



# ARUNA HOTELS LIMITED

CIN: L15421TN1960PLC004255

September 02, 2026

Chennai

To,  
**BSE Limited,**  
P.J. Towers,  
Dalal Street,  
Mumbai 400001

BSE Scrip Code: 500016  
ISIN: INE957C01019

Dear Sir / Madam,

**Sub: Notice of the 64<sup>th</sup> Annual General Meeting (AGM) and the Annual Report of the Company for the financial year 2025-2026**

We wish to inform you that the 64<sup>th</sup> Annual General Meeting ("AGM") of the Company is scheduled to be held on Friday, 25<sup>th</sup> September, 2026 at 10.00 AM (IST) through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM")

Pursuant to the provisions of Regulation 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed a copy of Notice of the 64<sup>th</sup> Annual General Meeting (AGM) along with the Annual Report of the Company for the financial year 2025-2026.

In compliance with the applicable Circulars issued by the MCA and SEBI, the Notice of the 64<sup>th</sup> AGM along with the Annual Report for the financial year 2025-2026 are being sent only through electronic mode to those eligible Members whose email addresses are registered with the Company/ Depositories/ Registrar and Share Transfer Agents.

A copy of the letter containing the web-link for accessing the Notice of the AGM and the Annual Report 2025-26 which is being sent to all the members who have not registered their email address with Company/ Registrar and Share Transfer Agent/ their Depository Participants.

The copy of the Notice along with the Annual Report is also available on the website of the Company at [www.arunahotels.com](http://www.arunahotels.com).

Kindly take the above on record.  
Thanking you,

Yours faithfully,  
For **ARUNA HOTELS LIMITED**

**N. Sornalatha**  
**Company Secretary & Compliance officer**  
Encl: a/a



**ARUNA HOTELS LIMITED**

**64<sup>th</sup>**

**Annual Report  
2025-2026**

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## ARUNA HOTELS LIMITED

### COMPANY INFORMATION

|                                          |                                                              |
|------------------------------------------|--------------------------------------------------------------|
| Radhaswamy Venkateswaran (DIN: 09532159) | Managing Director                                            |
| Suyambu Narayanan (DIN: 07718798)        | Non-Executive Independent Director                           |
| Muralidharan Ramasamy (DIN: 07092976)    | Non-Executive Non-Independent Director                       |
| R. Rajkumar (DIN: 09702403)              | Non-Executive Non-Independent Director                       |
| R. Vijayalakshmi(DIN:11060612)           | Non-Executive Independent Director                           |
| M.Irulappan (DIN: 11876187)              | Additional Director- Independent Director (W.e.f 12.08.2026) |

#### **Chief Financial Officer**

P. Nagaraj

#### **Company Secretary**

N.Sornalatha

#### **Statutory Auditors**

M/s Venkat & Rangaa LLP,  
Chartered Accountants,  
New.No.6, Old No.15,  
Central Avenue,Kesavaperumalpuram  
R.A.puram,  
Chennai 600028

#### **Secretarial Auditors**

B.Prabhakar  
Practising Company Secretaries  
Plot No. 173, V.G.P Nagar,  
Mogappair,  
Chennai

#### **Internal Auditors**

M/s G S P U Associates,  
Chartered Accountants  
T.C.14/4354/5, Second Floor, Trinity Centre,  
Kesavadasapuram Junction, Pattom.P.O.,  
Thiruvananthapuram, Kerala State - 695 004.

#### **Bankers**

HDFC Bank Limited  
R K Salai Branch, Mylapore,  
Chennai 600004

#### **Registered Office**

145, Sterling Road,  
Nungambakkam,  
Chennai 600034

#### **Registrars & Share Transfer Agents**

M/s MCS Share Transfer Agent Limited  
3B3, 3rd Floor, Gundecha Onclave,  
Kherani Road, Sakinaka ,  
Andheri East, Mumbai  
Maharashtra 400072

### **COMPANY INFORMATION**

|               |                         |
|---------------|-------------------------|
| Incorporation | >1960                   |
| Listing       | > The BSE Limited (BSE) |
| Scrip Code    | > 500016                |
| Demat ISIN    | > INE957C01019          |
| CIN           | > L15421TN1960PLC004255 |

**NOTICE TO MEMBERS**

Notice is hereby given that the 64th (Sixty-Fourth) Annual General Meeting ('AGM') of the Members of ARUNA HOTELS LIMITED, (the "Company") will be held on Friday, the 25th day of September, 2026 at 10.00 a.m. (IST) through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM') to transact the following businesses:

**ORDINARY BUSINESS:****1. Adoption of Audited Financial Statements of the Company**

To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the year ended March 31, 2026, together with the Reports of the Board of Directors and the Auditors thereon.

**2. Re-appointment of Mr.R Muralidharan (DIN: 07092976) as a Director, liable to retire by rotation**

To appoint a Director in the place of Mr. R.Muralidharan (DIN: 07092976), who retires by rotation and, being eligible offers himself for re-appointment.

**SPECIAL BUSINESS****3. Re-appointment of Mr. Radhaswamy Venkateswaran (DIN No:09532159) as Managing Director of the Company for a term of 5 (five) consecutive years**

To consider and if thought fit , to pass the following resolution as an Special Resolution

**"RESOLVED THAT** pursuant to the provisions of Sections 2(54), 152, 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable rules made thereunder, applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the Articles of Association of the Company and other applicable laws, rules, regulations and guidelines, if any, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, consent of the Members be and is hereby accorded for the re-appointment of Mr. Radhaswamy Venkateswaran (DIN: 09532159) as the Managing Director of the Company, for a period of 5 (Five) consecutive years, with effect from March 10, 2027 to March 9, 2032, liable to retire by rotation, upon the terms and conditions, including remuneration, as set out hereunder.

**RESOLVED FURTHER THAT** during his tenure as Managing Director, Mr. Radhaswamy Venkateswaran shall be paid a consolidated remuneration of Rs. 28,350/- (Rupees Twenty Eight thousand three Fifty only) per month.

**RESOLVED FURTHER THAT** the aforesaid consolidated remuneration shall be subject to such modifications, variations or revisions as may be approved by the Board of Directors of the Company and/or the Nomination and Remuneration Committee, from time to time, within the limits prescribed under the applicable provisions of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws, and subject to such further approval of the Members as may be required under applicable law.

**RESOLVED FURTHER THAT** notwithstanding anything contained herein, in the event of absence or inadequacy of profits in any financial year during the tenure of Mr. Radhaswamy Venkateswaran, the Company may pay him the aforesaid remuneration as minimum remuneration for a period not exceeding three years, subject to compliance with the provisions of Schedule V to the Companies Act, 2013 and other applicable provisions of law and obtaining such approvals, if any, as may be required.

**RESOLVED FURTHER THAT** the Board of Directors of the Company and the Nomination and Remuneration Committee or any other Committee thereof, to the extent authorised by the Board, be and is hereby authorised to do all such acts, deeds, matters and things, including settling or resolving any questions, difficulties or doubts that may arise in this regard, and to execute all such documents, writings and filings as may be considered necessary, proper or expedient for the purpose of giving effect to this resolution."

**4. Appointment of Mr. M.Irulappan (DIN: 11876187) as a Non-Executive Independent Director of the Company**

To consider and, if thought fit, to pass the following resolution as a Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other

## ARUNA HOTELS LIMITED

applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr.M.Irulappan (DIN:11876187), who was appointed as an Additional Director designated as an Non-Executive Independent Director, with effect from August 12, 2026 under Section 161 of the Act, and who has submitted a declaration of independence as provided under Section 149(6) of the Act and applicable rules made thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and is eligible for appointment under the provisions of the Act, read with the rules made thereunder and the applicable provisions of SEBI Listing Regulations and in respect of whom the Company has received a notice in writing in terms of Section 160(1) of the Act from a member proposing his candidature 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 period of five consecutive years till August 11, 2032.

**RESOLVED FURTHER THAT** any Director or Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary and expedient to give effect to this resolution.”

Place: Chennai

By Order of the Board

Date: 12.08.2026

For ARUNA HOTELS LIMITED

Sd/-

RADHASWAMYVENKATESWARAN

MANAGING DIRECTOR

DIN: 09532159

**NOTES:**

1. The Ministry of Corporate Affairs ('MCA') vide its General Circular No.10/2022 dated December 28, 2022 read with General Circulars No. 14/2020 dated April 8, 2020, No.17/2020 dated April 13, 2020, No.20/2020 dated May 5, 2020, No.02/2021 January 13, 2021, No.19/2021 dated December 8, 2021, No.21/2021 dated December 14, 2021, No. 02/2022 dated May 5, 2022 No 10/2022 dated December 28,2022, No. 09/2023 dated September 25, 2023, No: No. 09/2024 dated September 19, 2024 and No:03/2025 dated September 22, 2025 ("MCA Circulars") and SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/ 133 dated October 3, 2024 (SEBI Circular) have permitted Companies to hold Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") and extended relaxation in respect of sending physical copies of annual report to Shareholders.
2. In compliance with the applicable provisions of the Companies Act, 2013 (the "Companies Act"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), MCA Circulars, SEBI Circulars, Secretarial Standard – II on General Meetings ("SS-II") issued by the Institute of the Company Secretaries of India and other applicable laws, if any, the 64th AGM of the Company will be held on Friday, the 25th day of September, 2026 at 10.00 a.m. (IST), through VC/ OAVM which does not require the physical presence of members at a common venue.
3. Since this AGM is being held through VC/OAVM, the requirement of physical attendance of the members has been dispensed with. Accordingly, in terms of MCA circulars and the SEBI circular, the facility for appointment of proxies by the members will not be available for this AGM and hence the Proxy Form, Attendance Slip and Route Map of AGM are not annexed to this notice.
4. The Company has engaged Central Depository Services (India) Limited (CDSL) to provide the VC facility for conducting the AGM and for voting through remote e-voting and e-voting at the AGM. The procedure for participating in the meeting through VC/OAVM, forms part of this Notice.
5. Institutional Investors and Corporate Shareholders, who are Members of the Company, are encouraged to attend and vote at the 64th AGM through VC/OAVM facility. Corporate Members intending to appoint their authorized representatives pursuant to Section 112 and 113 of the Act, as the case may be, to attend the AGM through VC/OAVM or to vote through remote e-Voting are requested to send a certified copy of the Board Resolution/ authorization letter together with attested specimen signature of the duly authorized representative(s) to the Scrutinizer by email at [kjr@mdassociates.co.in](mailto:kjr@mdassociates.co.in) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Act.
7. **Manner for Registration of e-mail addresses is as follows:**

**For Physical Shareholders:** Members who have not registered their e-mail address with the Company, can register their e-mail address for receipt of Notice of 64th AGM, Annual Report and login details for joining the 64th AGM through VC/OAVM facility including e-voting by sending a request to MCS Share Transfer Agent Limited (MCS), Registrar and Share Transfer Agent (RTA) at [helpdesknum@mcsregistrars.com](mailto:helpdesknum@mcsregistrars.com) providing their name, folio number, scanned copy of the share certificate (front and back), self-attested scanned copy of the PAN card and self-attested scanned copy of Aadhaar card) in support of registering e-mail address.

**For Demat Shareholders:** Members holding shares in demat form whose e-mail address are not registered, are requested to register their e-mail address for receipt of Notice of 64th AGM, Annual Report and login details for joining the 64th AGM through VC/OAVM facility including e-voting by providing Demat account details (CDSL-16 digit beneficiary ID or NSDL – 16 digit DPID+CLID), Name, Client Master or copy of Consolidated Account Statement, PAN (self-attested scanned copy of the PAN card), AADHAAR (self-attested scanned copy of the AADHAAR card) to their DP only, as per the process advised by their DP. The registered email address will also be used for sending future communications.

8. Pursuant to the MCA and SEBI Circulars, the Annual Report including the Notice of the AGM for the FY 2025-2026 is being sent by electronic mode to all members whose email addresses are registered with the Company/ Depository Participants (DPs). The Company shall send a physical copy of the Annual Report to those Members who specifically request for the same at [cs@ahlichennai.com](mailto:cs@ahlichennai.com); [directorsaruna@gmail.com](mailto:directorsaruna@gmail.com); mentioning their Folio No./ DP ID and Client ID. The Notice convening the 64th AGM has been uploaded on the website of the Company at [www.arunahotels.com](http://www.arunahotels.com) and may also be accessed on the website of the stock exchange BSE Limited at [www.bseindia.com](http://www.bseindia.com) and in the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).

9. The Notice of AGM along with the Annual Report will be sent to those members/beneficial owners whose name appear in the register of members/list of beneficiaries received from the depositories as on Friday, 21st August, 2026.
10. The Company's Registrar and Share Transfer Agents (RTA) for its Share Registry Work (Physical and Electronic) are M/s. MCS Share Transfer Agents Limited, having their office premises at 3B3, 3rd Floor, Gundecha Onclave, Kherani Road, Sakinaka, Andheri (E), Mumbai 400072. The Register of Members and Transfer Books of the Company will be closed from September 19, 2026, Saturday to September 25, 2026, Friday (both days inclusive).
11. As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of the listed companies can be transferred/ transmitted only in dematerialized form with effect from April 01, 2019. In view of this and to eliminate all risks associated with physical shares, members holding shares in physical form are requested to convert their holdings in dematerialized form. Members can contact the Company or Company's Registrar and Share Transfer Agent (RTA) for assistance in this regard.

SEBI, vide its circular dated November 3, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023) has mandated that with effect from April 1, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.

In view of the above, we urge Members holding shares in physical form to submit the required forms along with the supporting documents at the earliest. The relevant forms are in the website of the Company at [www.arunahotels.com](http://www.arunahotels.com) →Investor Relations →SEBI KYC Forms. 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. The securities once frozen will revert to normal status only upon receipt of requisite KYC documents or upon dematerialization of the said securities. Therefore, Members holding share(s) in physical form are requested to immediately update their KYC details / dematerialize their shareholding in the Company. Demat Holders may update with the concerned Depository Participant (DP) where the demat account is maintained.

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 folio shall be referred by RTA/ Company to the administrator in authority under the Benami Transactions (Prohibitions) Act, 1988 and Prevention of Money Laundering Act, 2002, after December 31, 2025.

Further, as per the SEBI circular vide their notification dated January 17, 2024 has mandated issuance of Dividend in electronic mode only. Henceforth, in case of non-updation of PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature in respect of physical folios, dividend shall be paid only through electronic mode with effect from April 01, 2024 upon furnishing all the aforesaid details in entirety.

12. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record fresh nomination, he/she may submit the same in Form ISR-3 or Form SH-14, as applicable. The said forms can be downloaded from the Company's website at [www.arunahotels.com](http://www.arunahotels.com) and from the website of the RTA at [www.mcsregistrars.com](http://www.mcsregistrars.com). Members are requested to submit the said form to their DP in case the shares are held by them in electronic form and to the RTA at [helpdesknum@mcsregistrars.com](mailto:helpdesknum@mcsregistrars.com) in case the shares are held in physical form, quoting their folio no.
13. SEBI vide its Circulars dated July 31, 2023 and August 4, 2023 read with Master Circular dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market.

Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal <https://smartodr.in/login>

14. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
15. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company / RTA in case the shares are held by them in physical form.
16. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
17. All documents referred to in the Notice will be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of the AGM i.e., Friday, the 25th day of September, 2026. Members seeking to inspect such documents can send an email to [cs@ahlnchennai.com](mailto:cs@ahlnchennai.com)
18. The Register of Directors & Key Managerial Personnel and their Shareholding, Register of Contracts or Arrangements in which Director are interested will be available for electronic inspection by the members during the AGM.
19. Disclosure/Information regarding particulars of Directors seeking re-appointment at this AGM, in terms of the applicable provisions of Secretarial Standards-2 and SEBI Listing Regulations are annexed hereto.
20. Recorded transcript of the AGM will be made available on the website of the Company at [www.arunahotels.com](http://www.arunahotels.com)
21. Mr. M. Damodaran, Managing Partner of M. Damodaran & Associates LLP, Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
22. Members are requested to carefully read the below instructions in connection with remote e-Voting and procedure for joining the AGM.

**THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:*****CDSL e-Voting System – for e-Voting and joining virtual meetings***

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020; Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remotee-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.arunahotels.com](http://www.arunahotels.com). The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020; MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January 13, 2021, Circular No 10/2022 dated December 28, 2022 and General Circular No. 09/2023 dated September 25, 2023 No. 09/2024 dated September 19, 2024 and General circular No:03/2025 dated 22nd September, 2025 after due examination, it has been decided to allow companies to conduct their AGMs through VC or OAVM till further orders in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05.05.2020.

**THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on **Tuesday, the 22nd September, 2026 @ 9.00 am and ends on Thursday, the 24th September 2026 @5.00PM**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, the 18th September, 2026 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/ retail shareholders is at a negligible level.

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

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

**Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above-said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

| Type of shareholders                                                                 | Login Method                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b> | <p>1) 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 to Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon&amp; My Easi New (Token) Tab.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting 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 the e-Voting page by providing the 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 voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p> |

|                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|---------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b></p>                               | <p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on the company name or e-Voting service provider name and you will be re-directed to the e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is 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></p> <p>3) 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 hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>4) For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> |
| <p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b></p> | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above-mentioned website.

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

| Login type                                                         | Helpdesk details                                                                                                                                                                                                           |
|--------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911 |
| 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                  |

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

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

|                                              |                                                                                                                                                                            |
|----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                              | For Physical shareholders and other than individual shareholders holding shares in Demat.                                                                                  |
| PAN                                          | Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)                           |
|                                              | • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.                     |
|                                              | • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.                       |

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

**(xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

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

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance on or before 5.00 p.m. (IST) on Friday, 18th September, 2026 mentioning their name, demat account number/folio number, email id, mobile number at [cs@ahlichennai.com](mailto:cs@ahlichennai.com). The same will be answered during the meeting. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance on or before 5.00 p.m. (IST) on Friday, 18th September, 2026 mentioning their name, demat account number/folio number, email id, mobile number at [cs@ahlichennai.com](mailto:cs@ahlichennai.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NUMBER ARE NOT REGISTERED WITH THE COMPANY / DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) by email to Company/RTA email id.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact attoll free no. 1800 2109911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager (CDSL), Central Depository Services (India) Limited, A Wing, 25th Floor, marathon Futurex, Mafatlal Mill compounds, N M Joshi Marg, Lower Parel (East), Mumbai 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 2109911.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

**Item No: 3**

**Re-Appointment of Mr.Radhaswamy Venkateswaran, (DIN: 09532159) as Managing Director of the Company for a period of 5 (five) consecutive years**

The Members of the Company had earlier approved the appointment of Mr. Radhaswamy Venkateswaran (DIN: 09532159) as the Managing Director of the Company through postal ballot on March 10, 2022. His present term of appointment as Managing Director is due to expire on March 9, 2027.

In view of his experience, knowledge of the business and continued contribution towards the management and operations of the Company, the Nomination and Remuneration Committee, at its meeting held on 12.08.2026, recommended the re-appointment of Mr. Radhaswamy Venkateswaran as Managing Director of the Company for a further period of 5 (Five) consecutive years, with effect from March 10, 2027 to March 9, 2032, subject to his being liable to retire by rotation.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors, at its meeting held on August 12, 2026, approved, subject to the approval of the Members, the re-appointment of Mr. Radhaswamy Venkateswaran as Managing Director of the Company for the aforesaid period.

The Board has also approved the payment of a consolidated remuneration of Rs.28,350/- (Rupees Twenty Eight thousand Three Fifty only) per month to Mr. Radhaswamy Venkateswaran during his tenure along with reimbursement of expenses incurred by him on account of business of the Company.

The terms and conditions of the said re-appointment including remuneration herein may be altered and varied by the Board of Directors from time to time at its discretion as it may deem fit so as not to exceed the limits specified above. The Company has received requisite consent and declarations from Mr. Radhaswamy Venkateswaran for his re-appointment as required under the Act and rules made thereunder. Mr. Radhaswamy Venkateswaran satisfies all the conditions set out in Part-I of Schedule V to the Act and also the conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act. Further, he is not debarred from holding the office of Director pursuant to any Order issued by SEBI or any other authority.

Mr. Radhaswamy Venkateswaran satisfies the conditions prescribed under the applicable provisions of the Companies Act, 2013 and is eligible for re-appointment as Managing Director of the Company.

Pursuant to Regulation 36 of SEBI Listing Regulations and Secretarial Standard 2, issued by the Institute of Company Secretaries of India, additional details about Mr. Radhaswamy Venkateswaran is annexed to this Notice.

Mr. Radhaswamy Venkateswaran is interested in the resolution to the extent of his re-appointment as Managing Director and the remuneration payable to him. None of the other Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the proposed resolution.

Hence, the Board of Directors recommends the resolution at Item No. 3 for approval of the Members by way of a Special Resolution.

**Information in terms of Clause (iv) of Second Proviso to Section II of Part II of Schedule V to the Companies Act, 2013:**

**I. General Information:**

1. Nature of Industry: The Company is a Hotel Industry
2. Date or expected date of commencement of commercial production: June 2022
3. Financial performance based on given indicators: The following are the results of the Company during the last three years:

**Rs. In lakhs**

| <b>Financial parameters</b>       | <b>2022-2023</b> | <b>2023-2024</b> | <b>2024-2025</b> |
|-----------------------------------|------------------|------------------|------------------|
| Net Sales/Revenue from operations | 196.574          | 1,731.94         | 2367.12          |
| Other Income                      | 2,410.33         | 1,228.21         | 1336.35          |
| Total Income                      | 2,606.91         | 2,960.15         | 3703.47          |
| Profit after tax                  | -892.23          | -449.81          | 103.41           |

4. Foreign Investments or collaborations, if any: Nil

**II. Information about the appointee:**

1. Background details: Mr. Radhaswamy Venkateswaran, aged about 62 years is a B.Com graduate from Madras University and has a rich experience of more than 15 years in the field of Marketing and Advertisement in the Media Industry.
2. Past remuneration: Rs.. 28350/- Per month
3. Job profile and his suitability: Present duties and responsibilities of the Company are:
  - a. Attending day to day functions of the Company
  - b. He shall have general control, management and superintendence of the business of the Company
  - c. Being responsible for driving the business and other goals set by the Board of Directors
4. Mr. R Radhaswamy Venkateswaran has a rich experience in the field of Marketing and advertisement in the media industry, his association as a Managing Director is essential which would help in sustaining the growth of the Company.

