<b>As at 1 April 2022</b>	<b>1,173.88</b>	<b>23,700.30</b>	<b>3,320.11</b>	<b>635.47</b>	<b>599.83</b>	<b>117.69</b>	<b>29,547.28</b>
Additions	-	-	225.14	3.50	170.77	36.41	435.82
Disposals/ discards/ adjustments	-	-	(50.18)	(4.91)	(105.93)	(2.52)	(163.54)
<b>Balance as at 31 March 2023</b>	<b>1,173.88</b>	<b>23,700.30</b>	<b>3,495.07</b>	<b>634.06</b>	<b>664.67</b>	<b>151.58</b>	<b>29,819.56</b>
<b>Accumulated depreciation</b>							
As at 1 April 2021	-	2,383.70	1,188.51	439.91	202.87	38.83	4,253.82
Depreciation for the year	-	477.06	241.29	13.23	53.68	21.77	807.03
Disposals/ discards/ adjustments/Reclassification	-	(0.40)	(451.39) *	(70.17)	(17.31)	-	(539.27)
<b>Balance as at 31 March 2022</b>	<b>-</b>	<b>2,860.36</b>	<b>978.41</b>	<b>382.97</b>	<b>239.24</b>	<b>60.60</b>	<b>4,521.58</b>
<b>As at 1 April 2022</b>	<b>-</b>	<b>2,860.36</b>	<b>978.41</b>	<b>382.97</b>	<b>239.24</b>	<b>60.60</b>	<b>4,521.58</b>
Depreciation for the year	-	477.02	252.90	6.86	65.13	12.30	814.21
Disposals/ discards/ adjustments/Reclassification	-	-	(31.37)	(4.06)	(94.62)	(3.80)	(133.86)
<b>Balance as at 31 March 2023</b>	<b>-</b>	<b>3,337.38</b>	<b>1,199.94</b>	<b>385.77</b>	<b>209.75</b>	<b>69.09</b>	<b>5,201.93</b>
<b>Carrying Value</b>							
As at 31 March 2022	1,173.88	20,839.94	2,341.70	252.50	360.59	57.09	25,025.70
<b>As at 31 March 2023</b>	<b>1,173.88</b>	<b>20,362.92</b>	<b>2,295.13</b>	<b>248.29</b>	<b>454.92</b>	<b>82.48</b>	<b>24,617.63</b>

i) Building includes cost of 25 (previous year 25) shares of ₹ 50 each in a Co-operative housing society.

ii) Building with carrying value constructed on leasehold land where lease agreement has not been renewed is ₹ 20,341.42 lakhs (Previous year ₹ 20,818.36 lakhs).

\* During the previous year the Company has transferred Plant and Machinery having Gross block of ₹ 133.05 lakhs and accumulated depreciation of ₹ 55.94 Lakhs are transferred to Assets held for sale.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### Note 4: Right of use assets

₹ Lakhs

Particulars	Leasehold Building	Total
<b>As at 1 April 2021</b>	1,985.45	1,985.45
<b>Additions/Reassessment</b>	-	-
Disposals/ discards/ adjustments/derecognition	(1,124.33)	(1,124.33)
Balance as at 31 March 2022	861.12	861.12
<b>As at 1 April 2022</b>	<b>861.12</b>	<b>861.12</b>
<b>Additions/Reassessment</b>	<b>2,436.92</b>	<b>2,436.92</b>
Disposals/ discards/ adjustments/derecognition	(861.12)	(861.12)
Balance as at 31 March 2023	2,436.92	2,436.92
<b>Accumulated depreciation</b>		
<b>As at 1 April 2021</b>	578.56	578.56
Depreciation for the year	359.61	359.61
Disposals/ discards/ adjustments/derecognition	(515.01)	(515.01)
<b>Balance as at 31 March 2022</b>	<b>423.16</b>	<b>423.16</b>
<b>As at 1 April 2022</b>	<b>423.16</b>	<b>423.16</b>
Depreciation for the year	189.34	189.34
Disposals/ discards/ adjustments/derecognition	(552.33)	(552.33)
<b>Balance as at 31 March 2023</b>	<b>60.17</b>	<b>60.17</b>
<b>Carrying Value</b>		
As at 31 March 2022	437.96	437.96
<b>As at 31 March 2023</b>	<b>2,376.75</b>	<b>2,376.75</b>

- i) The land lease agreement with the AAI has expired and the Company is negotiating for renewal. In the absence of a definitive agreement and uncertainty about the timing of the cash flows, this lease is not included in the calculation of Right-of-Use Assets and corresponding Lease liabilities. The rental for this land continues to be provided as lease expense on a best estimate.





#### Note 5: Capital work-in-progress

₹ Lakhs

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Capital work-in-progress	477.87	32.04
<b>Total</b>	<b>477.87</b>	<b>32.04</b>

#### Capital work-in-progress ageing schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 <sup>st</sup> March 2023	464.36	-	-	13.51	477.87
As at 31 <sup>st</sup> March 2022	-	-	-	32.04	32.04

#### Note 6: Investment Property

₹ Lakhs

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Gross carrying amount</b>		
As per last balance sheet	4,976.60	4,899.38
Additions	1.40	77.22
Disposals/adjustments	-	-
<b>At the end of the year</b>	<b>4,978.00</b>	<b>4,976.60</b>
<b>Accumulated depreciation</b>		
As per last balance sheet	683.10	581.27
Depreciation for the year	104.08	101.83
Disposals/adjustments/Reclassification	-	-
<b>At the end of the year</b>	<b>787.18</b>	<b>683.10</b>
<b>Net carrying amount</b>	<b>4,190.82</b>	<b>4,293.50</b>

#### Fair Value :

During the Previous year ended 31<sup>st</sup> March, 2022, the Company has obtained independent valuation of these properties and the value of the property as per current market rate is ₹ 6088.14 lakhs.

The building constructed on leasehold land and the lease is expiring on Nov-2024. The lease may be renewed. Depreciation on building held in Investment Property is provided at the applicable rate, on the assumption that the lease will be renewed.

Income arising from investment properties	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Rental income derived from investment properties (excluding rental income derived from investment properties Assets held for Sale)	547.13	422.98
Direct operating expenses (including repairs and maintenance) generating rental income	94.86	85.91
Income arising from investment properties before depreciation	452.27	337.07
Depreciation	104.08	101.83
<b>Income arising from investment properties (Net)</b>	<b>348.19</b>	<b>235.24</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### Note 7: Intangible assets

₹ Lakhs

	Computer software	License / franchise fees	Website	Total
<b>Gross carrying amount</b>				
<b>As at 1 April 2021</b>	61.88	49.79	26.50	138.17
Additions	1.74			1.74
Disposals/ discards/ adjustments				-
<b>Balance as at 31 March 2022</b>	<b>63.62</b>	<b>49.79</b>	<b>26.50</b>	<b>139.91</b>
<b>As at 1 April 2022</b>	<b>63.62</b>	<b>49.79</b>	<b>26.50</b>	<b>139.91</b>
Additions	9.73	-	-	9.73
Disposals/ discards/ adjustments/Reclassification	-	-	-	-
<b>Balance as at 31 March 2023</b>	<b>73.35</b>	<b>49.79</b>	<b>26.50</b>	<b>149.64</b>
<b>Accumulated depreciation</b>				
<b>As at 1 April 2021</b>	41.27	49.79	25.97	117.03
Amortisation for the year	7.78	-	0.11	7.89
Disposals/ discards/ adjustments	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>49.05</b>	<b>49.79</b>	<b>26.08</b>	<b>124.92</b>
<b>As at 1 April 2022</b>	<b>49.05</b>	<b>49.79</b>	<b>26.08</b>	<b>124.92</b>
Amortisation for the year	6.61	-	0.12	6.73
Disposals/ discards/ adjustments/Reclassification	-	-	-	-
<b>Balance as at 31 March 2023</b>	<b>55.66</b>	<b>49.79</b>	<b>26.19</b>	<b>131.65</b>
<b>Carrying Value</b>				
<b>As at 31 March 2022</b>	14.57	-	0.42	14.99
<b>As at 31 March 2023</b>	<b>17.69</b>	<b>-</b>	<b>0.31</b>	<b>17.99</b>



**Note 8: Other non-current financial assets**

₹ Lakhs

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Security deposits - considered good	1,094.30	919.27
Margin money deposits with banks (refer note 15)	26.30	57.09
Deposits with banks having maturing after 12 months from balance sheet date * #	3,456.05	689.52
Less: Impaired #	(451.65)	-
<b>Total</b>	<b>4,125.00</b>	<b>1,665.88</b>

\* The deposits with bank includes ₹ 250.65 (P.Y. ₹ 237.87) Lakhs which is under dispute. The company has filed the case before Subordinate court Ernakulam and therefore the bank has not confirmed the balance in deposit account. The Company is considering the same as good.

# During the year, fixed deposit of ₹ 452 Lakhs adjusted by the bank against the settled loan now impaired. The Company has filed the case against the bank in Bombay High Court at Mumbai for the recovery of the same. However, as a matter of prudence, the Company has impaired the assets.

