

Viceroy Hotels Limited

(A company under Corporate Insolvency Resolution Process pursuant to Hon'ble NCLT order dated 12th March 2018)



Date: 10.10.2023

BSE Limited, Department of Corporate Services, Floor 25, P.J. Towers, Dalal Street, Mumbai: 400 001	National Stock Exchange of India Limited, Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra [East], Mumbai: 400 051
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Dear Sir,

Sub: Approval of the resolution plan for Viceroy Hotels Limited (“VHL” / “Company”) by the Appellate Authority.

On 06.10.2023, the Hon'ble National Company Appellate Law Tribunal, Chennai Bench pronounced an order in CA - 166 of 2023 & 183 of 2023, appeals filed Successful Resolution Applicant & Committee of Creditors respectively and allowed IA (IBC) 1343 of 2022 in CP(IB) 219/7/HDB/2017, an application filed by the undersigned for approval of the Resolution Plan submitted by Anirudh Agro Farms Private Limited ("AAFPL") with the Hon'ble National Company Law Tribunal, Hyderabad Bench-I under section 30 & 31 of the Insolvency and Bankruptcy Code, 2016.

The Resolution Plan is approved by virtue of the order of the NCLAT dt. 06.10.2023 and is binding on the Company and its employees, Members, Creditors, Guarantors and other stakeholders involved, as per provisions of the Code.

Set out below are the salient features of the Plan and other material information (other than commercial secrets):

i. Infusion of funds

As part of the Resolution Plan, it is proposed that AAFPL shall infuse funds (“Upfront amount”) for an amount equivalent to INR 60 crores in one or more tranches in a manner and in such time and intervals, as determined necessary by AAFPL, into the Company by way of equity or otherwise thereof hereby termed as Initial Fund Infusion which shall be utilized towards discharge/settlement of the Admitted Operational Creditors Debt; Workmen/ Employee dues, Upfront FC Debt Payment, unpaid CIRP cost and Working capital purposes.

ii. Proposal for Outstanding Debt

The Resolution Plan provides for the payment of admitted claims of the Company in the following manner:

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

*Note: Currently, there are no admitted statutory claims, as the matters are sub-judice and relevant provisions are incorporated under the plan for treatment of the same.

Sl. No.	Category of Creditor	Amount provided in the Plan	Upfront on effective date	Deferred – in IV Tranches within 675 days from Effective date
1	Insolvency Resolution Process Cost	Actuals	Actuals	-
2	Workmen dues	29,63,766	29,63,766	-
3	Employee dues	31,71,688	31,71,688	-
4	Operational Creditor (Statutory dues)	10,00,000	10,00,000	-
5	Financial Creditors	1,50,28,64,546	50,28,64,546	100,00,00,000
6	Operational Creditors	50,00,000	50,00,000	-
	Total	151,50,00,000 + Actuals	51,50,00,000 + Actuals for CIRP	1,00,00,00,000

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iii. Extinguishment of balance FC Debt and balance Operational Creditor Dues

Successful resolution applicant shall extinguish the Balance FC Debt (including that owed to the Related Parties) and Other Operational Creditor Dues on the Effective Date, on and with effect from the NCLAT Approval Date by virtue of the order of the NCLAT approving the Resolution Plan.

iv. Cancellation of Promoters shares

The entire Equity Shares held by the Existing Promoters shall be reduced and extinguished as a part of this Resolution Plan (“Standalone Capital Reduction”).

v. Reduction / Reconstitution of Public Shareholding

Post infusion of funds, The Equity Shares held by the Existing Public Shareholders shall stand restructured, reduced, reorganized, consolidated and extinguished (as required) as a part of this Resolution Plan such that the Equity Shares held by the existing Public Shareholders post such restructuring and reorganization shall be 6,31,579 Equity Shares constituting 1% (one percent) of the issued and paid-up equity share capital of the Corporate Debtor;

Accordingly with the Resolution Applicant holding 95% (ninety-five) of the Equity Shares of the Corporate Debtor and the existing Public Shareholders holding 1% (one percent) of the paid-up share capital of the Company, the Assenting Financial Creditors shall be issued and allotted 25,26,316 Equity Shares of the Corporate Debtor, by converting part of their Financial Debt. The said issuance of Equity Share to the Assenting Financial Creditors shall be made on proportionate basis as per the ratio decided by the COC in their discretion, which shall constitute 4% (four per cent) of the total issued, subscribed and paid – up equity share capital of the Corporate Debtor.

Shareholders	Shareholding Percentage	Number of shares
AAFPL	95%	6,00,00,000
Assenting Lenders	4%	25,26,316
Existing Shareholders	1%	6,31,579
Total	100%	6,31,57,985

It is clarified that the shares of the Company will remain listed on the Bombay Stock Exchange and National Stock Exchange of India Limited.