**Remuneration proposed:**

- I) A consolidated salary at the rate of Rs.28,350/- (Rupees Twenty Eight thousand three fifty only) per month, which may be reviewed by the Board.
- II) Reimbursement of expenses incurred by him on account of business of the Company in accordance with the Company policy.
- III) Reimbursement of any other expenses properly incurred by him in accordance with the rules and policies of the Company.
- IV) The Managing Director shall be entitled to such increment from time to time as the Board may by its discretion determine.
5. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person: the proposed remuneration is reasonable with respect to the industry, size of the company and job profile of the proposed appointee.
6. Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel if any: Mr. Radhaswamy Venkateswaran has no pecuniary relationship directly or indirectly with the Company

(except to the extent of the remuneration receivable by him from the company).

### **III. Other Information:**

Reason for loss / inadequate profits, Steps taken or proposed to be taken for improvement and profits in measurable terms: NA

#### **Item No: 4**

In compliance with the Companies Act, 2013 (the “Act”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the “SEBI Listing Regulations”), Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company (“Board”) at its meeting held on 12.08.2026 had recommended appointment of Mr. M.Irulappan (DIN: 11876187) as an Additional Director designated as Non –Executive Independent Director of the Company, who shall not be liable to retire by rotation, subject to approval of the shareholders of the Company with effect from 12th August 2026 for a consecutive period of 5 years.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Directors requires approval of the members of the Company. Further, in terms of the amended Regulation 17(1C) of the SEBI Listing Regulations, effective January 01, 2022, a listed entity shall ensure that the approval of shareholders for appointment of a person on the Board of Directors has to be taken either at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, approval of the shareholders is sought to comply with the SEBI Listing Regulations.

The Company has received a declaration from him to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of SEBI Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. He has also confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to the registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

Mr. M.Irulappan has also confirmed that he is not disqualified from being appointed as Director, in terms of the provisions of Section 164 (2) of the Act and is not debarred to hold the office of a Director by virtue of any order passed by SEBI or any other authority and has given his consent to act as a Director of the Company. The Company has received a notice pursuant to Section 160 of the Act from a Member proposing his candidature for the office of a Director.

In the opinion of the Board, Mr. M.Irulappan fulfils the conditions of independence as specified in the Act and the Listing Regulations for appointment as an Independent Director and is independent of the Management of the Company. Mr. M.Irulappan is Independent of the management and possesses appropriate skills, experience and knowledge. Brief profile and additional information pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are included separately in this Notice. Keeping in view his vast expertise and knowledge, it will be in the interest of all the stakeholders that Mr. M.Irulappan is appointed as Independent Director. It is proposed to appoint for a term upto five consecutive years commencing from 12th August, 2026

Except Mr. M.Irulappan and his relatives (to the extent of their shareholding interest in the Company), no other director or Key Managerial Personnel or their relatives, is concerned or interested, financially or otherwise, in this Special resolution

The Board recommends the resolution mentioned at Item No. 4 of the accompanying notice for the approval by the members.

None of the Directors, Key Managerial Personnel, or their respective relatives, is in any way, concerned or interested, in the resolution set out at Item No. 4 of the accompanying notice

## ARUNA HOTELS LIMITED

### ADDITIONAL INFORMATION ON DIRECTORS SEEKING APPOINTMENT/RE- APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS ON GENERAL MEETING (SS-2)

#### DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT

| PARTICULARS                                                                    | MR. MURALIDHARAN RAMASAMY                                                                                                                                      |                        |
|--------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| Educational Qualification                                                      | Graduate in MBA (Finance)                                                                                                                                      |                        |
| Experience                                                                     | More than a two decade. Has a rich experience more than a decade in the field of field of accounts and finance and has a great contribution in Media Industry. |                        |
| Director Identification Number (DIN)                                           | 07092976                                                                                                                                                       |                        |
| Terms and conditions of re-appointment                                         | Retirement by Rotation                                                                                                                                         |                        |
| Date of appointment                                                            | 02.03.2015                                                                                                                                                     |                        |
| Date of Birth/ Age                                                             | 19.06.1976 / 50 years;                                                                                                                                         |                        |
| *Directorships held in other Listed Companies                                  | Nil                                                                                                                                                            |                        |
| *Directorships held in other Listed Companies                                  | Nil                                                                                                                                                            |                        |
| No. of Board Meetings attended during the year                                 | Financial year 2025-26                                                                                                                                         | Financial year 2024-25 |
|                                                                                | 6 (six)                                                                                                                                                        | 6 (six)                |
| Membership in the Company's Board Committees                                   | Member in Audit Committee                                                                                                                                      |                        |
| **Membership of Committees of other Public Companies                           | Nil                                                                                                                                                            |                        |
| Listed Entities from which the person has resigned in the past 3 (three) years | Nil                                                                                                                                                            |                        |
| Number of shares held in the Company including                                 |                                                                                                                                                                |                        |
| shareholding as a beneficial ownership                                         | Nil                                                                                                                                                            |                        |
| Relation inter se with the directors/ Key Managerial Personnel of the Company  | NIL                                                                                                                                                            |                        |
| Details of remuneration                                                        | Not Applicable                                                                                                                                                 |                        |

## ARUNA HOTELS LIMITED

|                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name                                                                                                                                                          | Mr.M.Irulappan                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| DIN (Director Identification Number)                                                                                                                          | 11876187                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Brief profile of Director                                                                                                                                     | Mr. M. Irulappan (Age: 64 years) holds a B.Sc. in Chemistry and a Post Graduate Diploma in Business & Marketing Management from the Indian Institute of Materials Management (IIMM), Delhi Chapter. He has 38 years of professional experience in the chemical, pharmaceutical, and petroleum industries. He worked at Indra Chemicals, S.M. Pharmaceuticals, and Chemfab Alkalies Limited before serving for 33 years as Manager at Chennai Petroleum Corporation Limited (CPCL), a Group Company of Indian Oil Corporation Limited, from where he retired. He has also been actively involved in social service for many years, organizing medical camps, blood donation drives, environmental awareness programmes, educational support, and welfare activities for underprivileged people. In recognition of his contributions, he has received several awards, including the Tamil Nadu State Government Best Social Service Award (2007), Best Social Service Award (2011), Best Social Service & Achiever Award (2021), and the Indo-Timor Special Award for Remarkable Social Service (2024). He was also honoured through the release of a Department of Posts commemorative stamp for DVM Seva Palam during its Silver Jubilee in 2022. He is known for his professional experience, leadership, and commitment to social service. |
| Date of Birth (Age in Years)                                                                                                                                  | 04/06/1962; Age: 64years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Date of Appointment                                                                                                                                           | 12th August, 2026                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Qualification                                                                                                                                                 | B.Sc. in Chemistry and a Post Graduate Diploma in Business & Marketing Management                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Expertise in specific functional areas                                                                                                                        | He has a rich experience in the industry field                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Conditions of appointment or reappointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable | Appointment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| His last drawn salary                                                                                                                                         | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| *Directorships held in other Listed Companies                                                                                                                 | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Listed Entities from which the person has resigned in the past three years                                                                                    | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| **Membership of Committees of other Public Companies                                                                                                          | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Relationship between Directors of the Company inter-se                                                                                                        | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Number of shares held in the Company including shareholding as a beneficial owner                                                                             | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Details of Remuneration                                                                                                                                       | Entitled to receive sitting fees and commission, at the discretion of the Board as applicable to non-executive Directors                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements       | He has rich experience in the Industry field                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

## ARUNA HOTELS LIMITED

|                                                                                                                                                               |                                                                                                                                                                                                                |                          |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| Name                                                                                                                                                          | Mr. Radhaswamy Venkateswaran                                                                                                                                                                                   |                          |
| DIN (Director Identification Number)                                                                                                                          | (DIN: 09532159)                                                                                                                                                                                                |                          |
| Brief profile of Director                                                                                                                                     | Mr. Radhaswamy Venkateswaran, aged about 62 years is a B.Com graduate from Madras University and has a rich experience of more than 15 years in the field of Marketing and Advertisement in the Media Industry |                          |
| Date of Birth (Age in Years)                                                                                                                                  | 01/04/1964; Age: 62 years                                                                                                                                                                                      |                          |
| Date of appointment /Reappointment                                                                                                                            | 10/03/2027                                                                                                                                                                                                     |                          |
| Qualification                                                                                                                                                 | B.Com graduate from Madras University                                                                                                                                                                          |                          |
| Expertise in specific functional areas                                                                                                                        | He has a rich experience more than a two decade in the field of Marketing and advertisement and has a great contribution in the Media Industry                                                                 |                          |
| Conditions of appointment or reappointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable | Re-appointment                                                                                                                                                                                                 |                          |
| His last drawn salary                                                                                                                                         | 28350/- Per month                                                                                                                                                                                              |                          |
| No. of Board Meetings attended during the year                                                                                                                | Financial year 2025-26                                                                                                                                                                                         | Financial year 2024-2025 |
|                                                                                                                                                               | 6 (Six)                                                                                                                                                                                                        | 6 (Six)                  |
| *Directorships held in other Listed Companies                                                                                                                 | Nil                                                                                                                                                                                                            |                          |
| Listed Entities from which the person has resigned in the past three years                                                                                    | Nil                                                                                                                                                                                                            |                          |
| **Membership of Committees of other Public Companies                                                                                                          | Nil                                                                                                                                                                                                            |                          |
| Relationship between Directors of the Company inter-se                                                                                                        | None                                                                                                                                                                                                           |                          |
| Number of shares held in the Company                                                                                                                          | Nil                                                                                                                                                                                                            |                          |

\* Includes names of Listed Companies in which the Director holds the Directorship. (Other than Aruna Hotels Limited)

\*\* Includes names of other Public Companies in which the person holds the membership of Audit Committee and Stakeholders Relationship Committees of the Board of Directors. (Other than Aruna Hotels Limited).

The Re-appointment of Mr. Radhaswamy Venkateswaran as Managing Director has been approved and recommended by the Board based on the evaluation of performance and the performance having been found satisfactory.

Brief profile of the above Director also forms part of Corporate Governance Report. The above Director is not related to any of the Directors or Key Managerial Personnel of the Company.

**BOARD'S REPORT**

**To the Members,**

Your Company's Directors have pleasure in presenting before you the 64th Annual Report of the Company together with the Audited Financial Statements for the Financial Year (FY) ended 31st March, 2026.

**FINANCIAL SUMMARY**

Standalone Financial Performance for the year ended March 31, 2026 is summarized below:

| <i>Particulars</i>                                                                                                                                         | <i>Rs. in lakhs</i>                            | <i>Rs. in lakhs</i>                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|------------------------------------------------|
|                                                                                                                                                            | <i>Financial year ended<br/>March 31, 2026</i> | <i>Financial year ended<br/>March 31, 2025</i> |
| Revenue from Operations                                                                                                                                    | 2510.36                                        | 2367.12                                        |
| Other Income (net)                                                                                                                                         | 1400.94                                        | 1336.35                                        |
| <b>Total Income</b>                                                                                                                                        | <b>3911.30</b>                                 | <b>3703.47</b>                                 |
| Less: Cost of Materials consumed                                                                                                                           | 415.54                                         | 448.35                                         |
| Less: Operating Expenditure (Employee benefit expenses)                                                                                                    | 398.30                                         | 313.22                                         |
| Less: Finance costs                                                                                                                                        | 1488.19                                        | 1423.65                                        |
| Less: Depreciation & amortization expense                                                                                                                  | 213.09                                         | 281.45                                         |
| Less: Other expenses (net)                                                                                                                                 | 1080.41                                        | 1220.63                                        |
| <b>Profit/ (Loss) before exceptional and Extraordinary items and tax</b>                                                                                   | <b>3595.53</b>                                 | <b>16.18</b>                                   |
| Exceptional Items                                                                                                                                          | -                                              | -                                              |
| <b>Profit/ (Loss) before Extraordinary items and tax</b>                                                                                                   | <b>315.77</b>                                  | <b>16.18</b>                                   |
| Extraordinary Items                                                                                                                                        | -                                              | -                                              |
| <b>Profit / (Loss) before tax</b>                                                                                                                          | <b>315.77</b>                                  | <b>16.18</b>                                   |
| Tax expenses                                                                                                                                               | 234.9                                          | -87.23                                         |
| <b>Profit / (Loss) after tax</b>                                                                                                                           | <b>80.90</b>                                   | <b>103.41</b>                                  |
| Other Comprehensive (Income)/Loss                                                                                                                          | -                                              | 6.40                                           |
| <b>Total Comprehensive Income for the period (Comprising profit/loss from ordinary activities after tax and other comprehensive income for the period)</b> | <b>80.90</b>                                   | <b>97.00</b>                                   |

**DISCLOSURE UNDER COMPANIES ACT 2013:**

Pursuant to the Section 134 of Companies Act, 2013 read with Companies (Accounts Rules), 2014, the Company has complied with requirements and the details of which are as disclosed here under:

**(i) Annual Return**

As provided under Section 92(3) and 134(3)(a) of Companies Act, 2013, the Annual Return in form MGT-7 for the financial year 2025-2026 is available on the website of the Company at [www.arunahotels.com](http://www.arunahotels.com)

**(ii) Number of meetings of the Board**

The Board of Directors met 6 (Six) times during the financial year 2025-2026. The details of the Board meetings and the attendance of the Directors are given in the Corporate Governance Report, which forms part of this Annual Report.

**(iii) Directors Responsibility Statement**

Pursuant to Section 134(5) of the Companies Act, 2013, Board of Directors confirms that:

- in the preparation of the annual accounts for the financial year ended 31st March, 2026, the applicable accounting standards have been followed and that no material departures have been made from the same;

- 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 profits and loss of the Company for that period;
- c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 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 ensured that such Internal financial controls are adequate and were operating effectively; and

***(iv) Details in respect of frauds reported by the auditors:***

During the year under review, the Auditors have not reported to the audit committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

***(v) A statement on declaration given by Independent Directors:***

The Company has received necessary declarations from every Independent Director 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 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

***(vi) Company's policy on Director's appointment and Remuneration:***

Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes and independence of a director and other matters as per Section 178(3) of the Act has been disclosed in the Corporate Governance Report, which forms part of the Board's Report and also is disclosed on Company's website [www.arunahotels.com](http://www.arunahotels.com)

***(vii) Explanation of Board on qualification of Statutory Auditors and Secretarial Auditors, if any***

The Auditors' Report for the financial year 2025-2026 does not contain any qualification, reservation or adverse remark. The Report is enclosed with the financial statements in this Annual Report.

As required by the Listing Regulations, the Practicing Company Secretary's certificate on Corporate Governance for the financial year 2025-2026 is enclosed as Annexure to this Annual report. The certificate does not contain any qualification, reservation or adverse remark, except that of few observations.

The Secretarial Auditors' Report for the financial year 2025-2026 does not contain any qualification, reservation or adverse remarks, except that of few observations. The Secretarial Auditors' Report is enclosed as Annexure to this Annual report.

***(viii) Particulars of loans, guarantees or investments given or made by the Company***

During the year under review, Company has not given any loan, guarantee or provided any security and made any investments pursuant to section 186 of the Companies Act, 2013. Also, the Company is engaged in the business of providing 'Infrastructural facilities'(under Schedule VI of Companies Act, 2013), the provisions of Section 186 of the Companies Act, 2013 pertaining to provision of Loans, Guarantees or Investments shall not be applicable to the Company.

***(ix) Related Party Transactions***

In line with the requirements of the Act and the SEBI Listing Regulations, as amended, the Company has formulated a policy on Related Party Transactions for identifying, reviewing, approving and monitoring of Related Party Transactions and the same can be accessed on the Company's website at [www.arunahotels.com](http://www.arunahotels.com).

The related party transactions entered into with related parties during the year under review were in the ordinary course of business and at arm's length basis and in compliance with the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All transactions entered into with the related parties were approved by the Audit Committee.

None of the transactions with related parties are material in nature or fall under the scope of Section 188 (1) of the

Companies Act, 2013. The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, as amended, in Form AOC-2 is not applicable to the Company for the financial year 2025-2026 and hence the same is not provided.

***(x) State of Affairs***

The Company has successfully commenced its hospitality operations under the brand “Pharos Hotels,” a unit of Aruna Hotels Limited. During the year, the Company established the essential operational infrastructure and guest service facilities, thereby laying a strong foundation for sustainable growth and long-term success.

The initial phase of operations has been encouraging, with the Company making steady progress in strengthening its market presence and enhancing operational capabilities.

During the year under review, the Company reported a profit before tax of Rs. 315.77 is a notable improvement compared to the profit of Rs. 16.18 lakhs in the previous year

This improvement in financial performance reflects the Company’s focused efforts towards operational stabilization, prudent cost management, revenue optimization, and efficient resource utilization. Although the business is still in its growth and stabilization phase, the Management is confident that the strategic initiatives undertaken during the year will continue to yield improved financial and operational performance in the coming periods.

The Company remains committed to strengthening its brand through targeted marketing initiatives, enhancing guest experience, improving operational efficiencies, and expanding revenue opportunities. These measures are expected to reinforce the Company’s competitive position in the hospitality sector and contribute to sustained profitability.

The Board and Management remain dedicated to achieving operational excellence, maintaining sound corporate governance, and creating sustainable long-term value for all stakeholders and shareholders.

***(xi) Transfer to Reserves***

The Company has not transferred or proposed to transfer any amount to the Reserves for the year under review.

***(xii) Dividend***

your company has not declared any dividend for the year ended 31st March 2026

***(xiii) Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report***

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year i.e., 31st March, 2026 and the date of this report.

***(xiv) Conservation Of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo***

**1. Conservation of Energy**

Considering the nature of activities in which the Company operates, energy consumption is in accordance to the normal business practices and does not require any specific installations. In its regular course of business, the Company is always vigilant to conserve the resources and continuously implements measures required to save energy.

**2. Technology Absorption**

The business activities of the Company are not specific to any technology requirements. Hence disclosures pertaining to conservation of energy and technology absorption are not applicable to your Company during the year under review.

**3. Foreign Exchange Earning and Outgo**

Foreign Exchange earning : Rs.20983/-

Foreign Exchange outgo : Nil

***(xv) Risk Management Policy***

Internal compliance and control policies and procedures of the Company and policies for monitoring and evaluation

of risk management systems to assess the effectiveness of those systems in minimizing risks that may impact adversely on the business objectives of the Company were established. At present, the Company has not identified any element of risk which may threaten the existence of the Company. However, the Constitution of a Risk Management Committee as per Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is not applicable to the Company.

**(xvi) Corporate Social Responsibility (CSR):**

During the year under review, the provisions of Section 135 of the Companies Act, 2013 pertaining to the Corporate Social Responsibility are not applicable to the Company.

**(xvii) Board Evaluation**

Your Company has a structured framework for evaluation of the Individual Directors, Chairperson and Board as a whole and its Committees. The Independent Directors at their Meeting held on 13.02.2026 evaluated the performance of Non-Independent Directors, Board as a whole, Chairperson and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Board of Directors at their Meeting held on 12.11.2026 evaluated the performance of all Independent Directors and the Board as a whole and its Committees and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board through circulation of questionnaires, to assess the performance on select parameters relating to roles, responsibilities and obligations of the Board and functioning of the Committees.

The evaluation criteria were based on the participation, contribution and guidance offered and understanding of the areas etc., which are relevant to the Directors in their capacity as Members of the Board/Committees.

**(xix) Change in the nature of Business:**

There is no change in the nature of Business during the year under review.

**(xx) Directors and Key Managerial Personnel:**

**Directors:**

The Board of Directors of Aruna Hotels Limited currently comprises of 6 (six) Directors with a balanced combination of a. Executive, b. Non-Executive (Non-Independent) and c. Independent Directors.

| <b>Name of Directors</b>     | <b>Designation</b>                                           |
|------------------------------|--------------------------------------------------------------|
| Mr. Suyambu Narayanan        | Chairperson (Non-Executive - Independent Director)           |
| Mr. Radhaswamy Venkateswaran | Executive Director                                           |
| Mr. Muralidharan Ramasamy    | Non-Executive - Non Independent Director                     |
| Mr. R Rajkumar               | Non-Executive - Non Independent Director                     |
| Ms. Vijayalakshmi            | Non- Executive- Independent Director(w.e.f 12.08.2025)       |
| Mr. M.Irulappan              | Additional Director- Independent Director (W.e.f 12.08.2026) |

In accordance with provisions of Section 152 (6) of the Companies Act, 2013 and the Articles of Association of the Company, Mr.Muralidharan Ramasamy (DIN:07092976) of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-election.

**Appointment & Resignation of Independent Director**

During the year under review, Ms.Vijayalakshmi (DIN:11060612) appointed as an Independent Women Director with effect from August 12, 2025, for a term of five years which was approved by the shareholders through Annual General Meeting held on September 26, 2025.

Ms. Freeda Gnanaselvam Kanagiah ceased to be a Director from September 21, 2025 in view of completion of her 2nd tenure as Independent Director. The Board wishes to records appreciation of the guidance provided by Ms.Freeda Gnanaselvam Kanagiah during her tenure as Independent Director of the Company.

The Board of Directors at its meeting held on August 12,2026 based on the recommendation of Nomination and Remuneration Committee, approved the appointment of Mr.M.Irulappan(DIN: 11876187) as an Additional Director designated Non-Executive Independent Director for a period of five years with effect from August 12, 2026 subject to approval of shareholders. Accordingly matter with respect to appointment is proposed in the Notice of 64th

Annual General Meeting.