**Note 9: Tax assets (Net)**

₹ Lakhs

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Income Tax assets (net)</b>		
<b>Opening balance for the year</b>	1,111.07	866.44
Less : Tax payable for the year	-	-
Add : Taxes deducted/collected at source	349.35	244.63
Add/(less) : Refund/adjustment for earlier years (net)	(887.90)	-
<b>Closing balance</b>	<b>572.52</b>	<b>1,111.07</b>

**Note 10: Other non-current assets**

₹ Lakhs

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Balances with Government authorities	193.53	228.70
Advance for Property, Plant & Equipment	958.30	0.60
Deposit adjustable against future rent payments	1,727.44	1,827.50
Pre-paid expenses	47.92	34.13
<b>Total</b>	<b>2,927.19</b>	<b>2,090.93</b>

**Note 11: Inventories**

₹ Lakhs

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Food and beverages	308.50	287.65
Stores and operating supplies	297.20	366.97
<b>Total</b>	<b>605.70</b>	<b>654.62</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### Note 12: Investments

₹ Lakhs

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Investments carried at fair value through profit or loss		
Investment in Mutual Fund - quoted		
Aditya birla sun life liquid fund - growth	-	4,012.60
No. of units C.Y. NIL (P.Y.- 11,69,426.166)		
<b>Total</b>	-	4,012.60

### Note 13: Trade receivables (unsecured)

₹ Lakhs

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Receivables from related parties - considered good	15.65	14.37
Other than from related parties :		
Trade receivables - considered good	1,309.45	474.10
Trade receivables - credit impaired	275.12	277.90
	1,600.22	766.37
Less : Allowance for trade receivables - credit impaired	(275.12)	(277.90)
<b>Total</b>	1,325.10	488.47

### Trade receivables ageing schedule as at 31<sup>st</sup> March, 2023 as follows:

Particulars	Outstanding for following periods from date of transactions					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Undisputed</b>						
- Considered good	1,277.17	45.23	2.67	0.03	(0.00)	1,325.10
- Credit impaired	-	0.68	-	-	40.78	41.46
<b>Disputed</b>						
- Considered good	-	-	-	-	-	-
- Credit impaired	-	-	-	-	233.66	233.66
<b>Gross Trade receivable</b>						1,600.22
<b>Less : Allowance for trade receivables - credit impaired</b>						(275.12)
<b>Net Trade Receivable</b>						1,325.10



Trade receivables ageing schedule as at 31<sup>st</sup> March, 2022 as follows:

Particulars	Outstanding for following periods from date of transactions					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Undisputed</b>						
- Considered good	487.12	0.70	0.65	-	-	488.47
- Credit impaired		0.20	-	37.26	6.78	44.24
<b>Disputed</b>						
- Considered good	-	-	-	-	-	-
- Credit impaired	-	-	-	-	233.66	233.66
<b>Gross Trade receivable</b>	<b>185.87</b>	<b>15.89</b>	<b>494.70</b>	<b>474.05</b>	<b>493.54</b>	<b>766.37</b>
<b>Less : Allowance for trade receivables - credit impaired</b>						<b>(277.90)</b>
<b>Net Trade Receivable</b>						<b>488.47</b>

Note 14: Cash and cash equivalents

₹ Lakhs

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Cash on hand	11.25	13.96
Balances with bank in current account	472.00	303.63
Short-term deposits with bank (with original maturity less than three months)	900.78	-
<b>Total</b>	<b>1,384.03</b>	<b>317.59</b>

Note 15: Other balances with banks

₹ Lakhs

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Short term deposit with bank having maturing before 12 months from balance sheet date	3,545.28	2,357.48
Margin money deposits	26.30	57.09
	<b>3,571.58</b>	2,414.57
Less : margin money deposits classified as non-current financial assets (refer note 8)	26.30	57.09
<b>Total</b>	<b>3,545.28</b>	<b>2,357.48</b>

Note 16: Other current financial assets

₹ Lakhs

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Interest receivable	-	35.57
Unbilled revenue	141.79	125.77
Receivable against assets held for sale	417.57	1,301.20
Security deposits	0.03	29.09
<b>Total</b>	<b>559.39</b>	<b>1,491.63</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### Note 17: Other current assets

₹ Lakhs

Particulars	As at	
	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
Trade advances	239.92	181.50
Loans and advances to employees	7.41	7.07
Advance rentals	101.55	101.55
Insurance claim receivable	0.07	0.11
Pre-paid expenses	3,105.17	2,670.41
Balances with Government authorities	314.65	1,175.98
Services export incentives	-	373.41
Other receivables - considered good	3.21	5.16
<b>Total</b>	<b>3,771.98</b>	<b>4,515.19</b>

### Note 18: Equity share capital

₹ Lakhs

Particulars	As at	
	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
<b>a) Authorised capital</b>		
100,00,00,000 (100,00,00,000) equity shares of ₹ 2 each with voting rights	20,000.00	20,000.00
60,00,00,000 (60,00,00,000) Redeemable preference shares of ₹ 100 each	6,000.00	6,000.00
<b>b) Issued share capital</b>		
65,92,59,899 (65,92,59,899) equity shares of ₹ 2 each with voting rights	13,185.20	13,185.20
<b>c) Subscribed and fully paid up</b>		
65,92,59,899 (65,92,59,899) equity shares of ₹ 2 each with voting rights	13,185.20	13,185.20
	<b>13,185.20</b>	<b>13,185.20</b>

#### d) Reconciliation of number of shares outstanding at the beginning and at the end of the year

Particulars	As at 31 <sup>st</sup> March 2023		As at 31 <sup>st</sup> March 2022	
	No. of shares	₹ Lakhs	No. of shares	₹ Lakhs
At the beginning of the year	659,259,899	13,185.20	630,551,766	12,611.04
Add/(Less) : Issued/(Buyback) equity shares	-	-	28,708,133	574.16
At the end of the year	<b>659,259,899</b>	<b>13,185.20</b>	<b>659,259,899</b>	<b>13,185.20</b>

During the year ended 31st March, 2022, 2,87,08,133 equity shares of ₹ 2 each fully paid up were issued to Rockfort Estate Developers Private Limited at a premium of Rs.8.45 per equity share by conversion of the loan.

#### e) Shareholders holding more than 5% shares

Particulars	As at 31 <sup>st</sup> March 2023		As at 31 <sup>st</sup> March 2022	
	No. of shares	% of holding	No. of shares	% of holding
Universal Hotels and Resorts Private Limited	240,442,344	36.47	240,442,344	36.47
JM Financial Asset Reconstruction Company Limited	163,943,459	24.87	163,943,459	24.87
Rockfort Estate Developers Private Limited	84,315,308	12.79	84,315,308	12.79
ITC Limited	49,953,055	7.58	49,953,055	7.58





f) **Shareholding of Promoters**

Name of the Promoters	As at 31 <sup>st</sup> March 2023			As at 31 <sup>st</sup> March 2022		
	No. of shares	% of holding	% Change during the year	No. of shares	% of holding	% Change during the year
Universal Hotels and Resorts Private Limited	240,442,344	36.47	-	240,442,344	36.47	(1.66)
Rockfort Estate Developers Private Limited	84,315,308	12.79	-	84,315,308	12.79	3.97
Mr.Vivek Nair & Mr.Dinesh Nair as trustees of Leela Family Trust	792,355	0.12	-	792,355	0.12	(0.01)
Mr.Vivek Nair	477,460	0.07	-	477,460	0.07	-
Mr.Dinesh Nair	444,180	0.07	0.01	374,050	0.06	-
Ms. Amruda Nair	300,000	0.05	-	300,000	0.05	-
Late P V Leela Amma Nair	75,000	0.01	-	75,000	0.01	-
Mrs. Lakshmi Nair	18,330	0.00*	(0.00)	18,330	0.00*	(0.00)
Mrs. Madhu Nair	360	0.00*	(0.00)	360	0.00*	(0.00)

\* the %age is less than two decimals.

**Note 19: Other equity**

₹ Lakhs

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>(a) Capital redemption reserve</b>		
As at 1st April	8,750.00	8,750.00
Increase/(decrease) adjustments	-	-
As at Closing	8,750.00	8,750.00
<b>(b) Security premium</b>		
As at 1st April	67,772.08	65,346.24
Add: Premium on issue of equity shares	-	2,425.84
As at Closing	67,772.08	67,772.08
<b>(c) General reserve</b>		
As at 1st April	13,195.39	13,195.39
Increase/(decrease) adjustments	-	-
As at Closing	13,195.39	13,195.39
<b>(d) Retained earnings</b>		
As at 1st April	(61,813.59)	(57,562.63)
Add/Less: Profit/(loss) for the year	764.70	(4,250.96)
As at Closing	(61,048.89)	(61,813.59)
<b>(e) Other comprehensive income</b>		
As at 1st April	135.81	(165.85)
Add/Less: Profit/(loss) for the year	(109.54)	301.66
As at Closing	26.27	135.81
<b>Total</b>	<b>28,694.85</b>	<b>28,039.69</b>

(i) Capital Redemption Reserve represents reserve created for redemption of Preference shares.

(ii) Securities premium is created due to premium on issue of shares. These is utilised in accordance with the provisions of the Companies Act.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### Note 20: Non-current borrowings

₹ Lakhs

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Secured</b>		
Rupee term loan from financial institution	-	3,974.21
Rupee term loan from others	278.06	195.88
<b>Total</b>	<b>278.06</b>	<b>4,170.09</b>
<b>Current maturities of long term debt (refer note 23)</b>		
Rupee term loan from financial institution	-	25.79
Rupee term loan from Others	123.62	85.52
<b>Total</b>	<b>123.62</b>	<b>111.31</b>
(shown under current borrowings)		

### Details of borrowings

₹ Lakhs

Particulars	Interest rate (%) - 31 Mar 23	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022	Details of security & Repayment Schedule
<b>Rupee loan from financial institution</b>				
Aditya Birla Finance Ltd.	-	-	4,000.00	Refer Note A
			4,000.00	
<b>Rupee loan from financial institution</b>				
BMW Financial Services (I) Limited - I to IV	8.99% & 9.15%	195.89	281.40	Refer Note B
BMW Financial Services (I) Limited - V	10.75%	120.13	-	Refer Note C
Kotak Mahindra Prime Limited	7.50%	11.18	-	Refer Note D
Mercedes-Benz Financial Services India Pvt Ltd.	8.75%	74.50	-	Refer Note E
		401.70	281.40	
<b>Rupee loan from others</b>				
Working capital facility from bank				
Punjab National Bank	6%	0.001	-	Refer Note F
Kotak Mahindra Bank Limited	MCLR + 3% (11.50%)	485.78	-	Refer Note G
		485.78	-	
<b>Total Secured Loans</b>		<b>887.48</b>	<b>4,281.40</b>	

#### Note A :

The rupee loan from financial institution is secured against present and future rent receivables from Unit No. A-14 and A-15 of Ground Floor, 2<sup>nd</sup> floor, 3<sup>rd</sup> Floor, 4<sup>th</sup> Floor and 5<sup>th</sup> Floor of the property named Leela Galleria situated at Andheri Kurla Road, Mumbai-400059 held as Investment Property and Corporate guarantee of Leela Fashion Private Limited.

The loan is repayable in 156 monthly installment from the date of first disbursement. During the previous financial year the Company has taken term loan of ₹ 4000 Lakhs from Aditya Birla Finance limited for the payment of disputed payable. As cost effective approach, pending settlement of dispute, the Company has prepaid the loan by redeeming the amount invested in the mutual fund.



**Note B :**

The rupee loan from BMW Financial Services (I) Limited - I to IV is secured against vehicles and is repayable in 60 EMI starting from April 2020.

**Note C :**

The rupee loan from BMW Financial Services (I) Limited - V is secured against vehicles and is repayable in 60 EMI starting from October 2022.

**Note D :**

The rupee loan from Kotak Mahindra Prime Limited is secured against vehicles and is repayable in 36 EMI starting from June 2022.