Application for necessary corporate actions required for the above said restructuring, reduction, reorganization, consolidation and extinguishment would be initiated by Corporate Debtor/Successful Resolution Applicant/ Monitoring committee.

Viceroy Hotels Limited

(A company under Corporate Insolvency Resolution Process pursuant to Hon'ble NCLT order dated 12th March 2018)



viii. Constitution of Monitoring Committee

Monitoring Committee shall be constituted consisting of Resolution Professional, 2 representatives from CoC and 2 representatives from Successful Resolution Applicant and be in operation from the NCLAT Approval Date until the Effective Date and the implementation of the Resolution Plan will be supervised by the Monitoring Committee during such period.

This is for your information and records.

Thanking you,

Yours faithfully,

For Viceroy Hotels Limited

Dr. Govindarajula Venkata Narasimha Rao
Resolution Professional for Viceroy Hotels Limited
IP Registration No. IBBI/IPA-003/IP-N00093/2017-18/10893

Encl.

1. Copy of order of Hon'ble NCLAT dt. 06.10.2023 in CA 166 & 183 of 2023 allowing the IA 1343 of 2022 filed for approval of resolution plan filed before Hon'ble NCLT, Hyderabad Bench.

NATIONAL COMPANY LAW APPELLATE TRIBUNAL
AT CHENNAI
(APPELLATE JURISDICTION)

Company Appeal (AT) (CH) (Ins) No.166/2023
(IA Nos. 540 & 541/2023)
(Filed under Section 61 of the Insolvency and Bankruptcy Code, 2016)

(Arising out of the Impugned Order dated 09.06.2023 in
IA No.1343/2022 in CP(IB) No.219/2017, passed by the
‘Adjudicating Authority’, (National Company Law Tribunal,
Hyderabad Bench - I)

In the matter of:

Anirudh Agro Farms Limited
Rep. by its Director Mr. Kondareddy Ravinder Reddy ...Appellant

V

Dr. Govindarajula Venkata Narasimha Rao, RP
of Viceroy Hotels Ltd. & Anr. ...Respondents

Present :

For Appellant : Mr. E. Om Prakash, Sr. Advocate
For Ms. Deepika Murali, Advocate
For Respondent : Mr. P.S. Raman, Senior Advocate
For Ms. Lakshana Viravalli, Advocate For R1
Ms. Hareepriya, Advocate for R2

WITH

Company Appeal (AT) (CH) (Ins) No.183/2023
(IA Nos.584 & 585/2023)
(Under Section 61 of the Insolvency and Bankruptcy Code, 2016)

(Arising out of the Impugned Order dated 09.06.2023 in
IA No.1343/2022 in CP(IB) No.219/2017, passed by the ‘Adjudicating

Authority' (National Company Law Tribunal, Hyderabad Bench - I)

In the matter of:

Asset Reconstruction Company (India) Ltd. ... Appellant
v.

Dr. Govindarajula Venkata Narasimha Rao, RP of ...Respondent
Viceroy Hotels Limited

Present :

For Appellant : Mr. P. Ravi Charan, Advocate
For Respondent : Mr. P.S. Raman, Senior Advocate
For Ms. Lakshana Viravalli, Advocate

ORDER
(Virtual Mode)

06.10.2023:

Comp. App. (AT)(CH)(Ins) No.166 of 2023

Heard Mr. E. Omprakash, Learned Senior Counsel, appearing for the 'Appellant' in the instant Comp. App. (AT)(CH)(Ins) No.166 of 2023.

According to the Learned Counsel for the 'Appellant', the 'Appellant' has filed a 'Memo' dated 05.10.2023, before the 'Office of the Registry', whereby and whereunder, the 'Appellant', among other things mentioned that as per the 'Performance Bank Guarantee' dated 10.11.2022, published by the 'Appellant', it can be seen that the expiry date for the 'Performance Bank Guarantee' ("PBG") is 6 months, subject to periodic extensions and Renewal in terms of Clause 2.15.2 in the 'Appellant' RFRP other Bank, etc.

In this connection, on behalf of the ‘Appellant’, it is brought to the ‘Notice’ of this ‘Tribunal’ that the ‘Kotak Mahindra Bank’, had issued a letter dated 12.06.2023, whereby and whereunder, it is made quite clear that the ‘Bank Guarantee’ is still currently alive and subsisting in the Bank’s system.

Added further, the said ‘Performance Bank Guarantee’ is valid till date and continues to be valid till the full ‘Resolution Plan’ amount is paid.