**Key Managerial Personnel:**

Pursuant to the provisions of Section 203 of the Companies Act, the Key Managerial Personnel of the Company as on March 31, 2026 are:

- a. Mr. Nagaraj P, Chief Financial Officer (CFO)
- b. Ms.N.Sornalatha , Company Secretary (CS)

**Declaration of Independent Director**

All the Independent Directors have furnished necessary declaration under Section 149(7) of the Act and under Regulation 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As per the said declarations, they meet the criteria of Independence as provided in Section 149 (6) of the Act and the SEBI Listing Regulations. All of them have confirmed that they have registered themselves with the Indian Institute of Corporate Affairs under Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014 as amended.

***(xxi) Statement regarding opinion of the Board with regard to integrity, expertise and experience of the Independent Directors appointed during the year***

During the year under review, Ms.Vijayalakshmi (DIN:11060612) appointed as an Independent Women Director with effect from August 12, 2025, for a term of five years which was approved by the shareholders through Annual General Meeting held on September 26, 2025

***(xviii) Subsidiary, Associates and Joint Ventures***

Your Company has no subsidiary during the year or at any time after the closure of the year and till the date of this report. Hence, a statement containing the salient features of financial statements of the Company's subsidiaries in Form AOC-1 is not applicable.

***Associates and Joint Ventures***

Your Company has no Associates or Joint Ventures during the year or at any time after the closure of the year and till the date of this report.

***(xxii) Deposits***

The Company has not invited or accepted any deposits during the year under review and there are no deposits covered under Chapter V of the Companies Act, 2013 during the year 2025-2026, the details of which are required to be furnished.

***(xxiii) Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:***

During the year under review and as on date of the Report, No material orders passed by the Regulators and fine(s) that was/were imposed on the Company. No impact on the going concern status and company's operations in future.

***(xxiv) Internal Financial Control***

The Company has a proper and adequate internal control system to ensure that all the assets of the Company are safeguarded, to prevent and detect frauds and any other irregularities, proper application of appropriate accounting policies and procedures to ensure completeness of the accounting records, compliance with policies, rules and regulations, timely preparation of reliable financial information and prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have material effect on the financial statements

The Company has engaged a firm of external consultants for the internal audit function to continuously monitor the effectiveness of internal controls.

***(xxv) Maintenance of Cost Records***

Maintenance of cost records and the requirement of Cost Audit under the provisions of Section 148 (1) of the Companies Act, 2013 are not applicable to the Company.

***(xxvi) Internal Complaints Committee***

The Company has constituted an Internal Complaints Committee to prevent and prohibit any form of sexual harassment at workplace and provide redressal for woman employees as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, there was no event affecting any of the women employees on account of any sexual harassment at the work place.

***Proceedings under Insolvency and Bankruptcy Code, 2016***

As on date of this report, The following are pending before the National Company Law Appellate Tribunal (NCLAT) National Company Law Tribunal (NCLT) under the Insolvency and Bankruptcy Code 2016.

- i) Comp App (AT) (CH) (Ins) No. 52/2023, 63/2023, 64/2023 & 68/2023 pending before NCLAT, Chennai.
- ii) Restoration Application (AT) No.03/2025 in Company Appeal (AT) (CH) (Ins) No.68/2023) is pending before NCLAT
- iii) Petition vide number CP/133 (CHE) 2021, (IA/MA) Application numbers IA(CA)/42(CHE)/2023 before National Company Law Tribunal, Chennai were dismissed on 19.11.2025

***(xxvii) the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof – Not applicable***

***(xxviii) Capital Structure***

During the financial year 2025-2026, there was no change in the Authorised Share Capital of the Company and stood at Rs. 75 Crores divided into 6,70,00,000 (Six crores seventy lakhs) equity shares of face value of Rs.10/- each and 8,00,000 (Eight lakhs) Preference shares of Rs.100/- each constituting Redeemable Preference share capital of the Company.

***Paid Up Share Capital***

During the financial year under review 2025-2026, the paid-up share capital of the Company is Rs. 36,94,00,000 (Rupees Thirty Six Crores Ninety Four Lakhs Only) comprising of 3,39,00,000 equity shares of Rs.10/- each and 2,57,00,000 Redeemable Preference Shares of Rs.100/- each.

During the year under review, the Company has transferred a sum of Rs. 26,00,000/- (Rupees Twenty Six Lakhs), being redemption amount of preference shares paid to the United India Insurance Company Limited.

During the year under review, the Company has neither issued any shares with differential voting rights nor issued any sweat equity shares.

***(xxix) Meetings of the Board***

During the financial year under review, 6 (six) Board Meetings were held and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on 27.05.2025, 21.07.2025, 12.08.2025, 25.08.2025, 12.11.2025 and 13.02.2026. Necessary quorum was present for all the meetings. Other details including the composition of the Board and the Committee Meetings thereof held during the year under review (FY 2025-2026) are given in the Corporate Governance Report forming part of this Report.

***Meeting of the Independent Directors:***

During the year, one Meeting of Independent Directors was held on 13.02.2026. All the Independent Directors were present.

***Committees of the Board***

A detailed note on the composition of the Board and its committees is provided in the Corporate Governance Report section which forms part of this Annual Report.

***(xxx) Familiarization Programs for Independent Directors***

In accordance with the requirements of Listing Regulations, 2015 and Schedule IV of the Act, as amended, the Company has a programme to familiarize the Independent Directors of the Company including in relation to the nature of industry in which the Company operates and the roles, rights and responsibilities of the Independent

Directors.

The Programme aim at enabling the Independent Directors to understand and keep them updated on an ongoing basis about the significant changes which occur in the industry. Due to this familiarization programs, it was concluded that the Board is able to take active participation in the decision-making process and is equally involved in the affairs of the Company.

***Remuneration ratio of the directors / Key Managerial Personnel (KMP) / Employees***

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of employees of the Company and Directors is furnished hereunder:

| <b>S.No</b> | <b>Particulars</b>                                                                                                                                                                                                                                                                                                                                 | <b>Ratio</b> |
|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| 1.          | The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year<br><br>(i) Mr. Radhaswamy Venkateswaran                                                                                                                                                                           | 0.56:1       |
| 2.          | The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary, or Manager, if any, in the financial year                                                                                                                                                                           | 5%           |
| 3.          | The percentage increase in the median remuneration of employees in the financial year                                                                                                                                                                                                                                                              | 0.50         |
| 4.          | The number of permanent employees on the rolls of the company                                                                                                                                                                                                                                                                                      | 14 employees |
| 5.          | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration | Nil          |

\*The ratio of the remuneration of Mr. Radhaswamy Venkateswaran, Managing Director to the median remuneration of the employees calculated for a period of 12 months during the FY 2025-2026

It is affirmed that the Remuneration is as per the Remuneration policy for the Directors, Key Managerial Personnel and other employees adopted by the Company.

***(xxxii) Policy on Vigil Mechanism (Whistleblower Policy)***

The Company has formulated and established the necessary Vigil Mechanism (Whistleblower Policy) for employees including Directors of the Company in confirmation with Section 177(9) of the Act and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to report genuine concerns about unethical behaviour. The details of the policy have been disclosed in the Corporate Governance Report, which is a part of this report and is also available on the website at [www.arunahotels.com](http://www.arunahotels.com)

***(xxxii) Auditors:***

**(a) Appointment of Statutory Auditors:**

The Members of the Company, at the 64th AGM held on 26th September, 2025 approved the appointment of M/s. M/s. Venkat & Rangaa LLP, Chartered Accountants, (Firm Registration No. 004597S), as the Statutory Auditors of the Company, for a period of five years, to hold office till the conclusion of the 68th AGM to be held for the financial year ended March 31, 2030.

The Statutory Auditors' Report on the financial statements of the Company for the financial year 2025-2026 does not contain any qualifications, reservations or adverse remarks or disclaimer.

During the year under review, the Statutory Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013

**(b) Internal Auditors:**

In accordance with the provisions of Section 138 of the Companies Act, 2013 M/s. GSPU & Associates, chartered Accountants (FRN :011266S), were appointed as the Internal Auditors of the company for the financial year 2025-2026.

**(c) Secretarial Auditors:**

Pursuant to the provisions of Section 204 of the Act and the rules made there under, read with the Listing Regulations, the Company, with the approval of the Shareholders, has appointed Mr.B.Prabhakar, Practicing Company Secretaries (CP.No.7870) as the Secretarial Auditors of the Company from the conclusion of 64th AGM till the conclusion of 68th AGM of the Company, for a period of five consecutive financial years i.e., from FY 2025-26 to FY 2029-30. The Secretarial Audit Report issued by the Secretarial Auditor for FY 2025-26 is annexed hereunder. The Secretarial Audit Report for the year ended March 31, 2026, does not contain any qualification or reservation or adverse remarks.

For the financial year 2025-2026, the Company does not have any material unlisted Indian subsidiaries. As such the requirement to attach secretarial audit reports of material unlisted Indian subsidiaries pursuant to Regulation 24A (1) of SEBI Listing Regulations is not applicable to the Company.

**(xxxiii) Compliance with Secretarial Standards:**

The Company has devised proper systems to ensure compliance with the provisions of all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) and that such systems are adequate and operating effectively.

**(xxxiv) Listing Requirements:**

Your Company's Equity shares are listed on the BSE Limited, Mumbai. Listing fees have been paid to this Stock Exchange for the financial year 2025-2026.

**(xxxv) Dematerialization of Shares**

The Company's shares are compulsorily traded in dematerialized form on the BSE Stock Exchange. Equity Shares of the Company representing 91.7% of the Company's equity share capital are dematerialized as on March 31, 2026. Under the Depository system, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE957C01019.

**(xxxvi) Corporate Governance**

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Corporate Governance Report with Auditors' Certificate thereon and Management Discussion and Analysis Report are attached, which form part of this report.

**(xxxvii) Management Discussion & Analysis Report**

Management Discussion & Analysis Report for the year under review, as stipulated under Regulation 34(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 is annexed as annexure to this report.

**Acknowledgement**

Your Directors take this opportunity to express their gratitude to Company's Bankers, Suppliers, Government Departments and other business associates for their unstinted support extended to the Company. Your Directors wish to place on record, their appreciation of the efficient and dedicated services rendered by the employees at all levels across the Company. We are sincerely grateful to all the shareholders for their confidence, faith and support in the endeavours of the Company.

Date: 12.08.2026

Place: Chennai

**On behalf of the Board of Directors**

**Sd/-**

**Sd/-**

**R Venkateswaran**

**Suyambu Narayanan**

**Managing Director**

**Director**

**DIN: 09532159**

**DIN: 07718798**

## ARUNA HOTELS LIMITED

FORM NO MR-3

### Secretarial Audit Report

(For the period 1st April 2023 to 31st March 2024)

### Annexure to Board's Report

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

**ARUNA HOTELS LIMITED**

**Aruna Centre, 145, Sterling Road, Nungambakkam,**

**Chennai -600 034**

**I have conducted** the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ARUNA HOTELS LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon. Based on our verification of the 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, we hereby report that in our opinion, the Company has, during the audit period ended on 31st March 2025, 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 ARUNA HOTELS LIMITED ("The Company") for the period ended on 31st March 2025 according to the provisions of:

- I. The Companies Act, 2013 and the Rules made thereunder and Companies Act, 1956 to the extent applicable
- II. The Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.

**I report that** during the year under review the company has complied with the provisions of the following Acts/Regulations to the extent applicable including the provisions with regard to disclosure and maintenance of records required under them:

- I. 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;
- II. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- III. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- IV. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- V. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- VI. 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;
- VII. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
- VIII. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018
- IX. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
- X. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

XI. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder and by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

XII. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

**I further certify** that the provisions of the various Central/State Acts, listed herein below have been complied with to the extent the said Acts are applicable to the Company during the Financial Year 2024-25.

| S.No. | Central / State | Legislations – Acts                                              |
|-------|-----------------|------------------------------------------------------------------|
| 1     | Central         | Employees' Provident Fund and Miscellaneous provisions Act, 1952 |
| 2     | Central         | Maternity Benefit Act, 1961                                      |
| 3     | Central         | Payment of Bonus Act, 1965                                       |
| 4     | Central         | Payment of Gratuity Act, 1972                                    |
| 5     | Central         | Income Tax Act, 1961                                             |
| 6     | Central         | Goods and Services Tax and Customs under Indirect Tax            |

**I have also examined** the following other laws out of the indicative list of sector wise laws applicable to Hotel Industry viz:

- a) The Tamil Nadu Catering Establishments Act, 1958.
- b) The Chennai City Municipal Corporation Act, 1919.
- c) Food Safety and Standards Act, 2006.
- d) Legal Metrology Act, 2009.
- e) Tamil Nadu Public Health Act, 1939.
- f) Tamil Nadu Value Added Tax, 2006
- g) Tamil Nadu Public Building (Licensing) Act, 1965.
- h) Air (Prevention and Control of Pollution) Act, 1981:
- i) Water (Prevention and Control of Pollution) Act, 1974:
- j) The Tamil Nadu Labour Welfare Fund Act, 1972,
- k) The Contract Labour (Regulation & Abolition) Act, 1970,
- l) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- m) The Tamil Nadu Fire Service Act, 1985
- n) Tamil Nadu Prohibition Act, 1937
- o) Foreigners Act, 1946

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The Uniform Listing Agreement entered into with BSE Limited and National Stock Exchange of India Limited pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- c) Investor Education and protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

**and report that** during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Agreements etc., 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. There is no changes in the composition of the Board of Directors that took place during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

The Company has obtained all necessary approvals under the various provisions of the Act; and

There was no prosecution initiated and no fines or penalties were imposed during the year under review under SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

**I further report that** During the reporting period Rs.26,00,000/- of preference shares of the company has been redeemed to the respective holders based on their consent for redemption before transferring it to IEPF.

**I further report that** based on the information received and records maintained 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.

Place: Chennai

Date: 6th August 2026

**B Prabhakar**  
**ACS Membership No. 15312**  
**C P No.: 7870**  
**Peer Review Certificate No. 1554/2021**  
**UDIN: A015312H001033340**

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

**ANNEXURE-A**

**To,**

**The Members,**

**ARUNA HOTELS LIMITED**

**Aruna Centre, 145, Sterling Road,**

**Nungambakkam,**

**Chennai -600 034**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial and other records is the responsibility of the management of the Company. Our responsibility is to express an opinion on the relevant records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the relevant records and compliances. The verification was done on test basis to verify that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial and tax 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 is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**B Prabhakar**

**ACS Membership No. 15312**

**C P No.: 7870**

**Peer Review Certificate No. 1554/2021**

Place: Chennai

Date: 6th August, 2026

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

**(a) Industry Structure and Developments**

The Indian hospitality industry is one of the fastest-growing segments of the services sector and plays a significant role in the country's economic development through its contribution to tourism, employment, and foreign exchange earnings. The industry comprises luxury, upscale, mid-scale, budget, and economy hotels, along with serviced apartments, resorts, boutique hotels, and alternative accommodation providers, catering to diverse customer segments.

During FY 2025–26, the industry demonstrated sustained growth, supported by robust domestic tourism, increasing business travel, rising disposable incomes, and the recovery in international tourist arrivals. Demand was further driven by the expansion of Meetings, Incentives, Conferences and Exhibitions (MICE), destination weddings, religious tourism, medical tourism, and leisure travel. Government initiatives to strengthen tourism infrastructure, improve connectivity, and promote India as a global travel destination also contributed positively to industry growth.

The sector continued to witness favorable demand–supply dynamics, enabling hotel operators to achieve healthy occupancy levels, improved Average Daily Rate (ADR), and higher Revenue per Available Room (RevPAR). Branded hotel chains expanded their presence through both owned and asset-light management contract models, particularly in Tier II and Tier III cities, where rising tourism and business activity created new growth opportunities.

Technology remained a key enabler of industry transformation. Hotels increasingly adopted digital booking platforms, contactless guest services, artificial intelligence-based customer engagement, dynamic pricing strategies, and data-driven revenue management systems to enhance operational efficiency and improve guest experiences. Sustainability also emerged as a strategic priority, with investments in energy-efficient infrastructure, water conservation, waste management, and environmentally responsible operations.

Despite challenges such as inflationary pressures, rising operating costs, skilled workforce shortages, and global economic uncertainties, the long-term outlook for the Indian hospitality industry remains positive. Growing urbanization, expanding middle-class incomes, increasing air connectivity, and continued government support for tourism are expected to sustain demand and create significant opportunities for organized hotel operators.

The Company is well positioned to benefit from these favorable industry trends through its focus on operational excellence, customer-centric service, digital innovation, and sustainable growth strategies.

The Company has successfully commenced its hospitality operations under the brand “Pharos Hotels,” a unit of Aruna Hotels Limited. During the year, the Company established the essential operational infrastructure and guest service facilities, thereby laying a strong foundation for sustainable growth and long-term success. The initial phase of operations has been encouraging, with the Company making steady progress in strengthening its market presence and enhancing operational capabilities.

**(b) Opportunities and Threats**

The hospitality industry continues to present significant growth opportunities driven by favorable economic and demographic trends. Key opportunities include:

- **Growth in Domestic Tourism:** Rising disposable incomes, changing travel preferences, and improved transportation infrastructure are driving strong demand for leisure and business travel across India.
- **Increase in International Tourist Arrivals:** Government initiatives to promote tourism and improved global connectivity are expected to boost inbound tourism and hotel demand.
- **Expansion of MICE and Event Tourism:** Growth in Meetings, Incentives, Conferences, Exhibitions (MICE), destination weddings, and corporate events offers opportunities to increase room occupancy and banquet revenues.
- **Development of Tier II and Tier III Cities:** Increasing business activity and tourism in emerging cities provide opportunities for hotel expansion and market penetration.
- **Digital Transformation:** Adoption of digital booking platforms, revenue management systems, artificial intelligence, and contactless guest services can enhance operational efficiency and customer experience.
- **Sustainable Hospitality:** Growing consumer preference for environmentally responsible hotels creates opportunities for investment in green practices, energy efficiency, and sustainable operations.

- **Asset-Light Expansion:** Management contracts, franchise agreements, and strategic partnerships enable business growth with lower capital investment and improved returns.

### **Threats**

While the industry outlook remains positive, certain external and internal factors may impact business performance:

- **Economic Uncertainty:** Inflation, slower economic growth, and fluctuations in consumer spending may affect travel demand.
- **Intense Competition:** Increasing competition from domestic and international hotel brands, alternative accommodation providers, and online travel platforms may put pressure on occupancy and pricing.
- **Rising Operating Costs:** Higher costs of labour, utilities, food and beverages, and maintenance may impact operating margins.
- **Skilled Workforce Shortage:** Difficulty in attracting and retaining qualified hospitality professionals may affect service quality and operational efficiency.
- **Regulatory Changes:** Changes in taxation, labour laws, environmental regulations, and licensing requirements may increase compliance costs.
- **Cybersecurity Risks:** Increased reliance on digital platforms exposes the Company to data privacy and cybersecurity threats.
- **Climate and Environmental Risks:** Extreme weather events, natural disasters, and environmental challenges may disrupt travel patterns and hotel operations.
- **Geopolitical and Public Health Risks:** Global conflicts, travel restrictions, or future health emergencies may adversely affect tourism and business travel.

The Company continuously monitors these opportunities and risks and adopts appropriate strategies to strengthen its competitive position, improve operational resilience, and create sustainable long-term value for all stakeholders.

### **c) Segment-Wise Performance**

During the year under review, the Company reported a profit before tax of Rs. 315.77 lakhs, a notable improvement compared to the profit of Rs. 16.18 lakhs in the previous year.

### **d) Outlook**

The outlook for the hospitality industry remains positive, supported by sustained growth in domestic tourism, improving international arrivals, expansion in infrastructure, and increasing demand for premium travel experiences. Industry participants continue to benefit from strong pricing power and demand growth that has generally outpaced room supply in many markets.

The Company intends to focus on:

- Expanding its hotel portfolio
- Increasing operational efficiency
- Enhancing digital capabilities
- Improving customer experience
- Strengthening revenue management
- Sustainable business practices
- Long-term shareholder value creation

The Indian hotel industry witnessed robust demand during FY 2025–26, driven by:

- Growth in domestic leisure and business travel
- Increasing corporate events and conferences
- Rising disposable incomes
- Government initiatives promoting tourism
- Expansion of aviation and transport infrastructure

- Growth in religious and experiential tourism

Despite inflationary pressures and geopolitical uncertainties, demand remained resilient, enabling hotels to maintain healthy occupancy levels and improved average room rates (ARR). Industry participants increasingly adopted asset-light expansion models, digital guest services, and sustainability initiatives.

The outlook for the hospitality industry remains positive, supported by sustained growth in domestic tourism, improving international arrivals, expansion in infrastructure, and increasing demand for premium travel experiences. Industry participants continue to benefit from strong pricing power and demand growth that has generally outpaced room supply in many markets.

The Company intends to focus on:

- Expanding its hotel portfolio
- Increasing operational efficiency
- Enhancing digital capabilities
- Improving customer experience
- Strengthening revenue management
- Sustainable business practices
- Long-term shareholder value creation

Management remains confident that the Company's strong brand, experienced leadership, prudent financial management, and customer-focused strategy will support sustainable growth in the coming years.

The Company expects continued demand across key business segments, including corporate travel, Meetings, Incentives, Conferences and Exhibitions (MICE), destination weddings, and social events. Favorable demand-supply dynamics, coupled with continued growth in organized hospitality, are expected to support healthy occupancy levels, improved Average Daily Rate (ADR), and Revenue per Available Room (RevPAR).

Going forward, the Company will continue to focus on operational excellence, revenue optimization, digital transformation, customer experience enhancement, and sustainable business practices. Strategic initiatives will include strengthening direct booking channels, improving service quality, adopting advanced technologies, enhancing energy efficiency, and expanding the Company's presence in high-growth markets through prudent investment and asset-light opportunities where appropriate.

While challenges such as inflationary pressures, evolving customer expectations, regulatory changes, and global economic uncertainties may continue to influence the operating environment The outlook for the Indian hospitality industry remains positive, supported by sustained growth in domestic tourism, improving international tourist arrivals, expanding business travel, and increasing demand for leisure, religious, medical, and experiential tourism. Government initiatives to enhance tourism infrastructure, improve connectivity, and promote India as a preferred global destination are expected to further strengthen the sector's long-term growth prospects., the Company remains confident that its strong brand positioning, experienced management team, disciplined financial approach, and customer-centric strategy will enable it to capitalize on emerging opportunities and deliver sustainable growth.