**Note E :**

The rupee loan from Mercedes-Benz Financial Services India Pvt. Ltd. is secured against vehicles and is repayable in 60 EMI starting from May 2023.

**Note F :**

During the year, the Company has availed working capital facility from Punjab national Bank of Rs.1500 Lakhs against the security of fixed deposit of ₹ 1595 lakhs.

**Note G :**

During the year, the Company has availed working capital facility of ₹ 1000 Lakhs and taken term loan sanction of ₹ 3000 Lakhs from Kotak Mahindra Bank Limited, which is still pending for disbursement.

The said loans are secured against First and exclusive charge on all existing and future current and fixed assets (including lease rentals) of the Borrower. Hypothecation of rent receivables from M/s Totalenergies Marketing India Private Limited, M/s Housing Development Finance Corporation Limited and M/s Safran India Private Limited or any other tenants in future of the mortgaged collateral property. Mortgage of the Unit No. A-14 and A-15 at Ground Floor, Entire 2<sup>nd</sup> Floor, Entire 3<sup>rd</sup> Floor, Entire 4<sup>th</sup> Floor and Entire 5<sup>th</sup> Floor of the property named Leela Galleria situated at Andheri Kurla Road, Mumbai-400059 held as Investment Property. The loan is secured by personal guarantee of Mr. Dinesh Nair and Corporate guarantee of Leela Fashion Private Limited. The working capital facility is to be reviewed on 31<sup>st</sup> December, 2023.

The term loan of ₹ 3,000 Lakhs is sanctioned for payment of disputed liability. The Bank will disburse as and when the dispute is settled. The said loan is repayable in 120 installment starting from month following the month of first disbursement. The loan carry MCLR + 3% as rate of interest.

**Note 21: Other non current financial liabilities**

₹ Lakhs

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Trade/security deposits received	183.99	195.65
<b>Total</b>	<b>183.99</b>	<b>195.65</b>

**Note 22: Non current provisions**

₹ Lakhs

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Employee benefit obligations:		
- for compensated absences	271.33	207.15
- for Gratuity (net)	229.21	468.31
<b>Total</b>	<b>500.54</b>	<b>675.46</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### Note 23: Current borrowings

₹ Lakhs

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Current maturities of long term debt (refer note 20)	123.62	111.31
<b>From Bank</b>		
Working capital facility	485.78	-
<b>Total</b>	<b>609.40</b>	<b>111.31</b>

### Note 24: Trade payables

₹ Lakhs

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
To micro enterprises and small enterprises - others (refer note 36.5)	21.24	6.13
	21.24	6.13
To other than micro enterprises and small enterprises		
- Related parties	270.03	277.55
- Others	6,834.59	5,653.66
<b>Total</b>	<b>7,104.62</b>	<b>5,931.21</b>

#### Ageing for trade payables outstanding as at 31<sup>st</sup> March, 2023 is as follows:

Particulars	Outstanding for following periods from date of transactions				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Undisputed</b>					
- MSME	21.24	-	-	-	21.24
- Others	1,064.58	15.42	0.24	58.69	1,138.93
<b>Disputed</b>					
- MSME	-	-	-	-	-
- Others	2,199.60	2,621.96	912.80	231.33	5,965.69
<b>Total</b>	<b>3,285.42</b>	<b>2,637.38</b>	<b>913.04</b>	<b>290.02</b>	<b>7,125.86</b>

#### Ageing for trade payables outstanding as at 31<sup>st</sup> March, 2022 is as follows:

Particulars	Outstanding for following periods from date of transactions				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Undisputed</b>					
- MSME	6.13	-	-	-	6.13
- Others	890.75	60.56	18.45	17.68	987.44
<b>Disputed</b>					
- MSME	-	-	-	-	-
- Others	1,457.07	1,164.89	2,090.81	231.00	4,943.77
<b>Total</b>	<b>2,353.95</b>	<b>1,225.45</b>	<b>2,109.26</b>	<b>248.68</b>	<b>5,937.34</b>


**Note 25 Other current financial liabilities**

₹ Lakhs

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Interest accrued on borrowings	-	32.72
Payable on purchase of property, plant and equipment	48.00	23.49
Liability for expenses	360.99	369.80
Trade/security deposits	-	33.65
<b>Total</b>	<b>408.99</b>	<b>459.66</b>

**Note 26: Other current liabilities**

₹ Lakhs

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Statutory liabilities	557.43	157.40
Deposit adjustable against future rent income	53.46	-
Advance from customers	319.81	256.48
<b>Total</b>	<b>930.70</b>	<b>413.88</b>

**Note 27: Current Provisions**

₹ Lakhs

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Employee benefit obligations:		
- for bonus	132.27	87.94
- for compensated absences	91.92	190.13
<b>Total</b>	<b>224.19</b>	<b>278.07</b>

**Note 28: Revenue from operations**

₹ Lakhs

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
<b>Revenue from sale of products:</b>		
Food & beverages	6,247.45	3,122.88
<b>Revenue from sale of services:</b>		
Room revenue	9,981.26	3,471.69
Income from rental & related services	545.47	520.25
Other services	514.14	184.89
<b>Total</b>	<b>11,040.87</b>	<b>4,176.83</b>
	<b>17,288.32</b>	<b>7,299.71</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### Note 29: Other income

₹ Lakhs

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Interest Income from Deposit with Bank	235.02	53.00
Interest from Others	262.91	-
Amortisation of interest on security deposits	58.65	51.71
Net foreign exchange gain/(loss)	5.99	0.11
Gain/Loss on derecognition of Financial Instrument/Assets	143.24	58.83
Change in fair value of investment	189.49	12.80
Provisions/ liabilities written back	34.39	144.07
Miscellaneous income	67.38	11.80
<b>Total</b>	<b>997.07</b>	<b>332.32</b>

### Note 30: Food and beverages consumed

₹ Lakhs

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Opening stock	287.65	253.96
Add: Purchases	1,359.26	749.15
	1,646.91	1,003.11
Less: Closing stock	308.50	287.65
<b>Total</b>	<b>1,338.41</b>	<b>715.46</b>

### Note 31: Employee benefit expenses and payment to contractors

₹ Lakhs

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Salaries & wages	3,625.23	1,917.17
Contribution to provident fund and other funds	250.86	258.50
Staff welfare expenses	377.58	241.77
Labour contract	1,058.83	520.30
<b>Total</b>	<b>5,312.50</b>	<b>2,937.74</b>

### Note 32: Finance costs

₹ Lakhs

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Interest on borrowings	394.31	134.28
Interest others	7.30	0.25
Interest on lease liabilities	60.19	93.92
Financial charges	48.87	6.89
<b>Total</b>	<b>510.67</b>	<b>235.34</b>





**Note 33: Depreciation and amortisation expenses**

₹ Lakhs

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Depreciation of property, plant and equipment	814.21	807.04
Depreciation of right of use assets	189.34	359.61
Depreciation of investment property	104.08	101.83
Amortisation of intangible assets	6.73	7.89
<b>Total</b>	<b>1,114.36</b>	<b>1,276.37</b>

**Note 34: Other Expenses**

₹ Lakhs

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Consumption of stores and supplies including linen	878.68	411.00
Power and fuel	975.40	793.42
Rent (including Royalty)	2,909.48	1,763.81
Repairs and maintenance		
- Buildings	258.83	227.16
- Machinery	424.80	252.73
- Others	290.89	258.67
Insurance	50.95	49.71
Rates and taxes	919.49	431.20
Other Operating expenses	196.13	105.47
Communication	41.10	34.07
Travelling and conveyance	91.96	39.50
Guest transport	247.20	103.69
Printing and stationary	37.35	31.58
Reservation fee	100.49	76.08
Sales & credit card commission	635.21	241.27
Business promotion	652.88	410.79
Legal and professional *	273.68	428.10
Directors' sitting fees	19.20	15.00
Provision/write-off of trade and other receivables	5.12	8.51
Loss on sale of property, plant and equipment (net)	12.81	9.35
Miscellaneous expenses	27.54	30.65
<b>Total</b>	<b>9,049.19</b>	<b>5,721.76</b>
* includes Auditors' remuneration:		
Statutory audit	12.00	8.00
Tax audit	3.00	2.00
Other services	7.51	7.99
	<b>22.51</b>	<b>17.99</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### Note 35: Exceptional items - profit/(loss)

₹ Lakhs

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Provision for Impairment of assets	(451.65)	-
Change in fair value of Assets held for sale	-	(380.92)
Profit / (Loss) on sale of Assets held for sale	-	(1,930.08)
Income from joint development of property	352.13	1,314.68
<b>Total</b>	<b>(99.52)</b>	<b>(996.32)</b>

### 36. Additional information to the Financial Statements

#### 36.1 Disputes with Airports Authority of India (AAI)

- (a) The lease agreement with Airports Authority of India (AAI) for leasing of 18000 sq mtrs of land for Mumbai hotel was valid till 11th July 2012. AAI vide letter dated 31st March, 2011, had offered to extend the lease for another 30 years, on the revised terms, which the Company had accepted. Pending execution of the lease agreement, AAI had been provisionally extending the lease for 3 to 6 months at a time and the latest extension was till 11th January, 2016. AAI has arbitrarily increased the lease rental payable for the Mumbai hotel, effective from 1st October 2014, the increased rentals on the basis of such arbitrary increase works out to Rs.11,479 lakhs for the period upto 31st March 2023 (upto 31st March 2022 Rs 9408 lakhs). The Company has objected to this increase and therefore not provided for the same. AAI has unilaterally terminated the lease and commenced eviction proceedings. The Company is legally contesting the same and Hon'ble Bombay High Court vide interim order dated 30th June, 2021 directed to AAI not to proceed in the matter of eviction. The final judgement in the matter of eviction is reserved on 27th October, 2021 and the final order has not yet been passed. Depreciation on Mumbai hotel building is provided at the applicable rate, on the assumption that the lease will be renewed.
- (b) The Company had also entered into another lease agreement on 7th February, 1996 with the AAI for a land admeasuring 11,000 sqmtr intended for the construction of a 150-room Hotel at Mumbai. A Supplementary Agreement dated 7th February 1996 entered into between the Company and AAI. The terms of the agreements was royalty on Gross Turnover with minimum guaranteed amount (MG) for a specified period and Ground Rent. The terms and conditions specified in the Supplemental Agreement, became impossible of performance for various reasons and therefore the project could not come through and the 150 room hotel could not be constructed. The Company vide letter dated 6th April, 2017 requested AAI to take over immediate physical possession of the land pending restoration of FSI by the Company. No Provision has been made for the cost of FSI as it is not ascertainable. However, AAI commenced the eviction proceedings with their claim of MG on projected turnover and enhanced rent. As per the revised claim filed by the AAI in February 2019 before the eviction officer, the amount claimed by AAI as on 31st January 2019 is Rs. 80705 lakhs towards royalty on projected turnover and rent including interest as against Rs.28537 lakhs as on 31st January 2017 claimed earlier by AAI, which the Company is disputing. The Company is legally contesting the same and Hon'ble Bombay High Court vide it's interim order dated 30th June, 2021 directed to AAI not to proceed in the matter of eviction. The final judgement in the matter of eviction is reserved on 27th October, 2021 and the final order has not yet been passed. According to legal opinion received, the liability is contingent in nature and hence no provision is made in the books.
- (c) The above disputes are at present with the Settlement Advisory Committee duly constituted by the Board of AAI. The Company in the various meetings held with them, putforth their submissions against the demand raised by them arbitrarily and for the renewal of lease for further period. The matter is still pending with the committee and the Company is awaiting the outcome of the decision of the committee.
- (d) In view of the above the company has not adopted IND AS-116 on the above leased transactions.