On behalf of the ‘2nd Respondent’/‘CoC’, even in the ‘Memo’ filed by the ‘Appellant’ side dated 05.10.2023 at paragraph 4, it is covered that the 2nd Respondent/CoC, had no objection to the instant Comp. App (AT) (CH) (Ins) 166 of 2023, being allowed and had filed a ‘Memo’ dated 15.06.2023, before the ‘Office of the Registry’ and the said fact is not disputed on behalf of the ‘Respondents’ side.

This ‘Tribunal’, taking note of the fact that in terms of the letter dated 12.06.2023, issued by the ‘Kotak Mahindra Bank’, (vide Annexure-14 at Pg. 292 of Volume-II of the ‘Appeal Paper Book’), whereby and whereunder, it was categorically mentioned that the ‘Bank Guarantee’ is still currently alive and subsisting in the Bank’s system and the said ‘PBG’, is valid till date and continues to be valid till the full ‘Resolution Plan amount’ is paid. This ‘Tribunal’, hereby allows the instant Comp. App. (AT)(CH)(Ins) 166 of 2023, by setting aside the ‘Impugned Order’, dated 09.06.2023 in IA No.1343 of 2022 in C.P.(IB) No.219 of 2017, passed by the ‘Adjudicating Authority’/‘National Company Law

Tribunal’, Hyderabad Bench-1. In rejecting the Appellant’s Resolution Plan, which has garnered 95.82% votes in the ‘Committee of Creditors’. Accordingly, the instant Comp. App. (AT) (CH) (Ins) 166 of 2023 is allowed, the ‘Impugned Order’, dated 09.06.2023 in IA No.1343 of 2022 in C.P.(IB) No.219 of 2017, passed by the ‘Adjudicating Authority’/‘National Company Law Tribunal’, Hyderabad Bench, is hereby set aside, of course, for the reasons assigned by this ‘Tribunal’ in this ‘Appeal’. No costs. The connected pending I.A. Nos. 540/2023 and 541/2023 are closed.

As a logical corollary, the I.A. No. 1343 of 2022 (Seeking approval of Resolution Plan) in C.P.(IB) No.219 of 2017 is allowed.

Comp. App. (AT)(CH)(Ins) No.183 of 2023

On behalf of the ‘Appellant’, the Learned Counsel on record Mr. P. Ravi Charan, a memo dated 05.10.2023, is filed, before the ‘Office of the Registry’, whereby and whereunder, it is averred among other things that as per Clause 2.15.2 of RFRP (vide Vol.2 P.324 and 325 of the ‘Appeal Paper Book’), which specifies the ‘Performance Security’, shall be valid until the earlier of (i) all the dues payable by the Successful Resolution Applicant(s) pursuant to the ‘Resolution Plan’ and/or/under by virtue of the RFRP have been fully paid and its claim have satisfied or discharged; or (ii) till the CoC and /or, if the ‘CoC’ as a Body does not subsist, by ‘Financial Creditors’, having more than 51% voting

share in the `CoC`, certifies that the Resolution Plan, has been effected to the satisfaction of the `Committee of Creditors`, etc.

It is also quite evident on the contents of `Memo` dated 05.10.2023 ,filed on behalf of the `Appellant` that through the letter dated 12.06.2023, the `Bank Guarantor` / `Kotak Mahindra Bank`, has provided some clarification and confirmation that the `Performance Bank Guarantee`, issued by it is allowed and shall be valid and binding on the `Bank Guarantor`, till all the dues payable by the `Resolution Applicant`, pursuant to the `Resolution Plan` and / or / under by virtue of RFRP have been filed to which being satisfied and discharged, this `Tribunal` after going through the supra of the contents of the `Memo` filed by the `Appellant` through their Learned Counsel dated 05.10.2023, this `Tribunal` keeping in mind, the prime fact that the letter dated 12.06.2023 of the `Kotak Mahindra Bank` as `Guarantor`, provided clarification and confirmation (vide page 292 of the `Appeal Paper Book`) issued by it, also shall be valid and binding with `Bank Guarantor`, till date, the `Resolution Applicant`, in relation to the `Resolution Plan` etc., and `PBG`, it is valid for the whole implementation schedule, at this stage, simpliciter, this `Tribunal` is perforced to set aside the `Impugned Order`, dated 09.06.2023 in IA/1343/2022 in CP(IB) No.219 of 2017, of course, for the reasons assigned in this `Appeal`. As a logical corollary, in allowing the instant Comp. App (AT) (CH) (Ins) 183 of 2023, this `Tribunal` has set aside the `Impugned Order`. passed by the `Adjudicating Authority`, in

IA/1343/2022 in CP(IB)No.219 of 2017, stands allowed. No Costs. The connected pending IA Nos.584 & 585 of 2023 are closed.

[Justice M. Venugopal]
Member (Judicial)

[Shreesha Merla]
Member (Technical)

SE/TM