The management remains committed to creating long-term value for shareholders while maintaining high standards of corporate governance, operational efficiency, environmental responsibility, and stakeholder engagement.

The hospitality sector is expected to remain stable in FY 2026-27, supported by domestic leisure travel and MICE demand, with room rates likely to remain firm. According to ICRA, industry revenues are projected to grow by ~7–9% Y-o-Y in FY2026-27, with occupancy and ARR continuing to improve. Near-term performance, however, may be affected by geopolitical developments in West Asia and related aviation disruptions, which could temporarily impact select international and corporate travel corridors while keeping fuel, logistics and utility costs elevated.

Over the medium to long term, structural drivers, including rising discretionary spending, an expanding middle class and continued business travel, are expected to support industry growth. India's rising prominence in the global economy is also expected to contribute to sectoral growth by attracting higher inflows of foreign visitors, including heads of states and senior business executives.

### Challenges & Risks

Labor shortages, wage inflation, and stricter immigration enforcement (notably in the U.S.) are increasing costs and complexity.

Regulatory pressure on OTA dominance and data privacy/security concerns (especially around IoT and AI) may drive compliance costs.

Market reliance on tourism growth exposes hotels to macroeconomic risks, geopolitical friction, and consumer sentiment shifts—especially for domestic versus inbound travel demand

***(e) Risk & Concern***

The Company always ensures that the risk management process is also an integral part of yearly business plan and it involves a systematic approach to identify, assess, manage and monitor risks that can affect the organisation's ability to achieve its objectives.

***(f) Internal Control Systems and their adequacy***

The Company has institutionalized an adequate system of internal controls, with documented procedures covering all corporate functions of the hotel. Internal controls provide reasonable assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls and compliance with applicable laws and regulations. The internal audit provides a positive assurance, based on the audits of operating units and corporate functions. It converges process framework, risk and control of covering all critical and important functions inter-alia revenue management, purchase, finance, human resources and safety.

The establishment of an effective corporate governance and internal control system is essential for sustainable growth and long-term improvements in corporate value. To ensure that, the Company has created an adequate system of internal controls. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations, protecting assets and compliances with regulations and minimising of losses wherever possible.

The Company has appointed a professionally experienced internal audit firm to carry out periodical internal audit. The internal auditors appointed by the Company submit their reports with observations to the Management regularly. All the significant internal audit observations and corrective action plans are presented to the Audit Committee.

***(g) Discussion on financial performance with respect to operational performance.***

The Company has successfully launched its hotel operations under the brand name "Pharos Hotels," a unit of Aruna Hotels Limited. The initial phase of operations has seen the establishment of essential services and facilities, setting a strong foundation for future growth. During the year under review, the Company reported a profit before tax of Rs. 315.77 lakhs, a notable improvement compared to the profit of Rs. 16.18 lakhs in the previous year.

***(h) Material developments in Human Resources:***

Material development in human resources for hotels is crucial to ensuring the hospitality staff is well-trained, motivated, and equipped with the necessary skills to provide excellent service to guests. Here are some specific areas of material development in human resources for hotels:

**Customer Service Training:** Develop training modules and materials focused on customer service skills, including handling guest inquiries, resolving complaints, and maintaining a positive attitude.

**Standard Operating Procedures (SOPs):** Create comprehensive manuals that outline the hotel's standard operating procedures for various departments, such as the front desk, housekeeping, food and beverage, and maintenance.

**Hospitality Etiquette and Communication:** Provide resources that guide employees on proper etiquette, professional communication, and the use of language to create a warm and welcoming atmosphere.

**Technical Skills Training:** Offer training materials that cover specific technical skills required in different departments, such as food preparation, housekeeping techniques, or event planning.

**Health and Safety Training:** Develop materials on health and safety protocols, including emergency procedures, fire safety, food handling safety, and workplace ergonomics.

**Cultural Sensitivity and Diversity Training:** Create resources to promote cultural awareness and sensitivity, given the diverse backgrounds of both staff and guests in hotels.

**Upselling and Sales Training:** Provide materials to enhance the sales skills of staff, such as techniques for upselling

room upgrades, additional services, or special packages.

**On boarding Kits:** Prepare comprehensive onboarding kits for new employees, including welcome materials, company culture information, and an overview of their job responsibilities.

**Language Training:** If the hotel serves an international clientele, offer language training materials to help staff communicate effectively with guests from various regions.

**Leadership Development:** Develop materials to support the growth and development of supervisors and managers, focusing on leadership skills, team management, and performance coaching.

**Technology Training:** Provide resources to help staff become proficient in using hotel management software, reservation systems, and other technology tools used in the hotel industry.

**Guest Experience Enhancement:** Develop materials that guide employees on enhancing the overall guest experience, including personalized service, anticipating guest needs, and exceeding expectations.

**Environmental Sustainability:** Create materials that promote sustainability practices within the hotel, encouraging staff to be environmentally responsible and reduce the hotel's ecological footprint.

**Conflict Resolution and Stress Management:** Offer resources to help employees manage conflicts effectively and cope with stress in high-pressure situations.

**Career Development Plans:** Provide materials that outline career paths within the hotel, offering guidance on advancement opportunities and skill development.

Regularly updating and refreshing these materials based on employee feedback, industry trends, and guest expectations is essential to ensure the hotel's human resources strategy remains effective and aligned with the organization's goals. Additionally, integrating interactive and engaging elements into the training materials can enhance the learning experience and retention of information.

During the under review, Total number of people employed was 134 employees out of permanent (on roll) 14, Contract employees 107; Temporary employee 13.

**(i) Details of Significant Changes in Key Financial Ratios**

| Particulars                | Current year (2025-2026) | Previous year (2024-2025) | Variance (%) |
|----------------------------|--------------------------|---------------------------|--------------|
| Debtors' turnover          | 5.38                     | 3.30                      | 62.90 %      |
| Inventory turnover         | 2.05                     | 72.88                     | -97.19%      |
| Interest coverage ratio    | 1.21                     | 2.01                      | -39.69%      |
| Current ratio              | 0.45                     | 0.14                      | 223.62%      |
| Debt Equity ratio          | 6.53                     | 4.44                      | 47.13%       |
| Operating Profit margin    | 0.72                     | 0.19                      | 278.21%      |
| Net profit margin          | 0.13                     | 0.04                      | 214.46%      |
| Return on capital employed | 0.11                     | 0.01                      | 1013.98%     |

The above comparison is on Standalone Financial Statement. The details of Key Financial ratios with explanation is provided in Note :27 of standalone financial Statement.

**CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis Report with regard to projections, estimates and expectations have been made in good faith. The achievement of result is subject to risks, uncertainties and even less than accurate assumptions. Market data and information are gathered from various published and unpublished reports; their accuracy, reliability and completeness cannot be assured.

## ARUNA HOTELS LIMITED

### CORPORATE GOVERNANCE REPORT

A report on compliance with the Corporate Governance provisions as prescribed under Regulation 34(3) read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as amended for the year ended March 31, 2026 is detailed below:

#### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company is committed to adopt the best Corporate Governance practices to manage the affairs of the Company in an ethical, accountable, transparent and fair way, with the blend of both legal and management practices, to imbed the same in the decision-making process of the Company, and to communicate the same accurately and timely, in such a way that both stakeholders' expectations and legal standards are not only met, but the Company surpasses them.

#### 2. BOARD OF DIRECTORS

a. The Board comprises of a balanced and an optimum combination of Non-Executive and Independent Directors in addition to the Managing Director (MD).

The Board as on March 31, 2026 comprises of 6 (Six) Directors, out of which three are Non-Executive Independent Directors(including two Independent Woman Director), two are Non – Executive, Non – Independent Directors and One is a Managing Director.

| Name of the Director              | Category & Designation              | No. of Board Meetings attended during FY 2025-2026 | Whether attended Last AGM held on 26-09-2025 | Number of Directorships in other Companies | Number of Committee positions held in other Public Companies |        |
|-----------------------------------|-------------------------------------|----------------------------------------------------|----------------------------------------------|--------------------------------------------|--------------------------------------------------------------|--------|
|                                   |                                     |                                                    |                                              |                                            | Chairman                                                     | Member |
| Mr. Radhaswamy Venkateswaran      | Executive, Managing Director        | 6                                                  | Yes                                          | Nil                                        | Nil                                                          | Nil    |
| Mr. Suyambu Narayanan             | Non-Executive, Independent Director | 6                                                  | Yes                                          | Nil                                        | Nil                                                          | Nil    |
| *Mrs. Freeda Gnanaselvam Kanagiah | Non-Executive, Independent Director | 6                                                  | No                                           | Nil                                        | Nil                                                          | Nil    |
| Mr. Muralidharan Ramasamy         | Non-Executive, Independent Director | 6                                                  | Yes                                          | Nil                                        | Nil                                                          | Nil    |
| Mr. R Rajkumar                    | Non-Executive, Independent Director | 6                                                  | Yes                                          | Nil                                        | Nil                                                          | Nil    |
| **Ms.R.Vijayalakshmi              | Non-Executive, Independent Director | 4                                                  | Yes                                          | Nil                                        | Nil                                                          | Nil    |

Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. Further, none of them is a member of more than 10(ten) committees or chairperson of more than 5(five) committees across all the public companies in which he/she is a Director. For determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of the SEBI Listing Regulations.

\*Ms . Freeda Gnanaselvam Kanagiah ceased to be a Director from September 21, 2025 in view of completion of her 2nd tenure as Independent Director. The Board wishes to records appreciation of the guidance provided by Ms.Freeda Gnanaselvam Kanagiah during her tenure as Independent Director of the Company

\*\*Ms.Vijayalakshmi (DIN:11060612) appointed as an Independent Women Director with effect from August 12, 2025, for a term of five years which was approved by the shareholders through Annual General Meeting held on September 26, 2025.

### **Board Meetings:**

6 (Six) meetings of the Board of Directors were held during the financial year 2025-2026. The said meetings were held on 27.05.2025, 21.07.2025, 12.08.2025, 25.08.2025, 12.11.2025 and 13.02.2026. The time gap between any two Board Meetings did not exceed one hundred and twenty days (120 days).

The Directors do not have any relationships inter-se with each other. None of the Directors holds any shares or convertible instruments in the Company.

The Company has obtained Certificate from Company Secretary in Practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by SEBI, Ministry of Corporate Affairs or any such statutory authority.

The terms and conditions of appointment of Independent Directors and details of familiarization programmes imparted to Independent Directors of the Company are available on the Company's website: [www.arunahotels.com](http://www.arunahotels.com).

List of core skills/expertise/competencies identified by the Board:

| <b>Name of the Director</b>     | <b>General Management</b> | <b>Finance</b> | <b>Legal</b> | <b>Marketing</b> |
|---------------------------------|---------------------------|----------------|--------------|------------------|
| Mr. Radhasawamy Venkateswaran   | √                         |                |              | √                |
| Mr. Suyambu Narayanan           | √                         | √              |              |                  |
| Mr. Freeda Gnanaselvam Kanagiah | √                         |                |              |                  |
| Mr. Muralidharan Ramasamy       | √                         | √              | √            |                  |
| Mr. R Rajkumar                  | √                         |                |              | √                |
| Ms.RVijayalakshmi               | √                         |                |              |                  |

The Independent Directors have submitted declarations that they meet the criteria of independence as provided in Regulation 16(1)(b). In the opinion of the board, Independent Directors fulfil the conditions specified in the SEBI Listing Regulations and are Independent of the Management.

### **Resignation of Independent Director:**

During the year under review, none of the Independent Directors of the Company had resigned before the expiry of their respective tenure(s).

Ms.Freeda Gnanaselvam kanaigiah has resigned on 21.09.2025 due to her tenure completion.

### **3. AUDIT COMMITTEE:**

Terms of Reference:

- (1) 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;
- (2) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) 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;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion(s) in the draft audit report;
- (3) reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

- (4) 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;
- (5) recommendation for appointment, remuneration and terms of appointment of auditors of the Company, including their replacement or removal;
- (6) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (7) reviewing and monitoring with the management, independence and performance, of statutory and internal auditors, adequacy of the internal control systems, and effectiveness of audit process;
- (8) evaluation of internal financial controls and risk management systems;
- (9) reviewing the adequacy of internal audit function, 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;
- (10) discussion with internal auditors of any significant findings and follow up there on;
- (11) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (12) 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;
- (13) approval or any subsequent modification of transactions of the Company with related parties;
- (14) reviewing of related party transactions entered into by the Company pursuant to omnibus approval(s), on quarterly basis
- (15) scrutiny of inter-corporate loans and investments;
- (16) valuation of undertakings or assets of the Company, wherever it is necessary;
- (17) 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;
- (18) Reviewing the financial statements, in particular the investments, if any made by the unlisted subsidiary company(ies)
- (19) to review the functioning of the whistleblower mechanism/vigil mechanism;
- (20) approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- (21) reviewing mandatorily the following information:
  - (a) The Management Discussion and Analysis of financial condition and results of operations;
  - (b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - (c) Management letters/letters of internal control weaknesses issued by the statutory auditors;
  - (d) Internal audit reports relating to internal control weaknesses;
  - (e) appointment, removal and terms of remuneration of the Chief internal auditor / internal auditor(s); and
  - (f) Statement of deviation:
- i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and

- ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of the SEBI Listing Regulations.
- (22) Carrying out any other function as is mandated by the Board from time to time and/or enforced by any statutory / regulatory requirement, as may be applicable.
- (23) Review its Terms of Reference on an annual basis and recommend any changes to the Board;
- (24) In terms of the Insider Trading Code adopted by the Company, the Committee shall consider the following matters: –
  - (i) To approve policies/framework in relation to the implementation of the Insider Trading Code and to supervise implementation of the Insider Trading Code.
  - (ii) To note and take on record the status reports detailing the dealings by Designated Persons in Securities of the Company, as submitted by the Compliance Officer on a quarterly basis.
  - (iii) To provide directions on any penal action to be initiated, in case of any violation of the Prohibition of Insider Trading Regulations by any person.

Five (5) meetings of the Audit Committee were held during the year under review and the gap between two meetings did not exceed 120 days. The dates of the said meetings are as: 27.05.2025, 12.08.2025, 25.08.2025, 12.11.2025 and 13.02.2026. All the committee members attended all the meetings of the Committee.

#### **CATEGORY, COMPOSITION, MEETINGS & ATTENDANCE OF AUDIT COMMITTEE**

| S.No. | Name                               | Nature of the Directorship              | Designation in Committee | No of Meetings held during the year |          |
|-------|------------------------------------|-----------------------------------------|--------------------------|-------------------------------------|----------|
|       |                                    |                                         |                          | Held                                | Attended |
| 1.    | Mr. Suyambu Narayanan              | Non-Executive, Independent Director     | Chairperson              | 5                                   | 5        |
| 2.    | * Mrs. Freeda Gnanaselvam Kanagiah | Non-Executive, Independent Director     | Member                   | 3                                   | 3        |
| 3.    | Mr. Muralidharan Ramasamy          | Non-Executive, Non-Independent Director | Member                   | 5                                   | 5        |
| 4     | ** Mrs.R.Vijayalakshmi             | Non-Executive, Non-Independent Director | Member                   | 4                                   | 4        |

\* Tenure completion -closure of business hours on 21.09.2025

\*\* Appointed as the Member of committee w.e.f 25.08.2025

#### **4. NOMINATION AND REMUNERATION COMMITTEE (NRC)**

Terms of reference:

1. To formulate the criteria for determining qualifications, positive attributes and independence of a director;
2. To devise a policy on Board diversity;
3. To identify persons who are qualified to become Director in accordance with the criteria laid down and recommend to the Board, their appointment/removal;
4. To identify persons who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board, their appointment /removal;
5. To formulate and recommend to the Board policies relating to the remuneration for:
  - a. Directors;
  - b. Key Managerial Personnel; and
  - c. Other Employees of the Company;
6. To formulate criteria for performance evaluation of independent directors and the Board and to carry out

evaluation of every director's performance;

7. To recommend remuneration payable to Managing Directors and Whole-time Directors;
8. To recommend the sitting fees payable, if any to Non-Executive Directors;
9. To review and recommend nature of services rendered by any director in other capacity and requisite qualification thereof;
10. To discharge the roles envisaged under the SEBI (Share Based Employee Benefits) Regulations, 2014;
11. Determine 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;
12. Review its Terms of Reference on an annual basis and recommend any changes to the Board;
13. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory/regulatory requirement, as may be applicable."

Two (2) meetings of the Nomination and Remuneration Committee was held during the year under review. The date of the said meeting was on: 12.08.2025 and 12.11.2025. All the committee members attended the meeting of the committee and Company Secretary acts as the Secretary to the Committee and who is also the Compliance officer of the Company.

#### **CATEGORY, COMPOSITION, MEETINGS & ATTENDANCE OF NOMINATION & REMUNERATION COMMITTEE**

| S.No. | Name                              | Nature of the Directorship              | Designation in Committee | No. of Meetings during the year |          |
|-------|-----------------------------------|-----------------------------------------|--------------------------|---------------------------------|----------|
|       |                                   |                                         |                          | Held                            | Attended |
| 1.    | *Mrs. Freeda Gnanaselvam Kanagiah | Non-Executive, Independent Director     | Chairperson              | 1                               | 1        |
| 2.    | Mr. Suyambu Narayanan             | Non-Executive, Independent Director     | Member                   | 2                               | 2        |
| 3.    | Mr. R Rajkumar                    | Non-Executive, Non-Independent Director | Member                   | 2                               | 2        |
| 4     | **Mr.R.Vijayalakshmi              | Non-Executive, Independent Director     | Chairperson              | 1                               | 1        |

\* Tenure completion -closure of business hours on 21.09.2025

\*\* Appointed as the chairperson of committee w.e.f 25.08.2025

#### ***Performance evaluation criteria of Independent Directors:***

The performance evaluation of the Independent Directors shall be done by the entire Board of Directors excluding the Director being evaluated. They undertake appropriate induction and regular update and refresh their skills, knowledge and familiarity with the company. They are also evaluated based on their skills, knowledge, professional expertise, attendance and active participation in all Board meetings and committee meetings of the Company, adherence to the code of conduct and ethics of the Company and Independent Directors as applicable, ability to adapt to the changing environment and not disclosing confidential information and protecting legitimate interest of the company, shareholders and employees.

#### **5. STAKEHOLDERS' RELATIONSHIP COMMITTEE (SRC)**

##### ***Terms of Reference:***

1. To oversee and review all matters connected with the transfer of the Company's securities and to approve allotment, transfer / transmission of securities;
2. To consider, resolve and monitor redressal of investors' complaints/ grievances like non-transfer of securities, non-receipt of annual report, non-receipt of dividends, etc.;
3. To approve issue of duplicate share certificates and new certificates on split/consolidation/renewal;

4. To oversee the performance of the Company's Registrar and Share Transfer Agent(s);
5. To recommend methods to upgrade the standards of services to investors;
6. Review its Terms of Reference on an annual basis and recommend any changes to the Board; and
7. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory / regulatory requirement, as may be applicable."

Four (4) meetings of the Stakeholders Relationship Committee were held during the year under review. The dates of the said meetings are as: 27.05.2025, 12.08.2025, 12.11.2025 and 13.02.2026. All the committee members attended all the meetings of the committee and ,Company Secretary acts as the Secretary to the Committee and is also the Compliance officer of the Company.

#### **CATEGORY, COMPOSITION, MEETINGS & ATTENDANCE OF STAKEHOLDERS RELATIONSHIP COMMITTEE**

| S.No. | Name                               | Nature of the Directorship              | Designation in Committee | No. of Meetings during the year |          |
|-------|------------------------------------|-----------------------------------------|--------------------------|---------------------------------|----------|
|       |                                    |                                         |                          | Held                            | Attended |
| 1.    | Mr. Rajkumar                       | Non-Executive, Non-Independent Director | Chairperson              | 4                               | 4        |
| 2.    | Mr. Suyambu Narayanan              | Non-Executive, Independent Director     | Member                   | 4                               | 4        |
| 3.    | * Mrs. Freeda Gnanaselvam Kanagiah | Non-Executive, Independent Director     | Member                   | 4                               | 4        |
| 4     | ** Ms.Vijayalakshmi                | Non-Executive, Independent Director     | Member                   | 2                               | 2        |

\* Tenure completion -closure of business hours on 21.09.2025

\*\* Appointed as the Member of committee w.e.f 25.08.2025

The following are details of investor complaints received and redressed during the financial year 2025-2026

| Pending at the opening of the financial year | Complaints received during the year | Complaints redressed during the year | Pending at the end of the financial year |
|----------------------------------------------|-------------------------------------|--------------------------------------|------------------------------------------|
| 0                                            | 0                                   | 0                                    | 0                                        |

But, as on date of this report there are no pending complaints and the same is resolved.

#### **5A. RISK MANAGEMENT COMMITTEE:**

The requirement of constitution of Risk management committee is not applicable to the Company.

#### **5B. SENIOR MANAGEMENT:**

Particulars of senior management of the Company as on March 31, 2026:

| Name                       | Designation                            |
|----------------------------|----------------------------------------|
| Mr. Lyndon Antonio D'Silva | General Manager                        |
| Mr. Dhinesh Jeba           | HR Manager                             |
| Mr. Nagarajan P            | Chief Financial Officer                |
| Ms.N.Sornalatha            | Company Secretary & Compliance Officer |

No Changes in Senior Management during the financial year 2025-26:

#### **6. REMUNERATION OF DIRECTORS:**

- a. None of the non-executive directors had any pecuniary relationship with the Company.

b. Criteria of making payments to non-executive directors is available at [www.arunahotels.com](http://www.arunahotels.com)

c. Disclosures with respect to remuneration:

1. The details of remuneration paid to the Managing Director of the Company for the FY 2025-2026 as follows:

**Rs. in lakhs**

| Name                     | Consolidated Salary | Benefits Bonus | Stock options | Pension | Sitting fees/ Commission/others | Total |
|--------------------------|---------------------|----------------|---------------|---------|---------------------------------|-------|
| Radhaswamy Venkateswaran | 3.40                | -              | -             | -       | -                               | 3.40  |

2. Details of fixed component and performance linked incentives, along with the performance criteria – Nil

3. Service Contracts, Notice period, severance fees: Mr. Radhaswamy Venkateswaran, Managing Director is under contract employment with the Company which stipulates a notice period of 2 (two) months in writing and which may be terminated by either of the parties.

4. Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable – Nil.

#### Remuneration

No sitting fees or remuneration were paid to the Non-Executive Directors and Independent Directors of the Company for attending the meetings of the Board and Committees, during financial year 2025-2026.

#### 7. GENERAL BODY MEETINGS

a. The details of the last three Annual General Meetings are as follows:

| Financial Year         | Date and Time                                 | Venue                                                                          |
|------------------------|-----------------------------------------------|--------------------------------------------------------------------------------|
| March 2023 (2022-2023) | AGM on September 15, 2023 at 10.00 a.m. (IST) | AGM held through Video Conferencing ('VC')/ Other Audio- Visual Means ('OAVM') |
| March 2024 (2023-2024) | AGM on September 20, 2024 at 10.00 a.m. (IST) | AGM held through Video Conferencing ('VC')/ Other Audio- Visual Means ('OAVM') |
| March 2025 (2024-2025) | AGM on September 26, 2025 at 10.00 a.m. (IST) | AGM held through Video Conferencing ('VC')/ Other Audio- Visual Means ('OAVM') |

b. Special Resolutions passed in the previous three Annual General Meetings:

| Financial Year         | Date and Time                                 | Particulars                                                                                               |
|------------------------|-----------------------------------------------|-----------------------------------------------------------------------------------------------------------|
| March 2023 (2022-2023) | AGM on September 15, 2023 at 10.00 a.m. (IST) | NIL                                                                                                       |
| March 2024 (2023-2024) | AGM on September 20, 2024 at 10.00 a.m. (IST) | NIL                                                                                                       |
| March 2025 (2024-2025) | AGM on September 26, 2025 at 10.00 a.m. (IST) | Appointment of Ms. R.Vijayalakshmi (DIN: 11060612) as a Non-Executive Independent Director of the Company |

#### General Meetings:

No Extraordinary general meeting of the members was held during Financial Year 2025-2026.

#### 8. Means of Communication:

During the year under review, as stipulated under Regulation 33 read with Regulation 47 of SEBI (Listing Regulations, 2015), the quarterly and Annual financial Results are intimated to the BSE Limited (Stock Exchange, where the shares of the Company are listed) and published in one English newspaper (Financial Express – Country wide edition) and one Tamil newspaper (Makkal Kural – Tamil Nadu Edition). The results are also displayed on the website of the Company at [www.arunahotels.com](http://www.arunahotels.com). The information stipulated under Regulation 46 of the Regulations is also available on the website of the Company.

During the year, there were no official news or press release and presentations made to the institutional investors or to the analysts that to be displayed on the website of the Company.

#### 8. GENERAL SHAREHOLDER INFORMATION

| S.No. | Particulars                                                                                                                                                                          | Information for Shareholders                                                                                                                                                                                                                                                                                                                               |
|-------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| a.    | Date, Time and Venue of the Annual General Meeting (AGM) for the financial year 2024-2025                                                                                            | Date & Time: September 25, 2026 at 10.00 a.m. (IST)<br>Venue: Through Video Conferencing (VC) and Other Audio-Visual Means (OAVM)                                                                                                                                                                                                                          |
|       | Cut-off date for e-Voting                                                                                                                                                            | Friday, September 18, 2026                                                                                                                                                                                                                                                                                                                                 |
|       | Date of Book Closure                                                                                                                                                                 | Saturday, September 19, 2026 to Friday, September 25, 2026 (both days inclusive)                                                                                                                                                                                                                                                                           |
|       | E-Voting dates                                                                                                                                                                       | September 22, 2026 (Tuesday) from 9.00 A.M. to September 24, 2026 (Thursday) to 5.00 P.M.                                                                                                                                                                                                                                                                  |
| b.    | Financial Year                                                                                                                                                                       | 1st April to 31st March                                                                                                                                                                                                                                                                                                                                    |
| c.    | Dividend payment date                                                                                                                                                                | Not applicable as the Company has not declared any Dividend                                                                                                                                                                                                                                                                                                |
| d.    | The name and address of each Stock Exchange(s) at which the listed entity's shares are listed and a confirmation about payment of annual listing fees to each of such stock exchange | Name of the Stock Exchange (SE): The BSE Limited<br>Address of the Stock Exchange: Phiroje Jeejeebhoy Towers, Dalal Street, Mumbai 400001<br><br><b>Confirmation on Payment of Annual Listing Fee to the Stock Exchange:</b><br><br>Annual listing fees for FY 2026-27 was paid to BSE Limited, the stock exchange where the company shares are listed are |
| e.    | Stock/ Scrip Code (BSE)                                                                                                                                                              | 500016                                                                                                                                                                                                                                                                                                                                                     |

#### *f. Market Price Data – Financial Year 2025-2026:*

|                | Aruna Hotels Limited (AHL) Share Price |      |
|----------------|----------------------------------------|------|
| Months         | High                                   | Low  |
| April-2025     | 11.97                                  | 9.5  |
| May-2025       | 12.2                                   | 9.58 |
| June-2025      | 11                                     | 9.01 |
| July-2025      | 10.09                                  | 8.3  |
| August-2025    | 9.95                                   | 8.51 |
| September-2025 | 9.47                                   | 7.82 |
| October-2025   | 9.18                                   | 7.75 |
| November-2025  | 9.18                                   | 8    |
| December-2025  | 9.18                                   | 8    |
| January-2026   | 8.9                                    | 6.42 |
| February-2026  | 8.79                                   | 6.6  |
| March-2026     | 8.47                                   | 6.46 |

**g. Performance in comparison to broad based indices such as BSE Sensex:**

| Months         | AHL High-Low |      | BSE – High Low |          |
|----------------|--------------|------|----------------|----------|
|                | High         | Low  | High           | Low      |
| April-2025     | 11.97        | 9.5  | 80661.31       | 71425.01 |
| May-2025       | 12.2         | 9.58 | 82718.14       | 78968.34 |
| June-2025      | 11           | 9.01 | 84099.53       | 80354.59 |
| July-2025      | 10.09        | 8.3  | 83935.01       | 80575.45 |
| August-2025    | 9.95         | 8.51 | 82231.17       | 79741.76 |
| September-2025 | 9.47         | 7.82 | 83141.21       | 79818.38 |
| October-2025   | 9.18         | 7.75 | 85290.06       | 80159.90 |
| November-2025  | 9.18         | 8    | 86055.86       | 82670.95 |
| December-2025  | 9.18         | 8    | 86159.02       | 84150.19 |
| January-2026   | 8.9          | 6.42 | 85883.50       | 81088.59 |
| February-2026  | 8.79         | 6.6  | 85871.73       | 79899.42 |
| March-2026     | 8.47         | 6.46 | 80632.55       | 71774.13 |

h. During the year under review and as on date there is/was no instance(s) as to suspension of trading of securities of the Company.

**i. Registrar and Share Transfer Agents:**

|                                                       |                                                                                                                                                               |
|-------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Registrar to an Issue and Share Transfer Agents (RTA) | M/s MCS Share Transfer Agent Limited<br>3B3, 3rd Floor, Gundecha Onclave,<br>Kherani Road, Sakinaka, Andheri (E),<br>Mumbai 400072,<br>Phone: 022-28516021/22 |
|-------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|

**j. Share Transfer System:**

During the financial year 2025-2026, the Company's RTA ensured compliance with all procedural requirements with respect to request for transfer, transmission, transposition, name deletion/ change of name, Demat etc.

The Company has a Stakeholders Relationship Committee at the Board level to redress and examine the Investors' complaint. The status of complaints and share related issues if any are reported periodically to the Committee.

In terms of amended Regulation 40(1) of SEBI Listing Regulations, with effect from April 01, 2019, securities of listed companies can be transferred only in dematerialised form.

Further SEBI, vide its circular dated January 25, 2022, mandated all listed companies to issue securities in dematerialized form only, while processing the service request of issue of duplicate share certificates, claim from unclaimed suspense account, renewal and exchange of securities certificate, endorsement, sub-division, splitting, consolidation of share certificates/ folios, transmission and transposition. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form.

In this regard, shareholders holding shares in physical form are requested to dematerialize their shares in order to avail the better liquidity. Further the members/ claimants are required to make a request for such services by submitting a duly filled Form ISR- 4, the format of which is available in the company's website at [www.arunahotels.com](http://www.arunahotels.com) --> Investor Relations --> SEBI KYC Forms

**k. Distribution of shareholding as on March 31, 2026:**

| <i>S.No.</i> | <i>Category (by No. of shares)</i> | <i>No. of Folios</i> | <i>No. of Shares</i> | <i>% of total paid up equity capital</i> | <i>% of total</i> |
|--------------|------------------------------------|----------------------|----------------------|------------------------------------------|-------------------|
| 1.           | 1 – 500                            | 24130                | 2773822              | 8.1824                                   | 93.9897           |
| 2.           | 501-1000                           | 839                  | 625016               | 1.8437                                   | 3.2969            |
| 3.           | 1001-2000                          | 249                  | 380548               | 1.1326                                   | 0.9731            |
| 4.           | 2001-3000                          | 107                  | 277419               | 0.8183                                   | 0.4165            |
| 5.           | 3001-4000                          | 54                   | 193433               | 0.5706                                   | 0.2141            |
| 6.           | 4001-5000                          | 62                   | 289841               | 0.8550                                   | 0.2413            |
| 7.           | 5001-10000                         | 97                   | 713860               | 2.1058                                   | 0.4087            |
| 8.           | Above 10000                        | 146                  | 28646061             | 84.5017                                  | 0.5878            |
|              | <b>Total</b>                       | <b>25,684</b>        | <b>3,39,00,000</b>   | <b>100.00</b>                            | <b>100.00</b>     |

***l. Dematerialization of Shares and liquidity***

The Company's shares are traded regularly in dematerialised form on the BSE Stock Exchange and are available for trading with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity Shares of the Company representing 91.66% of the Company's equity share capital are dematerialized as on March 31, 2026.

Under the Depository system, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE957C01019.

***m. Outstanding Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or Warrants or any convertible instruments, conversion date and likely impact on equity***

No GDRS/ADRS/Warrants or any convertible instruments have been issued by the Company which were pending for conversion as on March 31, 2026.

***n. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities: Not Applicable***

***o. Plant Locations: Company's Hotel building premises located at Nungambakkam, Chennai. It has no Plants.***

***p. Address for correspondence:***

Shareholders correspondence should be addressed to the Company's Registrar of Companies, MCS Share Transfer Agent Limited at 3B3, 3rd Floor, Gundecha Onclave, Kherani Road, Sakinaka, Andher (E), Mumbai - 400072 or contact on telephone numbers at: 022 – 28516021 / 22

Shareholders may also write to contact the Company Secretary of the Company at the following address for any assistance:

Company Secretary & Compliance Officer

Aruna Hotels Limited,

145, Sterling Road, Nungambakkam, Chennai 600034,

Tamil Nadu Contact No.: 044- 4588 4580

Email: cs@ahlnchennai.com

***q. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.—Nil***

**9. OTHER DISCLOSURES:**

*(a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:*

*There were no materially significant related party transactions that had potential conflict with the interests of the Company at large. Transactions in the ordinary course of business with the related parties are disclosed in the Note No.23.to Standalone Financial Statements for the financial year 2025-2026.*

*a. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;*

- *During the year under review, Securities Appellate Tribunal (SAT) Review Application No.86 of 2022 and Miscellaneous Application No.1758 of 2022, Mumbai had been dismissed vide order dated February 14, 2023*
- *As on the date of this report, the following shareholders of the Company were alleged to have violated provisions of Regulation 3(2) read with Regulation 13 (1), Regulation 29 (2) read with 29(3) and Regulation 10(5), 10(6) and 10(7) of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 (SAST Regulations).*

1. *Balasubramanian Sivanthi Adityan*
2. *Sri Devi Agencies Private Limited*
3. *Chandramohan R*
4. *Anita Kumaran*
5. *Jayanthi Natarajan*
6. *Gay Travels Private Limited*
7. *Subasri Realty Private Limited*
8. *Rani Printers Private Limited*
9. *Sovereign Media Marketing Private Limited*
10. *Chithan V*

*The Said shareholders had availed the benefit of settlement process with SEBI in respect of the Show Cause Notice issued dated 20.09.2022 under Rule 4(1) of SEBI (Procedure for Holding Inquiry and Imposing Penalties) Rules, 1995 in the matter of Aruna Hotels Limited by the Chief and General Manager & Adjudicating Officer, SEBI.*

*In relation thereto, the Company had submitted disclosures under Regulations 10(5), 10(6), 29(1) and 29(2) of SEBI SAST Regulations for the inter se transfer as per Memorandum of Compromise among the Promoters pertaining to the financial year 2015-2016.*

*Referring to the Application for availing settlement in terms of SEBI (Settlement Proceedings) Regulations, 2018, SEBI on 23.05.2023 accepted the settlement proposal which was filed by the said shareholders. The said application along with the Revised Settlement Terms proposed by the said shareholders were examined by the Independent High Powered Advisory Committee (HPAC) and recommended the specified proceedings be settled upon payment of Rs.2,32,05,000/-. Upon consideration of the recommendation of the HPAC, SEBI has in principle agreed to accept the terms of settlement recommended by the HPAC.*

*In acceptance thereof by SEBI, the shareholder M/s Subasri Realty Private Limited on its behalf and on behalf of the other shareholders has accordingly paid amount of Rs.2,32,05,000/- (Rupees Two Crores Thirty Two Lakhs and Five Thousand only) towards Settlement fees.*

*In this regard, SEBI vide its Settlement order dated June 07, 2023 passed an Order such that, in view of acceptance of the settlement terms and receipt of the Settlement amount as above by SEBI, an instant adjudication proceedings initiated against the Applicants (as above mentioned) vide SCN dated September 20, 2022 is disposed off in terms of Section 15JB of the SEBI Act read with Regulation 23(1) of the Settlement Regulations on the basis of the settlement terms.*

- *As on date of this report, Petition vide number CP/133 (CHE) 2021, (IA/MA) Application numbers IA(CA)/42(CHE)/2023 before National Company Law Tribunal, Chennai were dismissed on 19.11.2025.*

- As on date of this report, company appeal (AT)( CH) (Ins) No.52/2023,63/023,64/2023 IA NoS.183&184/2023, IA Nos.231&232/2023 .IA Nos.234236/2023is pending before National Company Law Appellate Tribunal, Chennai.
- As on date of this report, Restoration Application (AT) No.03/2025 in Company Appeal (AT) (CH) (Ins) No.68/2023 Application numbers (IA Nos. 236 & 474 / 2025) is pending before National Company Law Tribunal, Chennai.

**(c) Whistle Blower Policy/ Vigil Mechanism**

In accordance with Section 177(9) of the Act and Regulation 22 of SEBI Listing Obligations, the Company has established that necessary vigil mechanism that provides a formal channel for all its directors, employees and other stakeholders to report concerns about any unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The details of the policy have been disclosed in the Corporate Governance Report, which forms part of the Annual Report and is also available on the Company's website at [www.arunahotels.com](http://www.arunahotels.com).

**(d) Compliance with mandatory requirements and adoption of non-mandatory requirements**

The Company has complied with the mandatory requirements under various Regulations in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**The details of adoption of discretionary requirements as stipulated in Part E of Schedule II are as follows:**

- The Company has appointed a third-party firm as the internal Auditors which carries out the audit and the report is presented directly to the Audit Committee for review and further directions.
- the financial statements of the Company are with unmodified audit opinion.

**(e) Web Link where policy for determining 'material' subsidiaries is disclosed**

Your Company has no subsidiary/ ies

**(f) Weblink where policy on dealing with related party transactions**

The policy for dealing with related party transactions has been displayed on the website of the Company at [www.arunahotels.com](http://www.arunahotels.com) under the weblink [https://www.arunahotels.com/\\_files/ugd/c497c5\\_8dd1944c3e6d46db926d6j0d0ca3d6f5.pdf](https://www.arunahotels.com/_files/ugd/c497c5_8dd1944c3e6d46db926d6j0d0ca3d6f5.pdf)

**(g) disclosure of commodity price risks and commodity hedging activities – Not Applicable**

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

No Funds were raised through preferential allotment or QIP as specified under Regulation 32 (7A)

**(i) a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority**

A Certificate from Company Secretary in Practise certifying that none of the Directors on the Board of Directors of the Company as on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board / Ministry of Corporate Affairs or any such Statutory Authority, is annexed at the end of this Report.

**(j) Disclosure in relation to recommendation made by any committee of the board which has not accepted by the Board**

During the year under review, there were no such recommendations made by any Committee of the Board that were mandatorily required and not accepted by the Board.

**(k) total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part**

There were no payments to the Statutory Auditor or other entities in the network firm/network entity of which the statutory auditor is a part by the Company or its subsidiaries, other than the audit fee and other payments as disclosed in the financial statements.

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

*During the year no complaints were filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013*

***(m) disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested***

*During the Financial Year ended March 31, 2026, there are no loans or advances provided by the Company and its subsidiaries to firms/companies in which directors were interested.*

***(n) Details of material subsidiary of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.***

*There are no material subsidiaries for the company.*

***11. Non-compliance of any requirement of corporate governance report of sub-para (2) to (10) above, with reasons thereof***

*All the requirements of corporate governance report specified in Sub-para (2) to (10) of Para C of Schedule V to the Regulations have been complied with.*

***12. The details of adoption of discretionary requirements as stipulated in Part E of Schedule II are as follows:***

- i. The Company has appointed a third-party firm as the internal Auditors which carries out the audit and the report is presented directly to the Audit Committee for review and further directions.*
- ii. the financial statements of the Company are with unmodified audit opinion*

***13. The Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and Regulation 46 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.******Code of Conduct:***

*The Company has formulated a Code of Conduct for the Board members and Senior Management Personnel. All the Board members and Senior Management personnel have affirmed compliance with above code and a declaration to that effect signed by the Managing Director is attached and forms part of this report.*

*Compliance Certificate on Corporate Governance from Practising Company Secretaries:*

*The Company has obtained a certificate from Mr. B. Prabhakar, Practising Company Secretaries regarding compliance of conditions of Corporate Governance as stipulated under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same has been annexed as part of this Annual Report.*

*Disclosure of certain types of agreements binding listed entities: There were no agreements binding on the company.*

***MD / CFO CERTIFICATION***

*As required under Regulation 17(8) SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a certificate from MD & CFO was submitted to the Board and the same has been annexed herewith.*

## ARUNA HOTELS LIMITED

### CEO/ CFO CERTIFICATE

#### The Board of Directors

#### Aruna Hotels Limited

#### Chennai

*Annual Confirmation pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015*

As stipulated under Regulation 17(8) of the SEBI Listing Obligations & Disclosure Requirements Regulations (LODR) 2015, we hereby certify

A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2023 and that to the best of our knowledge and belief:

- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (2) 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.

B. 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.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that 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 were aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit Committee:

- (1) Significant changes in internal control over financial reporting during the year;
- (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (3) Instances of significant fraud of which I 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.

Date: May 27, 2026

Radhaswamy Venkateswaran

Nagaraj P

Place: Chennai

Managing Director

Chief Financial Officer

DIN: 09532159

### DECLARATION FROM MANAGING DIRECTOR ON CODE OF CONDUCT

Pursuant to Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with their respective Codes of Conduct, as applicable to them, for the financial year ended March 31, 2024.

Date: May 27, 2026

Radhaswamy Venkateswaran

Place: Chennai

Managing Director

DIN: 09532159

## ARUNA HOTELS LIMITED

### 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,

**ARUNA HOTELS LIMITED**

**Aruna Centre, 145, Sterling Road, Nungambakkam,**

**Chennai -600 034**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of ARUNA HOTELS LIMITED having CIN L15421TN1960PLC004255 and having registered office at Aruna Centre, 145, Sterling Road, Nungambakkam, Chennai -600034 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In 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](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| S.No. | Name of the Director       | DIN      | Date of Appointment |
|-------|----------------------------|----------|---------------------|
| 1     | RADHASWAMY VENKATESWARAN   | 09532159 | 10-03-2022          |
| 2     | RAMASAMY MURALIDHARAN      | 07092976 | 02-03-2015          |
| 3     | SUYAMBU NARAYANAN          | 07718798 | 10-02-2017          |
| 4     | VIJAYALAKSHMI RAMAKRISHNAN | 11060612 | 12-08-2025          |
| 5     | RAJKUMAR                   | 09702403 | 12-08-2022          |

**B Prabhakar**

**ACS Membership No. 15312**

**C P No.: 7870**

Place : Chennai

**Peer Review Certificate No. 1554/2021**

Date: 06.08.2026

**UDIN:A015312H001040041**

## ARUNA HOTELS LIMITED

### CERTIFICATE OF COMPLIANCE OF CORPORATE GOVERNANCE

To,

The Members,

ARUNA HOTELS LIMITED

Aruna Centre, 145, Sterling Road,

Nungambakkam, Chennai -600 034

We have examined the compliance of conditions of Corporate Governance by Aruna Hotels Limited (“the Company”) for the year ended March 31, 2026, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations – 2015”).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring compliances of conditions of the Corporate Governance stipulated in the SEBI Listing Regulations – 2015.

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

In our opinion and to the best of our information provided and explanations given to me, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Listing Regulations – 2015, as applicable, during the year ended March 31, 2026.