**36.2** An appeal filed by one of the minority shareholder viz. ITC Ltd. with Supreme Court of India against the order of Securities Appellate Tribunal (SAT) in the matter of transfer of Business Undertaking to Brookfield Group is pending for hearing. Further the petition filed by the said ITC Ltd. before National Company Law Tribunal ("NCLT"), Mumbai alleging oppression and mismanagement is also pending for disposal.

#### 36.3 Going Concern Basis

The financial statements of the Company have been prepared on a 'Going concern basis' on the assumption that the Company shall get favourable judgements and settlements in respect of matters referred in Note No.36.1 (a) and (b) including the renewal of lease and continue the business.



### 36.4 Contingent liabilities and commitments (to the extent not provided for)

₹ Lakhs

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
<b>Contingent liabilities:</b>		
(a) Disputed liability with AAI		
(i) refer note 36.1 (a)	11,479.00	9,408.00
(ii) refer note 36.1 (b)	80,705.00	80,705.00
(b) Other claims against the Company not acknowledged as debt	1,328.20	1,335.14
(c) Disputed Statutory Liabilities	3,033.76	3,286.48
<b>Commitment:</b>	691.09	-
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-

36.5 The information required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties had been identified on the basis of information available with the Company in this regard.

₹ Lakhs

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the year	21.24	6.13
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	Nil	Nil

Disclosures of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company.

### 36.6 Employee benefit plans

#### Defined contribution plans

The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable under these plans by the Company are at rates specified in the rules of the schemes.

#### Defined benefit plans

The Company offers the following employee benefit schemes to its employees:

##### (i) Gratuity

The Company has a tie-up under Employees' Trust Deed Group Gratuity- cum-Life Assurance Scheme of the Life Insurance Corporation of India, and has partly funded the defined benefit plan for eligible employees. The scheme provides for lump sum payment to eligible employees on retirement, death while in employment or on termination of employment, of an amount equivalent to 15 days' salary payable for each completed year of service or part thereof in excess of six months subject to a limit of ₹ 20 lakhs. The unfunded portion as well as the amounts in excess of the limit are to be borne by the Company, as per policy. Eligibility occurs upon completion of five years of service.

The present value of the defined benefit obligation and current service cost are measured using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### a) Reconciliation of Opening and Closing balances of Defined Benefit Obligation

₹ Lakhs

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Defined Benefit Obligation at beginning of the year	1,587.74	1,852.67
Current service cost	60.66	64.68
Past service cost		
Interest cost	88.85	96.38
Actuarial (gain)/loss	110.30	(302.40)
Benefits paid	(551.65)	(123.59)
Liabilities assumed/(settled)		
Defined Benefit Obligation at the end of the year	1,295.89	1,587.74

### b) Reconciliation of opening and closing balances of fair value of plan assets

₹ Lakhs

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Fair value of plan assets at beginning of the year	1,116.74	1,157.56
Expected return of plan assets	90.83	83.50
Employer contribution	410.00	-
Benefits paid	(551.65)	(123.59)
Fair value of plan assets at year end	1,066.68	1,116.74
Assets acquired/ (settled)	-	-
Actual return on plan assets	0.76	(0.74)

### c) Reconciliation of fair value of Assets and Obligations

₹ Lakhs

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Fair value of plan assets	1,066.68	1,116.74
Present value of obligation	1,295.89	1,587.74
Amount recognised in balance sheet ((surplus)/deficit)	229.21	470.99

### d) Expenses recognised during the year

₹ Lakhs

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
<b>In income statement</b>		
Current service cost	60.66	64.68
Past service cost		
Interest cost	(1.99)	12.88
<b>Net cost</b>	<b>58.67</b>	<b>77.55</b>
<b>In other comprehensive income</b>		
Actuarial (Gain)/Loss	110.30	(302.40)
Return on plan assets	(0.76)	0.74
<b>Net (income)/expense for the period recognised in OCI</b>	<b>109.53</b>	<b>(301.66)</b>



(ii) **Compensated absence liabilities**

Present value of compensated absence liabilities (unfunded) recognised in Balance Sheet as per actuarial valuation under Projected Unit Credit Method.

**36.7 Segment Information**

The Company has identified single reportable segment, i.e., hotel, as its business. Accordingly, disclosures relating to the segmentation under Ind AS 108, "Operating Segment" is not required.

**36.8 Leases**

- a) The Company's lease asset primarily consist of lease for buildings. The Company has applied the exemption not to recognize right-of-use assets and liabilities for leases with:
- i) less than 12 months of lease term on the date of contract inception.
  - ii) either low value or cancellable at the option of lessee.
  - iii) lease already expired and not renewed till date.
  - iv) Variable lease payments (including deposit given to the lessor) that do not depend on an index or a rate.
  - v) Lease payment related to discontinued operations.
- b) The Company incurred ₹ 709.95 lakhs for the year ended 31<sup>st</sup> March, 2023 towards expenses related to either short-term leases or low value lease or variable lease.
- c) The Company incurred ₹ 2199.60 lakhs for the year ended 31<sup>st</sup> March, 2023 towards lease with AAI is which is expired and not renewed.
- d) The weighted average effective interest rate applied to lease liabilities is 9%.
- e) Maturity Analysis of Lease Liability

₹ In Lakhs

Particulars	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
Less than 1 year	281.24	178.09
Between 1 and 2 years	307.63	192.88
Between 2 and 5 years	1,201.87	111.34
Over 5 years	601.71	-
<b>Total</b>	<b>2,392.45</b>	<b>482.31</b>

- f) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

**36.9 Related party transactions**

(i) **Details of related parties:**

**Associates:**

Leela Lace Holdings Pvt Ltd.	Fransisco Hospitality Pvt Ltd.	LSL Capital Limited (Formerly LMV Associates Ltd.)
Leela Fashions Pvt Ltd.	Leela Capital and Finance Ltd.	LSL Hotels and Resorts Pvt. Ltd.
Rockfort Estate Developers Pvt Ltd.	Leela Housing Pvt Ltd.	Season Apparels Pvt. Ltd.
LSL Holdings Pvt. Ltd. (Formerly Leela Hospitality Pvt Ltd.)	Leela IT Projects Pvt Ltd.	Universal Hotels & Resorts Pvt Ltd
Doyen Hotels Pvt. Ltd.	Leela Lace Estates Pvt Ltd.	Vibgyor Leasing Pvt Ltd.
Elegant Eateries Pvt Ltd.	Leela Realty Ltd.	Zillion Hotels & Resorts Pvt Ltd.
Krishana Hotels and Resorts Pvt Ltd	Leela Krishnan Nair Foundation	L Lifestyle Services Pvt Ltd
Leela Lace Builders Pvt Ltd	Araiya Hospitality Private Ltd	Pleasant Realty Pvt Ltd.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Key Management Personnel (KMP)	Non-Executive Directors	Relatives of Key Management Personnel (KMP)
Mr. Vinay Kapadia (Chairman upto 6 <sup>th</sup> Oct 2022)	Mrs. Madhu Nair	Mrs. Lakshmi Nair
Mr. Vivek Nair (CEO upto 30 <sup>th</sup> Sep 2022) (Chairman & Managing Director w.e.f 3 <sup>rd</sup> Oct 2022)	Ms. Amruda Nair Ms. Saija Nair	Mrs. Aishwarya Nair Ms. Samyukta Nair
Mr. Dinesh Nair (Joint CEO upto 30 <sup>th</sup> Sep 2022) (Co-Chairman & Managing Director w.e.f 3 <sup>rd</sup> Oct 2022)	Mr. Vijay Sharma (upto 8 <sup>th</sup> May 2023) Mr. Ashok Rajani Mr. Shereveer Vakil (w e f 3 <sup>rd</sup> Oct 2022)	Mr. Aushim Nair

### (II) Transactions carried out with Related Parties & KMP

₹ In Lakhs

Particulars	Associates		Key Management Personnel	
	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
<u>Sale of room, food, goods and other services</u>				
LSL Holdings Pvt. Ltd.	-	0.42		
Leela Lace Holdings Pvt. Ltd.	-	0.74		
<u>Mr. Ashok Rajani</u>	<b>1.93</b>	-		
Refund of Excess amount of Sale of Flats (Assets held for Sale)				
<u>Leela Lace Holdings Pvt. Ltd.</u>	-	11.88		
Expenses towards goods & services				
<u>LSL Holdings Pvt. Ltd.</u>	<b>1.88</b>	-		
Income from rental & related services				
<u>Leela Fashions Pvt. Ltd</u>	<b>53.24</b>	69.60		
Expense towards lease rent				
Leela Lace Holdings Pvt. Ltd.	<b>809.37</b>	621.91		
Leela Fashions Pvt. Ltd	<b>0.25</b>	0.25		
<u>Remunerations</u>				
Mr. Vivek Nair			<b>119.35</b>	120.00
Mr. Dinesh Nair			<b>119.35</b>	120.00
Retirement benefits paid to KMP				
Mr. Vivek Nair			<b>305.00</b>	-
Mr. Dinesh Nair			<b>305.00</b>	-
Ms. Samyukta Nair			<b>13.61</b>	-
<u>Directors' Sitting Fees</u>				
Ms. Saija Nair			<b>4.20</b>	3.30
Mr. Vinay Kapadia			<b>2.70</b>	3.60
Mr. Vijay Sharma			<b>4.80</b>	3.00
Mr. Ashok Rajani			<b>2.70</b>	1.50
Mrs. Madhu Nair			<b>0.90</b>	1.20
Mr. Shereveer Vakil			<b>1.20</b>	-
Ms. Amruda Nair			<b>2.70</b>	2.40



Particulars	Associates		Key Management Personnel	
	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022
<u>Unsecured loan received during the year</u>				
Leela Lace Holdings Pvt. Ltd.	-	1,946.00		
Leela Fashions Pvt. Ltd.	-	1,000.00		
Rockfort Estate Developers Pvt Ltd. (including receipt of ₹ 3,000 Lakhs assigned from Leela Lace Holding Pvt. Ltd.)	-	3,025.00		
<u>Repayment of unsecured loan received</u>				
Leela Lace Holdings Pvt. Ltd. (including payment of ₹ 3,000 Lakhs assigned to Rockfort Estate Developers Pvt. Ltd.)	-	4,737.01		
Leela Fashions Pvt. Ltd.	-	1,000.00		
Rockfort Estate Developers Pvt Ltd.	-	25.00		
<u>Issue of Equity Shares</u>				
Rockfort Estate Developers Pvt Ltd. (On conversion of Loan)	-	3,000.00		

Particulars	Associates	
	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<u>Debit balance outstanding</u>		
Leela Fashions Pvt. Ltd.	15.65	14.37
Mr. Ashok Rajani	0.16	-
<u>Credit balance outstanding</u>		
Leela Lace Holdings Pvt. Ltd.	270.03	277.55
Mr.Vivek Nair	-	5.45
Mr.Dinesh Nair	-	5.45
<u>Deposits given</u>		
Leela Lace Holdings Pvt. Ltd.	3,000.00	3,000.00

(iii) The Company has not given any loans to the directors or to entities in which they are interested, but there are dues towards regular transactions which are repayable in the normal course of the business.

### 36.10 Earnings per share

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
<b>Basic &amp; Diluted earning per share</b>		
Net profit/(loss) for the year (₹ Lakhs)	764.68	(4,250.96)
Weighted average number of equity shares	659,259,899	646,990,122
Par value per share (₹)	2.00	2.00
Earnings per share (₹)	0.12	(0.66)



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### 36.11 Tax Disclosure

₹ In Lakhs

Particulars	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
Current Tax		
In respect of the current year	-	-
In respect of the earlier year	96.06	-
Total Tax expenses recognised in the current year	96.06	-

The Company has received a demand cum refund order from Income Tax department, wherein a tax liability of ₹ 100 lakhs related to prior years was adjusted against refund and net of earlier year tax adjustment of ₹ 4 Lakhs is accounted during the year.

**36.12** During the current year, the Company saw strong rebound in the business aided by leisure travel and gradual pickup in business travel. The Company will continue to closely monitor any material changes to future economic conditions on account of COVID-19 to assess any possible impact on the Company.

### 36.13 Additional Disclosure under regulatory requirements

#### a. Transaction with struck off companies for the year ended 31<sup>st</sup> March, 2023.

Name of the struck off company	Nature of transactions	Amount in Lakhs
Indian Travel Promotion Company Pvt Ltd.	Revenue from Operation	0.09
	Advance from Customer	0.22
Keller Ground Engineering India Pvt Ltd.	Revenue from Operation	0.70

- b.** The Company had not granted any loans or advances in the nature of loans to promoters, directors, KMP's and the related parties defined (as defined under Companies Act, 2013) either severally or jointly with any other person.
- c.** The Company was not holding any benami property and no proceeding was initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.
- d.** The Company has used funds borrowed for the specific purposes only for the purposes which it has been borrowed.
- e.** Borrowings as reported in financial statements for the year ended March 31, 2023, we confirm that all charges created/ satisfied during FY 2022-23 have been registered with the Ministry of Corporate Affairs.
- f.** The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds), to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- g.** The Company has not received any funds from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- h.** The Company has not traded or invested in crypto currencies or virtual currencies during the year ended 31<sup>st</sup> March, 2023.



### 36.14 Disclosure of Ratios

Sr. No.	Particulars	Numerator	Denominator	Year ended 31 <sup>st</sup> March 2023	Year ended 31 <sup>st</sup> March 2022	% Variance	Remarks for variance more than 25%
1	Current Ratio	Current Asset	Current Liability	1.17	1.88	-37.71	Current assets are decreased due to sale of current investment to prepay long term borrowing.
2	Debt-Equity Ratio	Borrowings and lease liability	Total equity	0.08	0.12	-32.23	Debt equity ratio is reduced due to reduction in borrowings and increase in profit during the year.
3	Debt Service Coverage Ratio	Net profit before tax + Interest cost on borrowings	Interest cost on borrowing + Principal repayment of borrowing	0.33	Negative	-	Due to profit during the year
4	Return on Equity Ratio	Net profit after Tax	Average shareholder's fund	1.84%	-10.19%	-118.05	Due to profit during the year
5	Inventory turnover ratio	Food and beverage consumed	Average Inventory of food and beverages	4.49	2.64	69.96	The consumption of food and beverage is increase due to increase in revenue but average inventory level is remained same during the year.
6	Trade Receivables turnover ratio	Revenue from Operations	Average trade receivables	19.07	18.91	0.84	-
7	Trade payables turnover ratio	Purchases + other expenses	Average trade payables	1.58	1.17	35.03	Increase in ratio on account of increase in purchase and other expenses as revenue from operations are increased during the year.
8	Net capital turnover ratio	Revenue from Operations	Working Capital	10.73	1.13	849.52	Increase in ratio on account of increase in revenue, Increase in current liabilities and reduction of current assets.
9	Net profit ratio	Net profit after Tax	Total income	4.18%	-55.70%	-107.51	Increase in ratio on account of increase in revenue and profit during the year.
10	Return on Capital employed	Profit before tax + finance costs	Total equity	3.27%	-9.74%	-133.62	Increase in ratio on account of increase in revenue and profit during the year.
11	Return on investment	Income generated from investments	Average funds invested in investment	9.44%	0.64%	1380.88	Increase due to change in fair value of Investment

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### Note 37: Fair value measurement:

- 1 The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
- 2 The following methods and assumptions were used to estimate the fair values:
  - a The fair value of trade receivables, trade payables and other current financial assets and liabilities are considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are non-current in nature, the same has been classified as Level 3.
  - b The fair value of security deposits are calculated using effective interest rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.
  - c Considering the contracted rate of interest, the carrying amounts of all other term borrowings that are measured at fair value are reasonable approximation of fair value.
  - d For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to their fair values.

### 3 Analysis of fair value measurement:

- a The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

- b Financial Instruments by category:

₹ Lakhs

Particulars	As at 31 <sup>st</sup> March 2023		As at 31 <sup>st</sup> March 2022	
	FVPL	Amortised cost	FVPL	Amortised cost
<b>Financial assets</b>				
<b>Non-current:</b>				
<b>Investments:</b>				
Equity investment in a subsidiary	-	-	-	-
Other equity investment	-	-	-	-
<b>Other non current financial assets</b>		<b>4,125.00</b>		<b>1,665.88</b>
<b>Current:</b>				
Investments	-	-	4,012.60	-
Trade receivables	-	<b>1,325.10</b>	-	488.47
Cash & cash equivalents	-	<b>1,384.03</b>	-	317.59
Other balances with banks	-	<b>3,545.28</b>	-	2,357.48
Other financial assets	-	<b>559.39</b>	-	1,491.63
<b>Total</b>	<b>-</b>	<b>10,938.80</b>	<b>4,012.60</b>	<b>6,321.04</b>
<b>Financial liabilities</b>				
<b>Non current:</b>				
<b>Borrowings</b>	-	<b>278.06</b>	-	4,170.09
Lease liabilities	-	<b>2,111.21</b>	-	304.22
Other liabilities	-	<b>183.99</b>	-	195.65
<b>Current:</b>				
Borrowings	-	<b>609.40</b>	-	111.31
Lease liabilities	-	<b>281.24</b>	-	178.09
Trade payables	-	<b>7,125.86</b>	-	5,937.34
Other financial liabilities	-	<b>408.99</b>	-	459.66
<b>Total</b>	<b>-</b>	<b>10,998.76</b>	<b>-</b>	<b>11,356.35</b>



## Note 38: Financial Risk Management

### Risk Management framework

The activities of the Company expose it to market risk, credit risk and liquidity risk.

The Company's principal financial liabilities comprise, long term security deposits received, trade and other payables. The group has trade and other receivables and cash and short term deposits that arrive directly from its operations. The Company has also paid long term lease deposits.

The Company's Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. The company's risk management policies are established to identify and analyse the risk faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company's Audit Committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the company.

### A Market Risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency, payables and loans and borrowings.

The Company manages market risks through finance department, which evaluates and exercises independent control over the entire process of market risk management. The finance department recommends risk management objectives and policies which are approved by the finance committee and Audit Committee. The activities of the department includes management of cash resources, borrowing strategies and ensuring compliance with market risk limits and policies.

#### - Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk changes in the market interest rates relates primarily to the Company's debt obligations which is fully repaid during the year as a part of settlement with lenders.

The borrowings in terms of fixed rate and floating rate are as follows:

Particulars	₹ In Lakhs	
	31 March, 2023	31 March, 2022
Fixed rate of borrowings	401.68	281.39
Variable rate of borrowings	485.78	4,000.00
Total borrowings	<u>887.46</u>	<u>4,281.39</u>

As at the reporting period, the Company had the following variable average interest rate borrowing outstanding:

Particulars	Year ended	
	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
Weighted average interest rate	11.5%	9.5%
Balance ₹ lakhs	485.78	4,000.00

#### - Interest Sensitivity

The following table demonstrates the sensitivity to a reasonable possible change in interest rates on that portion of loans. With all other variables held constant, the Company's profit/(loss) before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	₹ In Lakhs	
	31 March 2023	31 March 2022
Interest rates - increase by 100 basis points	(22.43)	(24.83)
Interest rates - decrease by 100 basis points	22.43	24.83

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### - Foreign currency risk

Foreign currency risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate due to the changes in the foreign exchange rates. However, as on the date of balance sheet, the Company has no foreign currency denominated assets and liabilities except nominal trade payable which does not have any major impact on the financial statement.

### B Credit Risk:

Credit risk arises from the possibility that the counter party may not be able to settle their obligation as agreed. Customer credit risk is managed by each business unit subject to Company's established policy, procedure and control relating to customer risk management. Further, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

Financial assets are written off when there is no reasonable expectations of recovery, such debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables and advances based on historical trend, industry practices and the business environment in which the entity operates. Based on the historical data the provision for loss on receivables is made.