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

**B Prabhakar**

**ACS Membership No. 15312**

**C P No.: 7870**

Place : Chennai

**Peer Review Certificate No. 1554/2021**

Date: 06.08.2026

**UDIN: A015312H001040006**

## ARUNA HOTELS LIMITED

### INDEPENDENT AUDITOR'S REPORT

To The Members of **ARUNA HOTELS LIMITED**

Report on the audit of the Financial Statements

#### Opinion

We have audited the accompanying Financial Statements of ARUNA HOTELS LIMITED("the Company"), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss and 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.

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 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its Profit, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 ICAI's code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

#### Key Audit Matters

Key Audit Matters are those matters that in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of 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 matters to be communicated in our report.

| S.No | Key Audit Matters                                                               | Auditor's Response                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|------|---------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.   | Accuracy of recognition, measurement, presentation and disclosures of revenues. | <p>Assessed the appropriateness of the Company's revenue recognition accounting policies, including those relating to discounts, incentives and rebates as required under the applicable accounting standards.</p> <p>Tested the effectiveness of controls relating to the (a) identification of distinct performance obligations, (b) Allocating the transaction price to performance obligations (c) Recognition of revenue when/as performance obligation(s) are satisfied.</p> <p>Examined on a sample basis, all the supporting documentation required for computing the company's obligation towards discounts, incentives and rebates recorded and disbursed during the year including credit notes issued after the year end date to determine whether these were recorded appropriately covering the stated obligations.</p> <p>Our examination includes procedures to identify any unusual or irregular item</p> |
| 2.   | Waiver of interest accrued on borrowings from related parties.                  | <p>The company has entered into agreements with related parties that include provisions for interest waivers, which are deemed appropriate under the terms of these agreements. Additionally, we have obtained written representations from management confirming the validity and appropriateness of these interest waivers.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

**Information other than the Financial Statements and Auditors' Report thereon**

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure(s) to Board's 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 Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

**Management's responsibility for the Financial Statements**

The Company's Board of Directors are 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, changes in equity and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statement 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 standalone 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 SAs 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 SAs, we exercise professional judgment and maintain professional scepticism 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit And Loss, and the Cash Flows Statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Financial Statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that section 197 is not applicable on private company. Hence reporting as per section 197(16) is not required
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
- i. The Company does not have any pending litigations which would impact its financial position.

- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. The company had issued redeemable preference shares in earlier years. During the current year, the company undertook an exercise to repay the preference shareholders for which confirmations were sent earlier. Responses were received from a few parties. The Company has transferred a sum of Rs.6 Lakhs, Rs. 5 Lakhs and Rs. 16 Lakhs to IEPF account during the FY 22-23, FY 23-24 and FY 24-25 respectively and for the Financial Year 2025-26, a sum of Rs.26 Lakhs transferred to United India Insurance Company Limited out of the preference share capital of Rs.3.10 crores.
- iv. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- v. The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- vi. Based on audit procedures which we 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) contain any material mis-statement.
- vii. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- viii. Based on our examination, which included test checks, the Company has used accounting software's for maintaining its books of account for the financial year ended 31 March 2026 which has a feature of recording audit trail (edit log) facility and the same has not been operated throughout the year for all relevant transactions recorded in the software's. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1 April 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31 March 2026

**For Venkat and Rangaa LLP**

Chartered Accountants

LLPIN: AAK-5672

**S. Mohan Raajan**

Partner

M.No: 206393

**UDIN: 26206393YGTDR1837**

Date: 27.05.2026

Place: Chennai

**Annexure “A” to the Independent Auditor’s Report**

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

On the basis of the information and explanation given to us during the course of our audit, we report that:

(i) a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of all fixed assets.

(B) The company is not having any intangible asset. Therefore, the provisions of Clause (i)(a)(B) of paragraph 3 of the order are not applicable to the company.

b) Pursuant to the company’s programme of verifying fixed assets in a phased manner, physical verification of fixed assets was conducted during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us title deeds of immovable properties, classified as fixed assets, are held in the name of the company.

d) The company has not revalued its Property, Plant, and Equipment during the year. Therefore, the provisions of Clause (i)(d) of paragraph 3 of the order are not applicable to the company

e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Therefore, the provisions of Clause (i) (e) of paragraph 3 of the order are not applicable to the company.

(ii) a) As per the information and records produced before us, the company is in the business of supply of software. Hence there are no the inventories of Finished Goods, Stores & Consumables, Green leaf to be physically verified at regular intervals by the Management

b) In our opinion and according to the information and explanation given to us, the company is in the business of Trading of nuts and spices and there are no closing inventories. Hence there is a requirement to adopt procedures of physical verification of inventories to be followed by the Management at reasonable intervals.

(c) In our opinion and according to the information and explanations given to us, the Company should have the requirement to maintain records of its inventories, as inventory is being generated.

(iii) In our opinion and based on the information and explanation given to us the company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships, or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, the provisions of clause 3 (iii) (a), (b) and (c) of the Order are not applicable to the Company.

(iv) According to the information and explanations given to us and on the basis of representations of the management which we have relied upon, the loans given by the company during the financial year 2025-26 are in compliance with the provisions of Section 185 and Section 186 of the Companies Act, 2013.

(v) According to the information and explanations given to us, the Company has not accepted deposits from the public in terms of provisions of sections 73 to 76 of the Companies Act, 2013 therefore reporting under this clause is not applicable.

(vi) According to the rules prescribed by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 is not applicable to the company therefore reporting under this clause is not required.

(vii) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has been generally regular in depositing statutory dues as applicable, with the appropriate authorities. There are no statutory dues that are outstanding as of March 31, 2026, for a period of more than six months.

b) As of the year-end, according to the records of the Company and information and explanations given to us, there

are disputed statutory dues outstanding on the company as follows is NIL.

(viii) In our opinion and according to the information and explanations given to us, there is no any transaction not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961)

(ix) a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not obtained any loans from the financial institution and debenture holders therefore reporting of repayments of such loans under this clause is not applicable.

b) In our opinion and according to the information and explanations given to us, the company has not been a declared wilful defaulter by any bank or financial institution or other lender.

c) In our opinion and according to the information and explanations given to us, the loans were applied for the purpose for which the loans were obtained.

d) In our opinion and according to the information and explanations given to us, there are no funds raised on short-term basis which have been utilised for long-term purposes.

e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) According to the information and explanations given to us, on an overall basis, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(xi) a) According to the information and explanations given to us and on the basis of representation of the management which we have relied upon, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

b) During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) As auditors, we did not receive any whistle-blower complaints during the year.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) (a), (b) and (c) of the Order is not applicable.

(xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of The Companies Act, 2013 as applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

(xiv) The company is not covered by section 138 of the Companies Act, 2013, related to appointment of internal auditor of the company. Therefore, the company is not required to appoint any internal auditor. Therefore, paragraph 3 (xiv) (a) and (b) of the Order is not applicable.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) The Group does not have any Registered Core Investment Companies.

(xvii) The Company has not incurred cash losses in the current financial year and immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in Note 14(s) to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) The company do not meet the criteria for the applicability of Section 135 of the Companies Act, 2013, hence the requirement to transfer unspent amounts to a fund specified in Schedule VII of the the Companies Act (the Act), in compliance with second proviso to Sub Section 5 of Section 135 of the Act is not applicable and hence the requirement to report on clause 3(xx)(a) of the Order is not applicable to the Company

(b) There are no ongoing projects and hence the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company

**For Venkat and Rangaa LLP**

Chartered Accountants

LLPIN: AAK-5672

**S. Mohan Raajan**

Partner

M.No: 206393

**UDIN: 26206393YGTDR1837)**

Date: 27.05.2026

Place: Chennai

**Annexure “B” to the Independent Auditor’s Report**

(Referred to in paragraph 2 (f) under ‘Report on other legal and regulatory requirements’ section of our report to the Members of M/s. ARUNA HOTELS LIMITED of even date)

**Report on the internal financial controls over financial reporting under clause (i) of sub – section 3 of section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of M/s. ARUNA HOTELS LIMITED (“the Company”) as at March 31, 2026, 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, 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.

**Auditors’ 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 were 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 in 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 Company’s internal financial control system over financial reporting.

**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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 (iii) 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 of 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 and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, 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 Venkat and Rangaa LLP**

Chartered Accountants

LLPIN: AAK-5672

**S. Mohan Raajan**

Partner

M.No: 206393

**UDIN: 26206393YGTDR1837**

Date: 27.05.2026

Place: Chennai

# **ACCOUNTS-STANDALONE 2025-2026**

# ARUNA HOTELS LIMITED

## Balance Sheet (All amounts are in Indian Rupees except share data or as stated)

| Particulars                         | Note | Amount(Rs. In Lakhs) | Amount(Rs. In Lakhs) |
|-------------------------------------|------|----------------------|----------------------|
|                                     |      | As at Mar 31, 2026   | As at March 31, 2025 |
| <b>I. Assets</b>                    |      |                      |                      |
| <b>Non-Current Assets</b>           |      |                      |                      |
| (a) Property, Plant and Equipment   | 1    | 17,671.21            | 17,409.38            |
| (b) Capital Work-In-Progress        |      | -                    | -                    |
| (c) Financial Assets                |      | -                    | -                    |
| (i) Others                          | 2    | 173.16               | 64.02                |
| (d) Loans and advances              |      | -                    | -                    |
| (e) Other non-current assets        | 3    | 81.80                | 73.77                |
|                                     |      | <b>17,926.17</b>     | <b>17,547.17</b>     |
| <b>Current Assets</b>               |      |                      |                      |
| (a) Financial Assets                |      |                      |                      |
| (i) Trade Receivables               | 4    | 131.66               | 101.71               |
| (ii) Cash and cash equivalents      | 5    | 190.31               | 3.46                 |
| (b) Inventory                       | 6    | 57.25                | 44.11                |
| (c) Other current assets            | 7    | 211.04               | 73.38                |
|                                     |      | 590.25               | 222.65               |
| <b>Total Assets</b>                 |      | <b>18,516.43</b>     | <b>17,769.82</b>     |
| <b>II. Equity and Liabilities</b>   |      |                      |                      |
| <b>Equity</b>                       |      |                      |                      |
| (a) Equity Share Capital            | 8    | 3,390.00             | 3,390.00             |
| (b) Other Equity                    | 8(a) | -555.43              | -636.33              |
|                                     |      | <b>2,834.57</b>      | <b>2,753.67</b>      |
| <b>Liabilities</b>                  |      |                      |                      |
| <b>Non- Current Liabilities</b>     |      |                      |                      |
| (a) Financial Liabilities           |      |                      |                      |
| (i) Borrowings                      | 9    | 11,843.77            | 11,110.94            |
| (ii) Trade Payables                 |      |                      |                      |
| (iii) Other financial liabilities   |      |                      |                      |
| (b) Provisions                      | 10   | 41.98                | 13.19                |
| (c) Deferred Tax Liabilities (Net)  | 11   | 2,346.98             | 2,184.36             |
| (d) Other Non-current liabilities   | 12   | 128.50               | 105.83               |
|                                     |      | <b>14,361.23</b>     | <b>13,414.31</b>     |
| <b>Current Liabilities</b>          |      |                      |                      |
| (a) Financial Liabilities           |      |                      |                      |
| (i) Trade Payables                  | 13   | 317.70               | 321.32               |
| (ii) Other financial liabilities    | 14   | 620.98               | 1,109.27             |
| (c) Other Current liabilities       | 15   | 381.95               | 171.25               |
|                                     |      | <b>1,320.63</b>      | <b>1,601.84</b>      |
| <b>Total Equity and Liabilities</b> |      | <b>18,516.43</b>     | <b>17,769.82</b>     |

See accompanying notes forming part of the financial statements

In terms of our report attached.

**For Venkat and Rangaa LLP**  
Chartered Accountants  
LLPIN: AAK-5672

**For and on behalf of the Board of Directors of**  
**Aruna Hotels Limited**

S.MOHAN RAAJAN  
Partner  
M.No: 206393

Radhaswamy Venkateswaran  
Managing Director  
DIN: 09532159

Suyambu Narayanan  
Director  
DIN: 07718798

Place: Chennai  
Date: 27-05-2026

Nagarajan P  
Chief Financial Officer

N.Sornalatha  
Company Secretary  
M.No.: A68185

## ARUNA HOTELS LIMITED

### Statement of Profit and Loss (All amounts are in Indian Rupees except share data or as stated)

| Particulars                                                                                                      | Note | Amount(Rs. In Lakhs)                 | Amount(Rs. In Lakhs)                   |
|------------------------------------------------------------------------------------------------------------------|------|--------------------------------------|----------------------------------------|
|                                                                                                                  |      | “ For the Period Ended Mar 31,2026 ” | “ For the Period Ended March 31,2025 “ |
| <b>Income</b>                                                                                                    |      |                                      |                                        |
| Revenue from Operations                                                                                          | 16   | 2,510.36                             | 2,367.12                               |
| Other Income                                                                                                     | 17   | 1,400.94                             | 1,336.35                               |
| <b>Total</b>                                                                                                     |      | <b>3,911.30</b>                      | <b>3,703.47</b>                        |
| <b>Expenses</b>                                                                                                  |      |                                      |                                        |
| Cost of Materials Consumed                                                                                       | 18   | 415.55                               | 448.35                                 |
| Purchases of Stock in Trade                                                                                      |      |                                      | -                                      |
| Changes in inventories                                                                                           |      |                                      | -                                      |
| Employee Benefit Expense                                                                                         | 19   | 398.30                               | 313.22                                 |
| Finance Costs                                                                                                    | 20   | 1,488.19                             | 1,423.65                               |
| Depreciation and amortization expenses                                                                           | 21   | 213.09                               | 281.45                                 |
| Other expenses                                                                                                   | 22   | 1,080.41                             | 1,220.63                               |
| <b>Total</b>                                                                                                     |      | <b>3,595.53</b>                      | <b>3,687.29</b>                        |
| <b>Profit/ (Loss) before Exceptional Items and tax</b>                                                           |      | <b>315.76</b>                        | <b>16.18</b>                           |
| Exceptional Items                                                                                                |      | -                                    | -                                      |
| Profit/ (Loss) before tax                                                                                        |      | 315.76                               | 16.18                                  |
| Tax expense                                                                                                      |      |                                      |                                        |
| Current Tax                                                                                                      |      | 72.25                                | -                                      |
| Deferred Tax                                                                                                     |      | 162.62                               | -87.23                                 |
| <b>Profit/(Loss) for the period from continuing operations</b>                                                   |      | <b>80.90</b>                         | <b>103.41</b>                          |
| Profit/(Loss) from discontinued operations                                                                       |      | -                                    | -                                      |
| Tax expense of discontinued operations                                                                           |      | -                                    | -                                      |
| Profit/(Loss) from discontinued operations (after tax)                                                           |      | -                                    | -                                      |
| <b>Profit/(Loss) for the period</b>                                                                              |      | <b>80.90</b>                         | <b>103.41</b>                          |
| Other Comprehensive Income                                                                                       |      |                                      | 6.40                                   |
| Total Comprehensive Income for the period comprising profit/(loss) and other comprehensive income for the period |      | 80.90                                | 97.00                                  |
| <b>Earnings per equity share</b>                                                                                 |      | <b>0.24</b>                          | <b>0.31</b>                            |
| <b>Basic</b>                                                                                                     |      | <b>0.24</b>                          | <b>0.31</b>                            |
| Diluted                                                                                                          |      |                                      |                                        |

See accompanying notes forming part of the financial statements  
In terms of our report attached.

**For Venkat and Rangaa LLP**  
**Chartered Accountants**  
**LLPIN: AAK-5672**

S.MOHAN RAAJAN  
Partner  
M.No: 206393

Radhaswamy Venkateswaran  
Managing Director  
DIN: 09532159

Nagarajan P  
Chief Financial Officer

**For and on behalf of the Board of Directors of**  
**Aruna Hotels Limited**

Suyambu Narayanan  
Director  
DIN: 07718798

N.Sornalatha  
Company Secretary  
M.No.: A68185

Place: Chennai  
Date: 27-05-2026

## ARUNA HOTELS LIMITED

### Statement of Cash Flows (All amounts are in Indian Rupees except share data or as stated)

(Rs in Lakhs)

| Particulars                                              | For the period ended on<br>31/03/2026 | For the period ended on<br>31/03/2025 |
|----------------------------------------------------------|---------------------------------------|---------------------------------------|
| Profit before taxation                                   | 243.52                                | 16.18                                 |
| Adjustments for:                                         |                                       |                                       |
| Depreciation                                             | 213.09                                | 281.45                                |
| Interest received                                        |                                       |                                       |
| Interest expense                                         |                                       | 1279.8                                |
| Non Cash Adjustments                                     |                                       |                                       |
| Operating cash flow before changes in working capital    | 456.61                                | 1577.43                               |
| Adjustments for changes in:                              |                                       |                                       |
| Inventories                                              | -13.14                                | 13.42                                 |
| Other Financial Assets                                   | -109.14                               |                                       |
| Other current assets                                     | -145.69                               | -22.83                                |
| Trade Receivables                                        | -29.95                                | 1.63                                  |
| Other current liabilities                                | 239.49                                | 126.19                                |
| Other Non current liabilities                            | 22.67                                 | 7.73                                  |
| Trade payables                                           | -3.63                                 | 6.6                                   |
| Other financial liabilities                              | -488.29                               | -26.42                                |
| Other non current assets                                 |                                       |                                       |
| Cash generated from operations                           | -71.05                                | 1683.75                               |
| Income taxes paid                                        |                                       |                                       |
| Net cash from operating activities-A                     | -71.05                                | 1683.75                               |
| Cash flows from investing activities                     |                                       |                                       |
| Change in Property, Plant & Equipment                    | -474.92                               | -42.25                                |
| Decrease/(Increase) in non-current assets                |                                       |                                       |
| Interest received                                        |                                       |                                       |
| Net cash used in investing activities-B                  | -474.92                               | -42.25                                |
| Cash flows from financing activities                     |                                       |                                       |
| Repayment of Preference share capital                    | -26.00                                | -16.00                                |
| Proceeds from Issue of Share Capital                     |                                       |                                       |
| Increase/(Decrease) in other current financial liability |                                       |                                       |
| (Repayment) of long term borrowings                      |                                       | -699.79                               |
| Proceeds from long term borrowings                       | 758.83                                | 355.00                                |
| Interest paid                                            |                                       | -1286.00                              |
| Net cash used in financing activities-C                  | 732.83                                | -1646.79                              |
| Net increase in cash and cash equivalents - (A+B+C)      | 186.85                                | -5.29                                 |
| Cash and cash equivalents at the beginning of year       | 3.46                                  | 8.75                                  |
| Cash and cash equivalents at the end of year             | 190.31                                | 3.46                                  |
| Cash and cash equivalents consists of:                   |                                       |                                       |
| Cash in hand                                             | 4.95                                  | 2.97                                  |
| Balances with banks                                      |                                       |                                       |
| in current deposits                                      | 185.36                                | 0.49                                  |
| in fixed deposits                                        |                                       |                                       |
|                                                          | 190.31                                | 3.46                                  |

See accompanying notes forming part of the financial statements  
In terms of our report attached.

**For Venkat and Rangaa LLP**  
**Chartered Accountants**  
**LLPIN: AAK-5672**

**For and on behalf of the Board of Directors of**  
**Aruna Hotels Limited**

S.MOHAN RAAJAN  
Partner  
M.No: 206393

Radhaswamy Venkateswaran  
Managing Director  
DIN: 09532159

Suyambu Narayanan  
Director  
DIN: 07718798

Place: Chennai  
Date: 27-05-2026

Nagarajan P  
Chief Financial Officer

N.Sornalatha  
Company Secretary  
M.No.: A68185

**Notes to the Financial Statements****1. Overview****1.1 Corporate information**

The Company was incorporated on 09th September 1960. The registered office of the company is located at 145, Sterling Road, Chennai, Tamil Nadu- 600034. The principal activities of the company are to carry out business of developing, owning, acquiring, renovating, operating, managing and promoting hotels, restaurants etc.

The Company is a public limited company incorporated and domiciled in India. The Company has its primarily listing on the BSE Ltd.

The Board of Directors approved the financial statements for the year ended March 31, 2026 and authorised for issue on 27th May, 2026.

**1.2 Basis of preparation of financial statements****Statement of Compliance**

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

**Basis of preparation**

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

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The statement of cash flows has been prepared under indirect method, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing, and financing activities of the Company are segregated.

As the year ended figures are taken from the source and rounded to the nearest digits (Rs. in Lakhs), the figures reported for the previous quarters might not always add up to the year end figures reported in this statement.

The significant accounting policies used in the preparation of the financial statements have been discussed in the respective notes.

**1.3 Use of estimates and judgements**

The preparation of the financial statements in conformity with the recognition and measurement principles of Ind AS requires management of the Company to make estimates, judgements and assumptions that affect the application of accounting policies and the reported balances of assets and liabilities, the disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

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 future periods are affected.

The Company uses the following critical accounting estimates in preparation of its financial statements.

**Critical accounting estimates and judgements**

Information about significant judgements and key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Useful lives of depreciable/ amortizable assets (tangible and intangible):**

The Company reviews the useful life of property, plant, and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

- **Provisions and Contingencies:**

The Company estimates the provisions that have present obligations as a result of past events, and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Company uses significant judgements to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

- **Impairment Testing**

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

- **Income Taxes**

Deferred tax assets are recognised to the extent that it is regarded as probable that deductible temporary differences can be realised. 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 and Loss

- **Defined Benefit Plan**

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

- **Leases**

**Critical judgements in determining the lease term:**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

**Critical judgements in determining the discount rate:**

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

#### **1.4 Functional currency & presentation currency**

The financial statements are presented in Indian Rupees (INR) which is the functional and presentation currency of the Company, and all values are rounded off to the lakhs with two decimals, except where otherwise indicated.

#### **1.5 Current vs. Non-current classification of Assets and Liability**

The Company present assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is classified as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading.
- It is due to be settled within twelve months after the reporting period; or
- There are no unconditional rights to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

## **2. SIGNIFICANT ACCOUNTING POLICIES**

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

### **2.1 Revenue recognition**

The Company derives revenue primarily from rendering services related to hotel, restaurant etc. by providing accommodation and food to the guests.