#### Ageing of Account receivables:

₹ In Lakhs

Particulars	31 March 2023	31 March 2022
0-3 months	1,102.78	431.41
3-6 months	174.39	55.71
beyond 6 months	47.93	1.35

#### Movement in provisions for doubtful receivables

₹ In Lakhs

Particulars	31 March 2023	31 March 2022
Opening provision	277.90	1,380.33
Add: Additional provision made	5.12	8.51
Less: Provision write off	6.01	1,110.95
Less: Provision reversed	1.89	-
Closing provisions	275.12	277.90

### C Liquidity risk :

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. Competitive intensity has adversely impacted revenue and consequent cash accruals during the year. The Company closely monitors its liquidity position to ensure that the operations of the Company are not affected adversely due to liquidity and is attempting to enhance its sources of funding by increasing cash flow generated from its operations and realisations from other proposed measures.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual obligations.

₹ In Lakhs

As at 31 March 2023	Total	Less than 6 months	6 to 12 months	1 to 3 years	beyond 3 years
Trade payables*	7,125.86	7,125.86	-	-	-
Borrowings	887.48	546.19	63.21	166.85	111.23
Lease Liability	2,392.45	137.47	143.77	644.11	1,467.10
Other current financial liabilities	408.99	408.99	-	-	-
<b>Total</b>		<b>8,218.52</b>	<b>206.99</b>	<b>810.96</b>	<b>1,578.32</b>

\* Undisputed trade payables are normally payable within 60 days. However, due to COVID-19 breakdown they are paid in 180 days.



₹ In Lakhs

As at 31 March 2022	Total	Less than 6 months	6 to 12 months	1 to 3 years	beyond 3 years
Trade payables*	5,937.34	5,937.34	-	-	-
Borrowings	4,281.40	50.85	60.45	273.99	3,896.10
Lease Liability	482.31	87.27	90.82	304.22	-
Other current financial liabilities	426.93	426.93	-	-	-
<b>Total</b>		<b>6,502.40</b>	<b>151.27</b>	<b>578.21</b>	<b>3,896.10</b>
* Trade payables are payable within 60 days					

**D Capital Risk Management:**

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders and to service debt obligations, whilst maintaining maximum operational flexibility. Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by Equity. Net debt is calculated as total borrowings less cash and cash equivalents and current investments.

In terms of our report attached

**For N. S. Shetty & Co.**

Chartered Accountants

Registration No : 110101W

**Rohit Shetty**

Partner

Membership No. 135463

Mumbai, 29<sup>th</sup> May 2023**For and on behalf of the Board of Directors****Vivek Nair**

DIN: 00005870

Chairman and

Managing Director

**Umesh Dombe**

Chief Financial Officer

**Savitri Yadav**

Company Secretary

## NOTICE

NOTICE is hereby given that the **FORTY SECOND ANNUAL GENERAL MEETING ("AGM") of HLV LIMITED** will be held on Thursday, **3<sup>rd</sup> August, 2023 at 3.00 P.M.** Indian Standard Time ("IST"), through Video Conferencing / Other Audio Visual Means ("VC / OAVM"), to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2023 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Salini Madhu Nair (DIN 00011223), who retires by rotation and being eligible, offers herself for re-appointment.

### SPECIAL BUSINESS:

**3. Appointment of Ms. Niranjana Unnikrishnan (DIN: 10140976) as an Independent Director**

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

**"RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualifications of Directors) Rules, 2014 ("the Rules"), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), Ms. Niranjana Unnikrishnan (DIN: 10140976), who was appointed as an Additional Director in the capacity of an Independent Director of the Company under section 161(1) of the Act and the Articles of Association of the Company with effect from 8<sup>th</sup> May, 2023, who has submitted a declaration that she meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations and is eligible for appointment and in respect of whom the Company has received a Notice from a Member under Section 160 of the Act signifying the intention to propose Ms. Niranjana Unnikrishnan as a candidate for the office of Director, be and is hereby, appointed as a Non-Executive Independent Director of the Company not liable to retire by rotation, to hold office for a term of five years effective from 8<sup>th</sup> May, 2023 till 7<sup>th</sup> May, 2028 (both days inclusive)."

**4. Re-appointment of Ms. Saija Ramchandran Nair (DIN: 03623949) as an Independent Director for the second term**

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

**"RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualifications of Directors) Rules, 2014 ("the Rules"), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

and the Articles of Association of the Company, as well as based on the recommendation of the Nomination and Remuneration Committee, Ms. Saija Ramchandran Nair (DIN: 03623949), who was appointed as an Independent Director of the Company at the 37<sup>th</sup> Annual General Meeting of the Company for a period of five years, from 30<sup>th</sup> May, 2018 to 29<sup>th</sup> May, 2023, who offered herself for re-appointment and has submitted a declaration that she meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations and is eligible for appointment and in respect of whom the Company has received a Notice from a Member under Section 160 of the Act signifying the intention to propose Ms. Saija Ramchandran Nair as a candidate for the office of Director, be and is hereby, appointed as a Non-Executive Independent Director of the Company not liable to retire by rotation, to hold office for the second consecutive term of five years effective from 30<sup>th</sup> May, 2023 till 29<sup>th</sup> May, 2028 (both days inclusive)."

**5. Change in place of keeping registers and records of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), approval of the Members of the Company be and is hereby accorded to keep and maintain the Registers as prescribed under Section 88 of the Act and copies of Annual Returns as required under Section 92 of the Act, together with the copies of certificates and documents required to be annexed thereto or any other documents as may be required, at the Registered Office of the Company and/or at the office of MCS Share Transfer Agent Limited, the Registrar and Share Transfer Agent (RTA) of the Company at 3B3, 3<sup>rd</sup> Floor, B-Wing, Gundecha Onclave Premises Co-op. Society Ltd., Kherani Road, Saki Naka, Andheri East, Mumbai-400072, Maharashtra, India and / or at such other place, where the RTA may shift its office from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company or any Committee thereof or any person authorised by the Board of Directors/Committee, be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

**6. Ratification of related party transactions with Leela Lace Holdings Private Limited, a promoter Group Company**

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

**"RESOLVED THAT** pursuant to the provisions of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable and any amendments thereto and pursuant to the approval of the Audit Committee, the approval





of the members be and is hereby accorded for ratification of the payment of rent and royalty to Leela Lace Holdings Private Limited, a Promoter Group Company during the financial year 2022-23 of ₹ 809.37 lakhs as detailed in the explanatory statement to this Notice in excess of the 10% of the annual turnover of the Company as per the last audited financial statements.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to this Resolution and to do all such things and take all such actions as may be required from time to time for giving effect to the above Resolution and matters related thereto.”

**By order of the Board of Directors  
For HLV Limited**

**Savitri Yadav**  
Company Secretary  
ACS No. 21994

**Registered Office:**

The Leela, Sahar, Mumbai - 400 059  
CIN: L55101MH1981PLC024097  
Mumbai, 29<sup>th</sup> May, 2023

**EXPLANATORY STATEMENT**

[Pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”)]

The following Statement sets out all material facts relating to the special business mentioned at Item Nos. 3 to 6 of the accompanying Notice.

**Item No. 3:**

**Appointment of Ms. Niranjana Unnikrishnan (DIN: 10140976) as an Independent Director**

Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors vide their Circular Resolution dated 4<sup>th</sup> May, 2023 have appointed Ms. Niranjana Unnikrishnan (DIN: 10140976) as an Additional Director in the capacity of Non-Executive, Independent Director of the Company to hold office for a term of five years from 8<sup>th</sup> May, 2023 to 7<sup>th</sup> May, 2028, not liable to retire by rotation, subject to approval of the Members of the Company.

In terms of Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) the Company is required to obtain approval of shareholders for appointment of a Director at the next Annual General Meeting or within a period of three months from the date of appointment, whichever is earlier.

The Company has received a notice in writing from a member under Section 160 of the Act, signifying the intention to propose the candidature of Ms. Niranjana Unnikrishnan as a Director of the Company.

The Company has received necessary declaration(s) from Ms. Unnikrishnan confirming that she meets the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations.

Ms. Unnikrishnan is not disqualified from being appointed as a Director under provisions of Section 164 of the Act, nor debarred from holding the office of director by virtue of any SEBI order or any other such authority and has given her consent to act as a Director of the Company.

The brief resume and the nature of expertise of Ms. Unnikrishnan is as under:

Ms. Niranjana Unnikrishnan, is B.A. (Honours) in History from St. Stephens’ College, University of Delhi and LLB (Honours) from University of Bristol, United Kingdom. She, aged 42 years, has more than 17 years of rich and varied experience in the field of Media and Entertainment law as an in house counsel and independent practitioner.

The role and capabilities as required in the case of an independent director are well defined in the Nomination, Appointment and Remuneration Policy of the Company. The Nomination and Remuneration Committee of the Board has evaluated the profile of Ms. Unnikrishnan and concluded that Ms. Unnikrishnan possess the relevant skills and capabilities to discharge the role of Independent Director. Ms. Unnikrishnan is a person of integrity and upholds ethical standards of integrity and probity, will act objectively and constructively, exercise her responsibilities in a bona-fide manner in the interests of the Company, devote sufficient time and attention to her professional obligations for informed and balanced decision-making and assist the Company in implementing the best corporate governance practices.

Your Board believes that Ms. Unnikrishnan’s induction on the Board will support in broadening the overall expertise of the Board and will bring wide experience particularly in the areas of Legal matters, Compliance and Corporate Governance. In the opinion of the Board, Ms. Unnikrishnan fulfils the conditions specified in the Act and the rules made thereunder for appointment as an independent director and that she is independent of the management.

In accordance with Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard - 2, Ms. Unnikrishnan’s other particulars are given in Notes to the Notice.

The Board, after satisfying itself that the appointment of Ms. Unnikrishnan will be in the interest of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee, recommends the appointment of Ms. Unnikrishnan as a Non-Executive, Independent Director, not liable to retire by rotation.

A copy of the appointment letter, setting out terms and conditions of her appointment is available on the website of the Company at [www.hlvtd.com](http://www.hlvtd.com).

Save and except Ms. Unnikrishnan and her relatives, none of the Directors/ Key Managerial Personnel and their relatives are in any way,

interested or concerned, financially or otherwise in the Resolution set out at Item No.3.

The Board recommends the special resolution set forth at Item No. 3 for the approval of the Members.

**Item No. 4:**

**Re-appointment of Ms. Saija Ramchandran Nair (DIN:03623949) as an Independent Director for the second term**

Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company have at their Meeting held on 29<sup>th</sup> May, 2023 re-appointed Ms. Saija Ramchandran Nair (DIN:03623949) as a Non-Executive, Independent Director of the Company for the second consecutive term of five years, from 30<sup>th</sup> May, 2023 to 29<sup>th</sup> May, 2028 not liable to retire by rotation, subject to approval of the Members of the Company.

In terms of Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the Company is required to obtain approval of shareholders for appointment of a Director at the next Annual General Meeting or within a period of three months from the date of appointment, whichever is earlier.

The Company has received a notice in writing from a member under Section 160 of the Act, signifying the intention to propose the candidature of Ms. Saija Ramchandran Nair as a Director of the Company.

The Company has received necessary declaration(s) from Ms. Nair confirming that she meets the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations.

Ms. Nair is not disqualified from being appointed as a Director under provisions of Section 164 of the Act, nor debarred from holding the office of director by virtue of any SEBI order or any other such authority and has given her consent to act as a Director of the Company.

The brief resume and the nature of expertise of Ms. Nair is as under:

Ms. Saija Ramchandran Nair, aged 50 years, is a Commerce Graduate with over 20 years of experience in the field of marketing and business development. At present, she is a director on the Board of Saija Fashions Private Limited and Nicael Designs Private Limited, engaged in the business of garment fashions.

The role and capabilities as required in the case of an independent director are well defined in the Nomination, Appointment and Remuneration Policy of the Company. The Nomination and Remuneration Committee of the Board has evaluated the profile of Ms. Nair and concluded that Ms. Nair possess the relevant skills and capabilities to discharge the role of Independent Director. Ms. Nair is a person of integrity and upholds ethical standards of integrity and probity, will act objectively and constructively, exercise her responsibilities in a bona-fide manner

in the interests of the Company, devote sufficient time and attention to her professional obligations for informed and balanced decision-making and assist the Company in implementing the best corporate governance practices.

The performance evaluation of Ms. Saija Nair was done by the entire Board of Directors excluding herself which included her individual performance, criteria of independence as prescribed under the Act and the rules made thereunder and SEBI Listing Regulations and her independence from the management.

In the opinion of the Board, Ms.Nair fulfils the conditions specified in the Act and the rules made thereunder and SEBI Listing Regulations for appointment as an independent director and that she is independent of the management. On the basis of the performance evaluation of Ms. Saija Nair, it was determined to re-appoint Ms. Nair for a second consecutive term of five years.

In accordance with Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard - 2, Ms. Nair's other particulars are given in the Notes to the Notice.

The Board, after satisfying itself that the re-appointment of Ms. Nair will be in the interest of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee, recommends the appointment of Ms. Nair as a Non-Executive Independent Director, not liable to retire by rotation.

A copy of the appointment letter, setting out terms and conditions of her appointment is available on the website of the Company at [www.hlvtd.com](http://www.hlvtd.com).

Save and except Ms. Nair and her relatives, none of the Directors/ Key Managerial Personnel and their relatives are in any way, interested or concerned, financially or otherwise in the Resolution set out at Item No.4.

The Board recommends the special resolution set forth at Item No. 4 for the approval of the Members.

**Item No.5:**

**Change in place of keeping registers and records of the Company**

Pursuant to Section 94 and other applicable provisions, if any, of the Act read with the Companies (Management and Administration) Rules, 2014, certain documents such as the Registers prescribed under Section 88 of the Act and copies of Annual Returns as required under Section 92 of the Act, together with the copies of certain other registers, certificates, documents, etc. are required to be kept and maintained at the Registered Office of the Company. However, these registers and documents can be kept at any other place within the city, town or village in which the registered office is situated or any other place in India in which more than one-tenth of the total members entered in the register of members reside, if approved by a Special Resolution passed at a general meeting of the Company.



The Board has appointed MCS Share Transfer Agent Limited (“MCS”) as its new Registrar and Share Transfer Agent (RTA) in place of KFin Technologies Limited.

Therefore, approval of the Members is sought by way of a Special Resolution for keeping and maintaining the Registers as mentioned above together with the copies of certificates and documents required to be annexed thereto or any other documents as may be required, at the Registered Office of the Company and/or at the office of MCS, the RTA of the Company at 3B3, 3<sup>rd</sup> Floor, B-Wing, Gundecha Onclave Premises Co-op. Society Ltd., Kherani Road, Saki Naka, Andheri East, Mumbai-400072, Maharashtra, India and / or at such other place, where the RTA may shift its office from time to time.

The Board recommends the Special Resolution set forth at Item No. 5 of the accompanying Notice for approval by the Members.

None of the Directors, Key Managerial Personnel and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the said Resolution.

#### Item No. 6

#### Ratification of related party transactions with Leela Lace Holdings Private Limited (LLHPL), a promoter Group Company

The Company’s Hotel at Mumbai is situated on the leasehold land owned by Airports Authority of India (AAI) and Leela Lace Holdings Private Limited (LLHPL), a Promoter Group Company. As per the Lease Deed with LLHPL, the Company is paying a fixed lease rent and royalty as a percentage of turnover to LLHPL for use of the land owned by LLHPL.

The Company is also using part of the commercial building owned by LLHPL on leave and license basis for laundry operations and as its corporate office and administration office. The employees of the Company working in finance, legal, secretarial, security, housekeeping, maintenance, etc. operate from this building.

Regulation 23 of the SEBI Listing Regulations, inter alia, states that all Material Related Party Transactions shall require prior approval of the Members by means of an Ordinary Resolution, even if such transaction(s) are in the ordinary course of business and at an arm’s length pricing basis. A transaction with a Related Party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ₹ 1,000 crore or 10% of the annual consolidated turnover of a listed entity as per the last audited financial statements of the listed entity, whichever is lower.

The Company paid following amount as rent and royalty to LLHPL during the financial year 2022-23 and its comparison with the turnover of the Company is as follows:

F.Y. during which payments made to LLHPL	Preceding F.Y.	Total Turnover in the preceding F. Y. (₹ in Lakhs)	10% of Annual turnover of preceding F.Y. (₹ In Lakhs)	Aggregate amount of rent and royalty paid to LLHPL in current F.Y. and its percentage to total turnover of the preceding F.Y. (₹ in Lakhs)			
				Rent	Royalty	Total	%
2022-23	2021-22	7,299.71	729.98	484.94	324.43	809.37	11.08%

The Company pays royalty to LLHPL monthly, based on the revenues for the relevant month. Therefore, total amount of royalty for the entire financial year cannot be ascertained in advance. The turnover had fallen during the financial year 2021-22 due to Covid 19 pandemic, but improved to ₹ 172.88 Crores in the financial year 2022-23. Therefore, the Company had to pay higher amount of royalty resulting into payment of aggregate amount of rent and royalty at the end of the financial year exceeding the threshold limits prescribed under Regulation 23 of SEBI Listing Regulations.

Information required under SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 is provided herewith:

<b>Name of the related party and its relationship with the Company</b>	Leela Lace Holdings Private Limited - Promoter Group Company	
<b>Nature of its concern or interest (financial or otherwise)</b>	Financial	
<b>Type, material terms and particulars of the transaction</b>	Lease rent and royalty for leasehold land for hotel building. Area of land: 7,525 Sq. mtrs. Rent @ 3.4 Lacs p.a. + Royalty @ 2 % of Total Revenue of the Hotel	Leave and License fee for use of commercial building for office premises and laundry  Laundry Area - 15,673.74 sq. ft. situated at the Ground floor and office area of 12,094.47 sq. ft. situated at the 1 <sup>st</sup> , 2 <sup>nd</sup> and 3 <sup>rd</sup> Floor of Commercial Building adjacent to Mumbai Hotel  Rent for office area – ₹ 100 per sq. ft. and ₹ 5 per sq. ft. towards maintenance charges (total of ₹ 105 per sq. ft.)  Rent for laundry area – ₹ 175 per sq. ft.
<b>Tenure of the transaction(s)</b>	30 Years commencing from 1 <sup>st</sup> April, 2011 to 31 <sup>st</sup> March, 2041	5 Years commencing from 17 <sup>th</sup> October, 2019 to 16 <sup>th</sup> October, 2024
<b>Value of the transaction</b>	₹ 327.83 Lakhs	₹ 481.54 Lakhs
<b>Total value of transaction</b>	₹ 809.37 Lakhs	
<b>% of the Company's annual consolidated turnover for immediately preceding financial year that is represented by the value of the transaction</b>	11.08%	
<b>Justification as to why the RPT is in the interest of the listed entity</b>	The Company's Hotel in Mumbai is constructed on the land leased from AAI and LLHPL. The royalty payable to LLHPL for hotel building is less than the amount payable to AAI. Also premises used for laundry and office is adjacent to the Hotel Building and it adds to operational efficiency. The lease rent for the said premises is comparable to the market rates in the area. Hence, the above transactions are in the interest of the Company.	
<b>% of the counter-party's annual consolidated turnover that is represented by the value of the RPT on a voluntary basis</b>	22.14%	
<b>Valuation or other external party report</b>	Not Applicable	

The Audit Committee and the Board of Directors have provided their approval for aforesaid related party transactions at their meeting(s) held on 1<sup>st</sup> August 2016, 11<sup>th</sup> November, 2016, and 12<sup>th</sup> November 2019 and also provided approval for ratification for the payment of rent and royalty in excess of the 10% of the annual turnover of the Company at their meeting(s) held on 29<sup>th</sup> May, 2023, subject to the approval of the Shareholders.

These transactions are in the ordinary course of business and at arm's length basis and not covered under section 188 of the Companies Act 2013 and the rules made thereunder. However, the said transactions are qualifying as material related party transactions under the SEBI Listing Regulations. Accordingly, the Board recommends the Ordinary Resolution as set out in the Notice at Item No.6 for the approval of the Members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP except mentioned below are concerned or interested in the Resolution at Item No. 6 of the accompanying Notice.