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

To determine whether to recognize revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to performance obligations
5. Recognizing revenue when/as performance obligation(s) are satisfied.

Revenue is recognised at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and banquet services which is recognised once the rooms are occupied, food and beverages are sold and other services that have been provided as per the contract with the customer. In relation to laundry income and other allied services, the revenue has been recognised by reference to the time of service

rendered.

### **Other income**

Other income majorly comprises of rental income, scrap revenue which is recognized when the right to receive the income is established as per the terms of contract, interest income, write back of creditors. It also includes the interest waived off on loans borrowed by the company.

### **Interest Income**

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

## **2.2 Employee Benefits**

### **Short-term employee benefits**

The costs of all short-term employee benefits (that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service) are recognised during the period in which the employee renders the related service. The accruals for employee entitlements to benefits such as salaries and bonuses represent the amounts which the Company has a present obligation to pay as a result of the employee's services and the obligation can be measured reliably. The accruals have been calculated at undiscounted amounts based on current salary levels at the Balance Sheet date.

### **Post Employment Benefits**

#### **Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

The eligible employees of the Company are entitled to receive post-employment benefits in respect of provident and family pension fund, in which both the employees and the Company make monthly contributions at a specified percentage of the employee's eligible salary. The contributions made to the provident fund are charged to the Statement of Profit and Loss as incurred. In respect of contribution to the PF Fund, the Company has no further obligations beyond making the contribution, and hence, such employee benefit plan is classified as Defined Contribution Plan.

#### **Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets. The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

The company does not have any earmarked investments as they have not contributed to any gratuity funds. Hence, there is no plan assets as on 31.03.2025.

## **2.3 Property, Plant and equipment**

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, except for Freehold land. The company follows revaluation model for Land and cost model for other classes of assets. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the management. On transition to IND AS, the Company has elected to continue with the carrying value of all of its property plant and equipment recognised as at April 1, 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such property plant and equipment. For the purpose of Proforma Ind AS financial information for the financial year ended March 31, 2016 the Company has provided the depreciation based on the estimated useful life of respective years and as the change in estimated useful life is considered as change in estimate, accordingly there is no impact of this roll back.

### Depreciation on Plant, Property and Equipment

The depreciable amount of PP&E (being the gross carrying value less the estimated residual value) is depreciated on a systematic basis over its useful life.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

| <b>Asset:</b>     | <b>Useful Life:</b> |
|-------------------|---------------------|
| Building          | 30 Years            |
| Computers         | 3 Years             |
| Equipment         | 5 Years             |
| Furniture         | 10 Years            |
| Plant & Machinery | 15 Years            |
| Servers           | 6 Years             |
| Vehicles          | 8Years              |

Repairs and maintenance costs are recognized in the Statement of Profit and Loss when incurred.

### De-recognition

An item of PPE is de-recognised at the time of its disposal or when it is assessed that no future economic benefit would accrue from it. The gain/ loss arising out of such disposal/retirement is taken to statement of profit or loss.

## **2.4 Investment Property**

The properties that comprise a portion that is held to earn rentals or for capital appreciation

and another portion that is held for use in the supply of services or for administrative purposes and if such portions cannot be sold separately, then such properties are not classified as investment property under IND AS 40 if only an insignificant portion have been leased out and majority is held as owner occupied property.

## **2.5 Leases & Right to Use Assets**

On inception of a contract, the Company assesses whether it contains a lease. A contract contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The right to use the asset and the obligation under the lease to make payments are recognised in the Company's statement of financial position as a right-of-use asset and a lease liability.

The company elects not to apply the requirements in paragraphs 22–49 of IND AS 116 to short-term leases and leases for which the underlying asset is of low value. The lease payments associated with those leases are recognized as an expense on a straight-line basis over the lease term.

## **2.6 Impairment of non-financial assets**

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (Cash Generating Units – CGU).

An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

## **2.7 Income Tax**

Income Tax comprises current and deferred tax. It is recognized in the Statement of Profit and Loss except to the

extent that it relates to an item recognized directly in equity or in Other Comprehensive Income.

Deferred Tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized, or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base).

Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in Other Comprehensive Income (OCI) or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

## 2.8 Financial assets, financial liabilities

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

### Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### Cash and cash equivalent

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

### Trade receivables

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost net of any expected credit losses. Loss allowance on trade receivables is measured at an amount equal to lifetime expected losses i.e., expected cash shortfall based on the management decision.

### Impairment of financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and allowance rates used in the provision matrix. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

### De-recognition of financial assets

The company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or

when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of profit and loss.

#### Financial liabilities and equity instruments

##### Classification as debt or equity

Debt and equity instruments issued by the company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

##### Equity instruments

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

##### Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalized as a part of cost of an asset is included in the "Finance Costs".

The carrying amounts of the borrowings that are not measured at fair value are reasonable approximation of fair value, as they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period. The interest expense recognized in Profit & Loss account will be based on the current market rate.

##### De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled, or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

## **2.9 Inventories**

Stock of food and beverages and stores and operating supplies are carried at the lower of cost (computed on a Weighted Average basis) or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses. Cost includes the fair value of consideration paid including duties and taxes (other than those refundable), inward freight, and other expenditure directly attributable to the purchase. Trade discounts and rebates are deducted in determining the cost of purchase.

## **2.10 Provisions, Contingent Assets and Contingent Liabilities**

### **Provisions:**

The company recognizes a provision when there is a present obligation to transfer economic benefits as a result of past events, it is probable (more likely than not) that such a transfer will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is certain that reimbursements will be received, and the amount of the receivable can be measured reliably.

**Contingent Assets:**

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits. Contingent Assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

**Contingent Liabilities:**

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made.

**2.11 Borrowing Cost**

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets that necessarily takes substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds

**2.12 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.

**2.13 Earning per Share.**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares.

**Ordinary Shares**

Ordinary Shares are classified as equity share capital. Incremental costs directly attributable to the issuance of the new ordinary shares, share options and buyback are recognized as a deduction from equity, net of any tax effects.

# ARUNA HOTELS LIMITED

## Note 1

| Asset Category                  | Freehold Land         | Building             | Equipment            | Plant & Machinery    | Others               | Total                |
|---------------------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|                                 | Amount (Rs. In Lakhs) | Amount(Rs. In Lakhs) | Amount(Rs. In Lakhs) | Amount(Rs. In Lakhs) | Amount(Rs. In Lakhs) | Amount(Rs. In Lakhs) |
| <b>Gross Block</b>              |                       |                      |                      |                      |                      |                      |
| <b>At 31 March, 2024</b>        | <b>11,512.80</b>      | <b>9,454.09</b>      | <b>720.38</b>        | <b>285.87</b>        | <b>91.66</b>         | <b>22,064.80</b>     |
| Additions                       |                       | 30.69                | 5.12                 |                      | 5.50                 | 41.31                |
| Disposals                       |                       |                      |                      |                      |                      |                      |
| Revaluation Gain                | -                     | -                    | -                    | -                    | -                    | -                    |
| Capitalized during the year     | -                     | -                    | -                    | -                    | -                    | -                    |
| <b>At 31 March , 2025</b>       | <b>11,512.80</b>      | <b>9,484.78</b>      | <b>725.50</b>        | <b>285.87</b>        | <b>97.16</b>         | <b>22,106.11</b>     |
| Additions                       |                       | 471.07               | 3.86                 |                      |                      | 474.92               |
| Disposals                       |                       |                      |                      |                      |                      |                      |
| Revaluation Gain                |                       |                      |                      |                      |                      |                      |
| Capitalized during the year     |                       |                      |                      |                      |                      |                      |
| <b>At 31 March , 2026</b>       | <b>11,512.80</b>      | <b>9,955.85</b>      | <b>729.36</b>        | <b>285.87</b>        | <b>97.16</b>         | <b>22,581.04</b>     |
|                                 |                       |                      |                      |                      |                      |                      |
| <b>Accumulated Depreciation</b> |                       |                      |                      |                      |                      |                      |
| <b>At 31 March, 2024</b>        |                       | <b>2,508.74</b>      | <b>194.91</b>        | <b>28.21</b>         | <b>34.45</b>         | <b>2,766.31</b>      |
| Additions                       |                       | 178.52               | 79.90                | 13.56                | 8.85                 | 280.83               |
| Disposals                       |                       |                      |                      |                      |                      |                      |
| Reserve                         | -                     | -                    | -                    | -                    | -                    | -                    |
| <b>At 31 March , 2025</b>       | <b>-</b>              | <b>2,687.26</b>      | <b>274.80</b>        | <b>41.77</b>         | <b>43.30</b>         | <b>3,047.14</b>      |
| Additions                       |                       | 178.31               | 24.33                | 9.04                 | 1.41                 | 213.09               |
| Disposals                       |                       | -                    | -                    | -                    | -                    |                      |
| Reserve                         |                       | -                    | -                    | -                    | -                    |                      |
| <b>At 31 March , 2026</b>       | <b>-</b>              | <b>2,865.57</b>      | <b>299.14</b>        | <b>50.82</b>         | <b>44.71</b>         | <b>3,260.23</b>      |
|                                 |                       |                      |                      |                      |                      |                      |
| <b>Accumulated Impairment</b>   |                       |                      |                      |                      |                      |                      |
| <b>At 31 March, 2024</b>        |                       | <b>1,649.59</b>      |                      |                      |                      | <b>1,649.59</b>      |
| Additions                       | -                     | -                    | -                    | -                    | -                    | -                    |
| Disposals                       | -                     | -                    | -                    | -                    | -                    | -                    |
| Reserve                         | -                     | -                    | -                    | -                    | -                    | -                    |
| <b>At 31 March , 2025</b>       | <b>-</b>              | <b>1,649.59</b>      | <b>-</b>             | <b>-</b>             | <b>-</b>             | <b>1,649.59</b>      |
| Additions                       |                       |                      |                      |                      |                      |                      |
| Disposals                       |                       |                      |                      |                      |                      |                      |
| Reserve                         |                       |                      |                      |                      |                      |                      |
| <b>At 31 March , 2026</b>       | <b>-</b>              | <b>1,649.59</b>      | <b>-</b>             | <b>-</b>             | <b>-</b>             | <b>1,649.59</b>      |
|                                 |                       |                      |                      |                      |                      |                      |
| <b>Net Block</b>                |                       |                      |                      |                      |                      |                      |
| <b>At 31 March , 2025</b>       | <b>11,512.80</b>      | <b>5,147.93</b>      | <b>450.70</b>        | <b>244.10</b>        | <b>53.86</b>         | <b>17,409.38</b>     |
| <b>At 31 March , 2026</b>       | <b>11,512.80</b>      | <b>5,440.69</b>      | <b>430.22</b>        | <b>235.05</b>        | <b>52.45</b>         | <b>17,671.21</b>     |

## ARUNA HOTELS LIMITED

### Notes to Financial Statements as at Mar 31, 2026 (All amounts are in Indian Rupees except share data or as stated)

| Particulars                                             | Amount(Rs. In Lakhs)<br>As at Mar 31, 2026 | Amount(Rs. In Lakhs)<br>As at March 31, 2025 |
|---------------------------------------------------------|--------------------------------------------|----------------------------------------------|
| <b>Note 2</b>                                           |                                            |                                              |
| Financial Assets                                        |                                            |                                              |
| Other Financial Assets                                  |                                            |                                              |
| Security Deposits                                       |                                            |                                              |
| Electricity deposit                                     | 71.58                                      | 50.23                                        |
| Other Deposits                                          |                                            | -                                            |
| Deposits*                                               | 101.58                                     | 13.79                                        |
| <b>Total</b>                                            | <b>173.16</b>                              | <b>64.02</b>                                 |
| *Deposits in PNB A/c are Lien Marked against Court Case |                                            |                                              |
| <b>Note 3</b>                                           |                                            |                                              |
| Other Non-Current Assets                                |                                            |                                              |
| Long term Loans and advances                            |                                            |                                              |
| Capital Advances - Considered Good-Unsecured            | 81.80                                      | 73.77                                        |
| Other Receivables                                       | -                                          | -                                            |
| Yessir Holdings and Investment Limited                  | 360.69                                     | 360.69                                       |
| Less: Expected Credit Loss                              | -360.69                                    | -360.69                                      |
|                                                         | <b>81.80</b>                               | <b>73.77</b>                                 |
|                                                         |                                            |                                              |
| <b>Total</b>                                            | <b>81.80</b>                               | <b>73.77</b>                                 |

\*A petition was filed for a matter of Arbitration Award dated 28.04.2014 by M/s Southern Agrifurane Industries Private Limited (Petitioner) against M/s Yessir Holdings and Investments Private Limited (1st Respondent), M/s Aruna Hotels Limited (2nd Respondent) and Hon'ble Mr Justice K.P. Sivasubramanian(3rd Respondent) in the High Court of Madras (O.P No. 387 of 2014). The Petitioner and 2nd Respondent have agreed to a memorandum of compromise as on 23rd January 2019. As per the memorandum of compromise, M/s Aruna Hotels Limited will pay Rs 4,44,76,575/- in eight equal installment of Rs 55,59,572/- to M/s Southern Agrifurane Industries Limited ( Installment payment commenced from 21.01.2019 till 21.08.2019). Out of the total amount paid, Rs 3,60,69,041/- is paid by M/s Aruna Hotels Limited on behalf of M/s Yessir Holdings Investments Private Limited. M/s Aruna Hotels Limited intends to recover this amount, together with applicable interest, from M/s Yessir Holdings and Investments Private Limited in accordance with the law.

During the FY 22-23, the company has provided for expected credit loss on the amount receivable from Yessir Holdings using the Life Time ECL Approach due to significant increase in Credit Risk.

#### Current Assets

| Particulars             | Amount(Rs. In Lakhs)<br>As at Mar 31, 2026 | Amount(Rs. In Lakhs)<br>As at March 31, 2025 |
|-------------------------|--------------------------------------------|----------------------------------------------|
| <b>Note 4</b>           |                                            |                                              |
| <b>Financial Assets</b> |                                            |                                              |
| Trade receivables       | 131.66                                     | 101.71                                       |
|                         | <b>131.66</b>                              | <b>101.71</b>                                |

## ARUNA HOTELS LIMITED

### Trade Receivables Ageing Schedule- As at 31.03.2026

| Particulars :                                                                      | Outstanding for the following periods from due date of Payment |                  |           |           |                   | Amount(Rs. In Lakhs) |
|------------------------------------------------------------------------------------|----------------------------------------------------------------|------------------|-----------|-----------|-------------------|----------------------|
|                                                                                    | Less Than 6 Months                                             | 6 Months- 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | As at March 31, 2026 |
| (i) Undisputed Trade receivables – considered good                                 | 131.66                                                         |                  | -         | -         | -                 | 131.72               |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | -                                                              | -                | -         | -         | -                 | -                    |
| (iii) Undisputed Trade Receivables –credit impaired                                | -                                                              | -                | -         | -         | -                 | -                    |
| (iv) Disputed Trade receivables – considered good                                  | -                                                              | -                | -         | -         | -                 | -                    |
| (v) Disputed Trade Receivables – which have significant increase in credit risk    | -                                                              | -                | -         | -         | -                 | -                    |
| (vi) Disputed Trade Receivables –credit impaired                                   | -                                                              | -                | -         | -         | -                 | -                    |
| <b>Less: Allowance for Credit Impaired</b>                                         |                                                                |                  |           |           |                   | -                    |
| (a) Allowance for Undisputed Trade Receivables- Credit Impaired                    | -                                                              | -                | -         | -         | -                 | -                    |
| (b) Allowance for Disputed Trade Receivables- Credit Impaired                      | -                                                              | -                | -         | -         | -                 | -                    |
| <b>Total</b>                                                                       | <b>131.66</b>                                                  | <b>-</b>         | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>131.72</b>        |

### Trade Receivables Ageing Schedule- As at 31.03.2025

| Particulars :                                                                      | Outstanding for the following periods from due date of Payment |                  |           |           |                   | Amount(Rs. In Lakhs) |
|------------------------------------------------------------------------------------|----------------------------------------------------------------|------------------|-----------|-----------|-------------------|----------------------|
|                                                                                    | Less Than 6 Months                                             | 6 Months- 1 Year | 1-2 Years | 2-3 Years | More than 3 Years | As at March 31,2025  |
| (i) Undisputed Trade receivables – considered good                                 | 101.77                                                         | -                | -         |           |                   | 101.77               |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | -                                                              | -                |           | -         | -                 |                      |
| (iii) Undisputed Trade Receivables –credit impaired                                | -                                                              | -                | -         | -         | -                 | -                    |
| (iv) Disputed Trade receivables – considered good                                  | -                                                              | -                | -         | -         | -                 | -                    |
| (v) Disputed Trade Receivables – which have significant increase in credit risk    | -                                                              | -                |           | -         | -                 |                      |
| (vi) Disputed Trade Receivables –credit impaired                                   | -                                                              |                  |           | -         | -                 |                      |
| <b>Less: Allowance for Credit Impaired</b>                                         |                                                                |                  |           |           |                   |                      |
| (a) Allowance for Undisputed Trade Receivables- Credit Impaired                    | -                                                              | -                | -         | -         | -                 | -                    |
| (b) Allowance for Disputed Trade Receivables- Credit Impaired                      | -                                                              | -                | -         | -         | -                 | -                    |
| <b>Total</b>                                                                       | <b>101.77</b>                                                  | <b>-</b>         | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>101.77</b>        |

## ARUNA HOTELS LIMITED

| Particulars                        | Amount(Rs. In Lakhs)<br>As at March 31, 2026 | Amount(Rs. In Lakhs)<br>As at March 31, 2025 |
|------------------------------------|----------------------------------------------|----------------------------------------------|
| <b>Note 5</b>                      |                                              |                                              |
| <b>Cash and cash equivalents</b>   |                                              |                                              |
| Balance with Banks                 |                                              |                                              |
| In Current Accounts                | 185.36                                       | 0.49                                         |
| Cash on Hand                       | 4.95                                         | 2.97                                         |
| <b>Total</b>                       | <b>190.31</b>                                | <b>3.46</b>                                  |
| <b>Note 6</b>                      |                                              |                                              |
| <b>Inventory</b>                   |                                              |                                              |
| Food & Beverages                   | 30.28                                        | 8.55                                         |
| Stores and Operating supplies      | 26.96                                        | 35.56                                        |
|                                    | 57.25                                        | 44.11                                        |
| <b>Note 7</b>                      |                                              |                                              |
| <b>Other Current Assets</b>        |                                              |                                              |
| Statutory Dues from the Government |                                              |                                              |
| TDS Receivable                     | 27.34                                        | 26.01                                        |
| TCS Receivable                     | 3.16                                         | -                                            |
| GST                                | 135.16                                       | 6.55                                         |
| Short term Loans and advances      | 6.09                                         | 4.88                                         |
| Other current assets               | 39.29                                        | 35.93                                        |
| <b>Total</b>                       | <b>211.04</b>                                | <b>73.38</b>                                 |

### Note 8

#### Equity Share Capital

| Particulars                                                                       | Amount(Rs. In Lakhs)<br>As at Mar 31, 2026 | Amount(Rs. In Lakhs)<br>As at March 31, 2025 |
|-----------------------------------------------------------------------------------|--------------------------------------------|----------------------------------------------|
| <b>Authorized</b>                                                                 |                                            |                                              |
| Equity Shares, Rs. 10/- Par Value<br>(6,70,00,000 Equity Shares)                  | 670,000,000.00                             | 670,000,000.00                               |
| Redeemable Convertible Preference Share Capital                                   | 80,000,000.00                              | 80,000,000.00                                |
| <b>Issued, Subscribed and Paid Up</b>                                             |                                            |                                              |
| Equity Shares, Rs. 10/- Par Value<br>(3,39,00,000 Equity Shares of Rs. 10/- each) | 339,000,000.00                             | 339,000,000.00                               |
|                                                                                   | 339,000,000.00                             | 339,000,000.00                               |

#### (a) Rights, preferences and restrictions attached to shares

The company has only one class of shares referred to as Equity Shares having a par value of Rs. 10/-.

Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company in proportion to the number of equity shares held by the shareholders, after distribution of all preferential amounts.