**Nature of concern or interest of Directors/ Managers/ Key Managerial Personnel (KMP) and their Relatives:**

Sr. No.	Name of the interested Directors or KMP	Leela Lace Holdings Private Limited		
		Type of association	Shareholding (%)	Shareholding of relatives and associates
1	Mrs. Salini Madhu Nair, Director	Director / promoter	9%	91%
2	Ms. Amruda Nair, Director	--	--	100%
3	Mr. Vivek Nair, Chairman and Managing Director	Promoter	9%	91%
4	Mr. Dinesh Nair, Co-Chairman and Managing Director	Promoter	9%	91%
5	Mr. Umesh Dombe, CFO	Director	--	--

**By order of the Board of Directors  
For HLV Limited**

**Savitri Yadav**  
Company Secretary  
ACS No. 21994

**Registered Office:**

The Leela, Sahar, Mumbai - 400 059

CIN: L55101MH1981PLC024097

Mumbai, 29<sup>th</sup> May, 2023

**IMPORTANT NOTES:**

- In view of the threat posed by the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') vide its Circular Nos.14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 2/2021 dated January 13, 2021, 19/2021 dated December, 8, 2021, 21/2021 dated December 14, 2021, 02/2022 dated May, 5 2022 and 10/2022 dated December 28, 2022 ("MCA Circulars") and the Securities and Exchange Board of India ('SEBI') vide its Circular Nos. SEBI/HO/CFD/CMD1/CIR /P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 ("SEBI Circular") has permitted the holding of the Annual General Meeting ('AGM') through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), without the physical presence of the Members at a common venue. In compliance with these MCA and SEBI Circulars, applicable provisions of the Companies Act, 2013 ('the Act') (including any statutory modifications or re-enactments thereof for the time being in force) read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and pursuant to Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the 42<sup>nd</sup> AGM of the Company is being conducted through VC/OAVM Facility. The deemed venue for the 42<sup>nd</sup> AGM shall be the Registered Office of the Company. The detailed procedure for participating in the meeting through VC / OAVM is annexed herewith.
- The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The Members will be able to view the live proceedings on National Securities Depository Limited's ('NSDL') e-Voting website at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- Pursuant to MCA Circulars, the facility to appoint proxy to attend and cast vote for the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, Corporate Members and Institutional Investors may appoint their authorized representatives pursuant to Section 113 of the Act to attend the AGM through VC or OAVM and to vote through remote e-Voting. Since the AGM will be held through VC/OAVM Facility, the Route Map of the venue of AGM is not annexed in this Notice.
- Participation of Members through VC /OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 ("the Act").

5. **Details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting pursuant to Regulations 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings:**

Name of Director	Ms. Niranjana Unnikrishnan	Ms. Saija Ramchandran Nair
Date of Birth (Age)	3 <sup>rd</sup> November, 1980 (42 Years)	7 <sup>th</sup> December, 1972 (50 Years)
Date of first appointment on the Board	8 <sup>th</sup> May, 2023	30 <sup>th</sup> May, 2018
Designation	Non Executive, Independent Director	Non Executive, Independent Director
Qualifications	B.A. (Honours), L.L.B. (Honours)	B.Com
Brief Resume and Expertise in specific functional areas	Ms. Niranjana Unnikrishnan, is B.A. (Honours) in History from St. Stephens' College, University of Delhi and LLB (Honours) from University of Bristol, United Kingdom. She, aged 42 years, has more than 17 years of rich and varied experience in the field of Media and Entertainment law as an in house counsel and independent practitioner.	Ms. Saija Ramchandran Nair, aged 50 years, is a Commerce Graduate with over 20 years of experience in the field of marketing and business development.
Chairman/Director of Other Companies	N.A.	1 Saija Fashions Private Limited 2. Nicael Designs Private Limited
Chairman/Member of the committees of the Company and other Company(s)	HLV Limited - Audit Committee (C) - Nomination & Remuneration Committee (M) - Stakeholder's Relationship Committee (M)	HLV Limited - Audit Committee (M) - Nomination & Remuneration Committee (M) - Stakeholder's Relationship Committee (C)
No. of meetings of the Board attended during the year	Nil	5
No. of shares held	Nil	Nil
Relationship with other Directors, Manager and other key managerial personnel of the Company	Not inter-se related to any other Director or Key Managerial Personnel. The Company does not have a Manager.	Not inter-se related to any other Director or Key Managerial Personnel. The Company does not have a Manager.

6. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 29<sup>th</sup> July, 2023 to Thursday, the 3<sup>rd</sup> August, 2023 (both days inclusive).

7. **Updation of PAN and other details:**

SEBI vide its Circular dated March 16, 2023, mandated furnishing of PAN, KYC details (i.e. Postal Address with Pin Code, mobile number, bank account details) and Nomination by holders of physical securities through Form ISR-1, Form ISR-2, Form ISR-3, Form SH-13 and Form SH-14 (as applicable). Moreover, shareholders are encouraged to register their e-mail IDs to avail online services. The said forms are available on the Company's website at [https://hlvtd.com/investor\\_relation.html](https://hlvtd.com/investor_relation.html) and on the website of the RTA at <https://www.mcsregistrars.com/downloads.php>.

In terms of above Circular, folios of physical shareholders wherein any one of the said details such as PAN, KYC details and nomination are not available, shall be frozen with effect from October 1, 2023 and such physical shareholders will not be eligible to lodge grievances or avail service requests from the RTA of the Company and will not be eligible for receipt of dividend in physical mode until the said details are furnished.

Further, shareholders holding shares in physical mode are requested to ensure that their PAN is linked to Aadhaar by June 30, 2023 or any other date as specified by the Central Board of Direct Taxes to avoid freezing of folio.

Further, as per the above SEBI circular, the frozen folios shall be referred by RTA/ Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and Prevention of Money Laundering Act, 2002, after December 31, 2025.

Accordingly, the Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination. In view of the above, Members holding shares of the Company in physical form are requested to go through the requirements on the website of the Company at [https://hlvtd.com/assets/investors\\_relations/Investor%20Service%20Forms%20and%20Instructions.pdf](https://hlvtd.com/assets/investors_relations/Investor%20Service%20Forms%20and%20Instructions.pdf) to furnish the requisite details.





8. Members are also requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, PAN, registration of nomination, power of attorney registration, Bank Mandate details, etc. to their DPs in case the shares are held in electronic form and to the RTA in case the shares are held in physical form, quoting their folio number. Changes intimated to the DP will then be automatically reflected in the Company's records.
9. As per Regulation 40 of the SEBI Listing Regulations, requests for transfer of securities, transmission and transposition of listed entities shall be carried out only in dematerialized form. In view of the same Members holding shares in physical form are requested to consider converting their holdings to dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management.
10. The Company has designated an exclusive email ID viz. investor.service@hlvtd.com to enable the investors to post their grievances, if any, and monitor its redressal.
11. Pursuant to applicable provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all unclaimed dividend up to the financial year ended 31<sup>st</sup> March, 2011 has been transferred by the Company to the Investor Education & Protection Fund (IEPF) established by the Central Government. Shares in respect of which dividend remained unclaimed for seven consecutive years or more have also been transferred to the IEPF Demat Account. After the Financial year ended 31<sup>st</sup> March, 2011 the Company did not declare any dividend. As on date the Company does not have any unclaimed dividend to be transferred to the Investors Education & Protection Fund (IEPF) and thus no shares are required to be transferred to IEPF Authority. The shares transferred to the IEPF authority can be claimed by the concerned members from the IEPF authority after complying with the procedure prescribed under the IEPF rules.
12. Electronic copy of Notice of AGM and the Annual Report for the financial year 2022-23 is being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) / RTA unless any Member has requested for a physical copy of the same. The Company shall send a physical copy of the Annual Report to those Members who request for the same at investor.service@hlvtd.com mentioning their Folio No. / DP ID and Client ID.
13. In line with the MCA Circulars, the Notice calling the AGM along with Annual Report for financial year 2022-23 has been uploaded on the website of the Company at www.hlvtd.com, the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also available on the website of NSDL at www.evoting.nsdl.com.
14. Members who have not registered their email addresses or who want to update their email addresses are required to register the same with the RTA/ Depository Participant to receive all communications including Annual Report, Notices and Circulars etc. from the Company electronically.
15. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available electronically for inspection by the Members. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of 42<sup>nd</sup> AGM, i.e. 3<sup>rd</sup> August, 2023. Members seeking to inspect such documents can send an email to investor.service@hlvtd.com.
16. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and the MCA Circulars, the Company is providing facility of remote e-voting and e-voting at the AGM to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as during the AGM will be provided by NSDL.
17. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e 27<sup>th</sup> July, 2023. The remote e-voting period begins on 31<sup>st</sup> July, 2023 at 9.00 A.M. and ends on 2<sup>nd</sup> August, 2023 at 5.00 P.M. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
18. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting.
19. Members will be provided with the facility for voting through remote e-voting system during the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, will be eligible to exercise their right to vote at the end of discussion on such resolutions upon announcement by the Chairman. The remote e-voting module shall be disabled by NSDL for voting 15 minutes after the conclusion of the meeting. Members who have cast their vote by remote e-Voting prior to the AGM will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolution(s) for which the member has already cast the vote through remote e-Voting.
20. Mr. Raghunath Bhandari, Practicing Company Secretary (FCS No. 8048 / COP No. 15381) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the entire e-voting process in a fair and transparent manner.



21. The Scrutinizer shall make, not later than two working days of the conclusion of the AGM, a scrutinizer's report of the total votes cast in favour or against (votes cast during the AGM and votes cast through remote e-voting), to the Chairman or a person authorised by him in writing, who will countersign the same and declare the result of the voting forthwith.
22. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.hvlttd.com](http://www.hvlttd.com) and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of results by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited, Mumbai.

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

The remote e-voting period begins on 31<sup>st</sup> July, 2023 at 9.00 A.M. and ends on 2<sup>nd</sup> August, 2023 at 5.00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record

date (cut-off date) i.e. 27<sup>th</sup> July, 2023 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 27<sup>th</sup> July, 2023.

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

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

**Step 1: Access to NSDL e-Voting system**

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

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div data-bbox="746 1487 1066 1675" style="text-align: center;"> <p>NSDL Mobile App is available on   App Store  Google Play  </p> </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> </ol>



	<p>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
<b>Important note:</b> Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.	
<b>Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.</b>	
<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.

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

5. Password details for shareholders other than Individual shareholders are given below:

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

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
- b) Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scan copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [raghunathsb@yahoo.com](mailto:raghunathsb@yahoo.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password



confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre, Senior Manager at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [investor.service@hlvlt.com](mailto:investor.service@hlvlt.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [investor.service@hlvlt.com](mailto:investor.service@hlvlt.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered email address, mentioning their name, DP ID and Client ID number / folio number and mobile number, to reach the Company's email address [investor.service@hlvlt.com](mailto:investor.service@hlvlt.com) on or before 5.00 p.m. IST on 27<sup>th</sup> July, 2023. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.
6. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN and mobile number at [investor.service@hlvlt.com](mailto:investor.service@hlvlt.com) between 22<sup>nd</sup> July, 2023 (9:00 a.m. IST) and 28<sup>th</sup> July, 2023 (5:00 p.m. IST). Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.





## **HLV LIMITED**

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