## ARUNA HOTELS LIMITED

(b) The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2026, is set out below:

| Particulars                          | No. of Shares<br>As at Mar 31, 2026 | Amount(Rs. In Lakhs)<br>As at Mar 31, 2026 | No. of Shares<br>As at March 31, 2025 | Amount(Rs. In Lakhs)<br>As at March 31, 2025 |
|--------------------------------------|-------------------------------------|--------------------------------------------|---------------------------------------|----------------------------------------------|
| As at the beginning of the period    | 33,900,000                          | 3,390                                      | 33,900,000                            | 3,390                                        |
| Add: Shares issued during the period | -                                   | -                                          | -                                     | -                                            |
| Less: Shares Bought back             | -                                   | -                                          | -                                     | -                                            |
| As at the end of the period          | 33,900,000                          | 3,390                                      | 33,900,000                            | 3,390                                        |

(c) Details of equity shareholders holding more than 5% shares in the company

| Name of the equity shareholder | As at Mar 31, 2026 |                  | As at March 31, 2025 |                  |
|--------------------------------|--------------------|------------------|----------------------|------------------|
|                                | No of shares held  | % of the holding | No of shares held    | % of the holding |
| Subasri Realty Private Limited | 6,348,863          | 18.73%           | 6,348,863            | 18.73%           |
| Gay Travels Private Limited    | 8,228,005          | 24.27%           | 8,228,005            | 24.27%           |

(d) Disclosure of Shareholding of Promoters and Promoter Group:

| Name of the equity shareholder            | As at March 31, 2026 |                  | As at March 31, 2025 |                  |
|-------------------------------------------|----------------------|------------------|----------------------|------------------|
|                                           | No of shares held    | % of the holding | No of shares held    | % of the holding |
| S BALASUBRAMANIAN ADITYAN                 | 389,081.00           | 1.15             | 389,081.00           | 1.15             |
| GAY TRAVELS PRIVATE LIMITED               | 8,228,005.00         | 24.27            | 8,228,005.00         | 24.27            |
| SUBASRI REALTY PRIVATE LIMITED            | 6,348,863.00         | 18.73            | 6,348,863.00         | 18.73            |
| MALAR PUBLICATIONS LIMITED                | 1,514,521.00         | 4.47             | 1,514,521.00         | 4.47             |
| YESSIR HOLDINGS AND INVESTMENTS PVT LTD   | 372,412.00           | 1.10             | 372,412.00           | 1.10             |
| RANI PRINTERS PRIVATE LIMITED             | 230,116.00           | 0.68             | 230,116.00           | 0.68             |
| SOVEREIGN MEDIA MARKETING PRIVATE LIMITED | 195,718.00           | 0.58             | 195,718.00           | 0.58             |
| SRI DEVI AGENCIES PVT LTD                 | 112,548.00           | 0.33             | 112,548.00           | 0.33             |
| KAMAL BABBAR                              | 1,124,085.00         | 3.3159           | 1,124,085.00         | 3.3159           |
| ANITA KUMARAN                             | 118,296.00           | 0.349            | 118,296.00           | 0.349            |
| KAANYA SHARATH JAGAN                      | 118,236.00           | 0.3488           | 118,236.00           | 0.3488           |
| RUKMANI S                                 | 96,517.00            | 0.2847           | 96,517.00            | 0.2847           |
| V CHITHAN                                 | 68,350.00            | 0.2016           | 68,350.00            | 0.2016           |
| MARUTHAI PILLAI P                         | 30,390.00            | 0.0896           | 30,390.00            | 0.0896           |
| AUGUSTIN D                                | 19,200.00            | 0.0566           | 19,200.00            | 0.0566           |
| R CHANDRAMOHAN                            | 19,200.00            | 0.0566           | 19,200.00            | 0.0566           |
| GEETHA PERIASAMY                          | 17,180.00            | 0.0507           | 17,180.00            | 0.0507           |
| JAYANTHI NATARAJAN                        | 12,150.00            | 0.0358           | 12,150.00            | 0.0358           |
| ARUNN PILLAI M                            | 11,844.00            | 0.0349           | 11,844.00            | 0.0349           |
| CHANDRAKANT                               | 11,683.00            | 0.0345           | 11,683.00            | 0.0345           |
| VIJAYALAKSHMI CHAND                       | 7,770.00             | 0.0229           | 7,770.00             | 0.0229           |
| KARTHIK P SIVARAM                         | 7,364.00             | 0.0217           | 7,364.00             | 0.0217           |
| JAYANTHI S                                | 6,514.00             | 0.0192           | 6,514.00             | 0.0192           |
| SIVARAM M                                 | 6,105.00             | 0.018            | 6,105.00             | 0.018            |
| SENTHILNATHAN M                           | 5,530.00             | 0.0163           | 5,530.00             | 0.0163           |
| SIVABAGYAM M                              | 3,700.00             | 0.0109           | 3,700.00             | 0.0109           |
| CHANDRA MOHAN P                           | 3,200.00             | 0.0094           | 3,200.00             | 0.0094           |
| KARTHIK PERUMAL SIV                       | 2,662.00             | 0.0079           | 2,662.00             | 0.0079           |
| GANESAN M                                 | 1,700.00             | 0.005            | 1,700.00             | 0.005            |
| RAVICHANDRAN C L                          | 802.00               | 0.0024           | 802.00               | 0.0024           |
| GANESAN M                                 | 200.00               | 0.0006           | 200.00               | 0.0006           |
| JAYANTHI NATARAJAN                        | 50.00                | 0.0001           | 50.00                | 0.0001           |

## ARUNA HOTELS LIMITED

### For the year immediately preceding the balance sheet date:

- i. Nil shares were reserved for issuance towards outstanding employee stock options granted / available for grant, towards outstanding share warrants and towards convertible securities.
- ii. Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the year immediately preceding the Balance Sheet date is Nil.
- iii. Forfeited share is Nil.

### Non - Current Liabilities

| Particulars                                                            | Amount(Rs. In Lakhs)<br>As at Mar 31, 2026 | Amount(Rs. In Lakhs)<br>As at March 31, 2025 |
|------------------------------------------------------------------------|--------------------------------------------|----------------------------------------------|
| <b>Note 9</b>                                                          |                                            |                                              |
| <b>Financial Liabilities - Long Term Borrowings</b>                    |                                            |                                              |
| <b>1. Term Loan from Banks</b>                                         |                                            |                                              |
| Secured                                                                | -                                          | -                                            |
| <b>2. Loans from related parties</b>                                   |                                            |                                              |
| Secured                                                                | 5,003.44                                   | 5,003.44                                     |
| Unsecured                                                              | 6,583.33                                   | 5,824.50                                     |
| <b>Loan from Banks (Bank Moratorium Interest converted into loan)*</b> |                                            |                                              |
| <b>3. Debt Component of Preference Shares</b>                          | <b>257.00</b>                              | <b>283.00</b>                                |
| <b>Total</b>                                                           | <b>11,843.77</b>                           | <b>11,110.94</b>                             |

#This Secured Borrowings consists of Secondary Mortgage on Building owned by the Company. The Primary Mortgage is held by HDFC Bank Ltd.

\*\* The company had issued preference shares in earlier years and the shares were not redeemed in the year in which it has to been redeemed, because the Company had no profits, nor could it make any fresh issue of shares. The Company has sent out confirmations to preference shareholders & received responses from a few parties. The Company has transferred a sum of Rs.6 Lakhs to IEPF account during the FY 22-23, Rs.5 Lakhs during FY 23-24 and Rs. 16 Lakhs during FY 24-25. In the FY 24-25, the Company will be redeeming the Share capital to the persons from whom it had received confirmation. The Redemption amount of preference shares remaining unpaid or unclaimed from parties will be transferred to Investor Education and Protection Fund under Section 205C of Companies Act.

| Loans from Related Parties        |                           |                                                                 |                        |
|-----------------------------------|---------------------------|-----------------------------------------------------------------|------------------------|
| Name of the Lender                | Relationship with Company | Amount Outstanding as on March 31, 2026<br>(excluding interest) |                        |
|                                   |                           | Secured(in Rs Lakhs)                                            | Unsecured(in Rs Lakhs) |
| Gay Travels Private Limited       | Promoter Group            | 2,380.44                                                        | 2,651.88               |
| Rani Printers Private Limited     | Promoter Group            | 500.00                                                          | 130.00                 |
| Malar Publication Private Limited | Promoter Group            | 853.00                                                          | 2,551.83               |
| Subasri Realty Private Limited    | Promoter Group            | 1,270.00                                                        | 924.62                 |
| Sivels Holdings Private Limited   | Promoter Group            | -                                                               | 90.00                  |
| Rani Syndicate Private Limited    | Promoter Group            | -                                                               | 235.00                 |
| <b>Total unsecured loan</b>       |                           | <b>5,003.44</b>                                                 | <b>6,583.33</b>        |

The company is liable to pay interest @ 12% p.a. till the date of settlement of the loan amount.  
The repayment tenure will begin from FY 26-27 for all the related party loans.

## ARUNA HOTELS LIMITED

| Particulars                            | Amount(Rs. In Lakhs)<br>As at Mar 31, 2026 | Amount(Rs. In Lakhs)<br>As at March 31, 2025 |
|----------------------------------------|--------------------------------------------|----------------------------------------------|
| <b>Note 10</b>                         |                                            |                                              |
| <b>Long Term Provision</b>             |                                            |                                              |
| <b>Provision for Employee Benefits</b> |                                            |                                              |
| Provision for Gratuity                 | 10.64                                      | 1.99                                         |
| Current Period Addition/Deletion       | 2.50                                       | 8.65                                         |
| Closing Balance                        | 13.14                                      | 10.64                                        |
| Provision for Leave Encashment         | 2.50                                       | -                                            |
| Current Period Addition/Deletion       | 28.90                                      | 2.50                                         |
| Closing Balance                        | 31.41                                      | 2.50                                         |
| <b>Other employee benefits</b>         |                                            |                                              |
| Opening Balance                        | 0.04                                       | -8.92                                        |
| Current Period Addition/Deletion       | -2.61                                      | 8.97                                         |
| Closing Balance                        | -2.57                                      | 0.04                                         |
| <b>Total</b>                           | <b>41.98</b>                               | <b>13.19</b>                                 |

| Particulars                      | Amount(Rs. In Lakhs)<br>As at Mar 31, 2026 | Amount(Rs. In Lakhs)<br>As at March 31, 2025 |
|----------------------------------|--------------------------------------------|----------------------------------------------|
| <b>Note 11</b>                   |                                            |                                              |
| <b>Deferred Tax Liabilities</b>  |                                            |                                              |
| Opening Balance                  | 2,184.36                                   | 2,271.59                                     |
| Current Period Addition/Deletion | 162.62                                     | -87.23                                       |
| <b>Closing Balance</b>           | <b>2,346.98</b>                            | <b>2,184.36</b>                              |

The Deferred Tax arising on Revaluation of Non Depreciable Assets have been measured on the basis of Tax consequences that would follow from the recovery of carrying amount of the asset through sale. As the Tax rate applicable to the Taxable Amount derived from sale of asset differs from Tax Rate applicable on Taxable amount derived from using the asset, the DTL is measured by applying the rate applicable on sale of the Asset. In the Current Year the Amount of Deferred Tax Liability have been re-estimated.

|                                      |               |               |
|--------------------------------------|---------------|---------------|
| <b>Note 12</b>                       |               |               |
| <b>Other Non-Current Liabilities</b> |               |               |
| Rental Advance                       | 47.68         | 25.01         |
| Income received in Advance           | 80.82         | 80.82         |
| <b>Total</b>                         | <b>128.50</b> | <b>105.83</b> |

\*Income received in advance is the difference between fair value of interest free security deposits and the actual amount of deposits. It has been treated as lease rental income received in advance and will be charged to Profit and Loss account on a straight line basis over the lease term. The deposit amount (Rental Advance) shall be payable to lessees at the end of the lease term.

### Current Liabilities

| Particulars                  | Amount(Rs. In Lakhs)<br>As at Mar 31, 2026 | Amount(Rs. In Lakhs)<br>As at March 31, 2025 |
|------------------------------|--------------------------------------------|----------------------------------------------|
| <b>Note 13</b>               |                                            |                                              |
| <b>Financial Liabilities</b> |                                            |                                              |
| <b>Trade Payables</b>        |                                            |                                              |
| Due to MSME *                | 8.43                                       | 9.26                                         |
| Due to Others                | 309.27                                     | 312.06                                       |
| <b>Total</b>                 | <b>317.70</b>                              | <b>321.32</b>                                |

## ARUNA HOTELS LIMITED

**Trade Payables Ageing Schedule- As at 31.03.2026**

| Particulars :                    | Outstanding for the following periods from due date of Payment |           |           |                   | Amount(Rs. In Lakhs) |
|----------------------------------|----------------------------------------------------------------|-----------|-----------|-------------------|----------------------|
|                                  | Less Than 1 Year                                               | 1-2 Years | 2-3 Years | More than 3 Years | As at March 31, 2026 |
| (i) MSME Parties                 | 8.43                                                           | -         | -         | -                 | 8.43                 |
| (ii) Others                      | 309.27                                                         | -         | -         | -                 | 309.27               |
| (iii) Disputed Dues-MSME Parties | -                                                              | -         | -         | -                 | -                    |
| (iv) Disputed Dues-Others        | -                                                              | -         | -         | -                 | -                    |
| <b>Total</b>                     | <b>317.70</b>                                                  | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>317.70</b>        |

**Trade Payables Ageing Schedule- As at 31.03.2025**

| Particulars :                    | Outstanding for the following periods from due date of Payment |           |           |                   | Amount(Rs. In Lakhs) |
|----------------------------------|----------------------------------------------------------------|-----------|-----------|-------------------|----------------------|
|                                  | Less Than 1 Year                                               | 1-2 Years | 2-3 Years | More than 3 Years | As at March 31, 2025 |
| (i) MSME Parties                 | 9.26                                                           | -         | -         | -                 | 9.26                 |
| (ii) Others                      | 312.06                                                         | -         | -         | -                 | 312.06               |
| (iii) Disputed Dues-MSME Parties | -                                                              | -         | -         | -                 | -                    |
| (iv) Disputed Dues-Others        | -                                                              | -         | -         | -                 | -                    |
| <b>Total</b>                     | <b>321.32</b>                                                  | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>321.32</b>        |

| Particulars                          | Amount(Rs. In Lakhs)<br>As at Mar 31, 2026 | Amount(Rs. In Lakhs)<br>As at March 31, 2025 |
|--------------------------------------|--------------------------------------------|----------------------------------------------|
| <b>Note 14</b>                       |                                            |                                              |
| <b>Other Financial Liabilities</b>   |                                            |                                              |
| OD & CC Balances                     | 616.97                                     | 463.70                                       |
| Current Maturities of Long Term Debt | -                                          | 641.56                                       |
| Interest Accrued                     | 4.01                                       | 4.01                                         |
| <b>Total</b>                         | <b>620.98</b>                              | <b>1,109.27</b>                              |
| <b>Note 15</b>                       |                                            |                                              |
| <b>Other Current Liabilities</b>     |                                            |                                              |
| Others                               |                                            |                                              |
| TDS Payable                          | 2.84                                       | 2.95                                         |
| Other Statutory Dues                 | 10.06                                      | 10.06                                        |
| Professional Charges Payable         | 3.90                                       | 3.90                                         |
| Electricity Charges Payable          | 9.30                                       | 24.70                                        |
| Salary Payable                       | 8.96                                       | 6.12                                         |
| Expenses Payable                     | -                                          | -                                            |
| Retention Payable-CWIP               | 89.86                                      | 90.48                                        |
| Advance from Debtors                 | 29.83                                      | 33.01                                        |
| Short term Loans and advances        | -                                          | -                                            |
| Provision for Tax                    | 72.25                                      | -                                            |
| Other Current Liabilities            | 154.97                                     | 0.03                                         |
| <b>Total</b>                         | <b>381.95</b>                              | <b>171.25</b>                                |

## Revenue Recognition

### Revenue from operations

The Company derives revenue primarily from rendering services related to hotel, restaurant, banquets etc. by providing accommodation and food to the guests.

Effective 1 April 2018, the company adopted Ind AS 115 'Revenue from Contracts with customers' using the modified retrospective method. Under the modified retrospective method, an entity applies Ind AS 115 only for contracts that are not completed on or before 30 June 2018.

To determine whether to recognize revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer

2. Identifying the performance obligations

Under Ind AS 115, the Company must evaluate the separability of the promised goods or services based on whether they are 'distinct'.

A promised good or service is 'distinct' if both: The customer benefits from item either on its own or together with other readily available resources, and It is 'separately identifiable' (i.e. the Company does not provide a significant service integrating, modifying or customizing it)

3. Determining the transaction price

Under Ind AS 115, the Company shall consider the terms of the contract and its customary business practices to determine the transaction price. The transaction price excludes amounts collected on the behalf of the third parties. The consideration promised include fixed amounts, variable amounts or both. Where the Company has a right to consideration from a customer in an amount that corresponds directly with the value of the customer of the performance completed to date, the Company recognizes revenue in the amount to which it has right to invoice.

4. Allocating the transaction price to performance obligations

The transaction price is allocated to the separately identifiable performance obligations on the basis of their standalone selling price (in case of room rent where the customer pays a fixed rate per room for all the services provided). For services that are not provided separately, the standalone selling price is estimated using the adjusted market assessment approach.

5. Recognizing revenue when/as performance obligation(s) are satisfied

"Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is recognized either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers. The company presents revenue net of indirect taxes in its statement of profit and loss."

### Other Income

Other income is comprised primarily of interest income, dividend income, gain / loss on investments, write back of creditors and exchange gain/loss on forward and options contracts and on translation of other assets and liabilities.

| Particulars                                | Amount(Rs. In Lakhs)<br>For the Period Ended Mar 31, 2026 | Amount(Rs. In Lakhs)<br>For the Period Ended March 31, 2025 |
|--------------------------------------------|-----------------------------------------------------------|-------------------------------------------------------------|
| <b>Note 16</b>                             |                                                           |                                                             |
| <b>Revenue From Operations</b>             |                                                           |                                                             |
| <b>Operating Revenue</b>                   |                                                           |                                                             |
| Room Revenue                               | 1,313.86                                                  | 1,215.56                                                    |
| Food & Beverage Revenue                    | 809.34                                                    | 780.02                                                      |
| Laundry Revenue                            | 12.25                                                     | 9.36                                                        |
| <b>Other Operating Revenues</b>            |                                                           |                                                             |
| Lease Rental Revenue                       | 362.54                                                    | 344.03                                                      |
| Scrap sales and other related incomes      | 12.37                                                     | 18.15                                                       |
| <b>Total</b>                               | <b>2,510.36</b>                                           | <b>2,367.12</b>                                             |
| <b>Note 17</b>                             |                                                           |                                                             |
| <b>Other Income</b>                        |                                                           |                                                             |
| Other Income                               | 8.74                                                      | 36.08                                                       |
| Amortisation of income received in advance | -                                                         | 8.05                                                        |
| Other Miscellaneous Revenue                | 1.79                                                      | 6.22                                                        |
| Interest and Creditors Written off         | 1,390.41                                                  | 1,286.00                                                    |
| <b>Total</b>                               | <b>1,400.94</b>                                           | <b>1,336.35</b>                                             |

## ARUNA HOTELS LIMITED

### The company has borrowed both secured and unsecured loans from related parties, with interest payable on these loans. However, due to ongoing financial losses, the company is not in a position to make interest payments. Consequently, the related parties have waived the interest payable. As a result, the company has recognized the interest expense and simultaneously written off the interest payable as income

| Particulars                           | Amount(Rs. In Lakhs)<br>For the Period Ended Mar 31, 2026 | Amount(Rs. In Lakhs)<br>For the Period Ended March 31, 2025 |
|---------------------------------------|-----------------------------------------------------------|-------------------------------------------------------------|
| <b>Note 18</b>                        |                                                           |                                                             |
| Opening Stock                         | 44.11                                                     | 57.53                                                       |
| <b><u>Purchase of Consumables</u></b> |                                                           |                                                             |
| Purchase - Beverage                   | 6.20                                                      | 6.19                                                        |
| Purchase - Daily Products             | 18.73                                                     | 15.23                                                       |
| Purchase - Frozen Products            | 1.42                                                      | 0.37                                                        |
| Purchase - House Keeping              | 34.85                                                     | 36.63                                                       |
| Purchase - Fruits & Vegetables        | 36.84                                                     | 33.68                                                       |
| Purchase - Poultry, Eggs and Sea Food | 64.49                                                     | 45.05                                                       |
| Purchase - Provision                  | 60.72                                                     | -                                                           |
| Purchase - Bakery                     | 2.36                                                      | 2.17                                                        |
| Purchase - Kitchen Equipments         | 5.34                                                      | 2.86                                                        |
| Purchase - Gas Cylinder               | 39.77                                                     | 38.66                                                       |
| Purchase - Liquor                     | 142.04                                                    | 124.40                                                      |
| Purchase - Others                     | 15.94                                                     | 129.70                                                      |
| <b>Total purchase</b>                 | <b>428.69</b>                                             | <b>434.94</b>                                               |
| Less:                                 |                                                           |                                                             |
| Closing Stock                         | 57.25                                                     | 44.11                                                       |
| <b>Total</b>                          | <b>415.55</b>                                             | <b>448.36</b>                                               |

### Employee Benefit Expenses

#### Short-term employee benefits

A liability is recognized for benefits accruing to employees in respect of salaries, wages, performance incentives, medical benefits and other short term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service.

#### Defined Benefit Plans and Defined Contribution Plans

As informed by the management, the number of employees are less than 10, hence no adjustment has been done with respect to defined benefit plans and defined contribution plans.

| Particulars                      | Amount(Rs. In Lakhs)<br>For the Period Ended Mar 31, 2026 | Amount(Rs. In Lakhs)<br>For the Period Ended March 31, 2025 |
|----------------------------------|-----------------------------------------------------------|-------------------------------------------------------------|
| <b>Note 19</b>                   |                                                           |                                                             |
| <b>Employee Benefit Expenses</b> |                                                           |                                                             |
| Salaries and Allowances          | 388.06                                                    | 301.73                                                      |
| Leave Encashments                | 2.50                                                      | 2.50                                                        |
| Gratuity                         | 2.50                                                      | 2.25                                                        |
| Director remuneration            | 2.56                                                      | 2.45                                                        |
| Staff Welfare Expense            | 0.00                                                      | 2.30                                                        |
| Other Employee Benefit Expenses  | 2.67                                                      | 1.98                                                        |
| <b>Total</b>                     | <b>398.30</b>                                             | <b>313.22</b>                                               |

## ARUNA HOTELS LIMITED

### Finance Cost:

Finance Cost is the cost, interest and other charges involved in the borrowing.

The total expenses associated with securing funds which may include interest payments, financing fees charged by the financial institution.

| Particulars                                   | Amount(Rs. In Lakhs)<br>For the Period Ended Mar 31, 2026 | Amount(Rs. In Lakhs)<br>For the Period Ended March 31, 2025 |
|-----------------------------------------------|-----------------------------------------------------------|-------------------------------------------------------------|
| <b>Note 20</b>                                |                                                           |                                                             |
| <b>Finance Cost</b>                           |                                                           |                                                             |
| Bank Charges                                  | 22.10                                                     | 15.93                                                       |
| Interest on Term Loan                         | 36.32                                                     | 101.35                                                      |
| Interest on Overdraft                         | 34.19                                                     | 29.76                                                       |
| Interest on Related Party Loans               | 1,390.41                                                  | 1,275.83                                                    |
| Other Interests                               | 5.17                                                      | 0.79                                                        |
| <b>Total</b>                                  | <b>1,488.19</b>                                           | <b>1,423.65</b>                                             |
| <b>Note 21</b>                                |                                                           |                                                             |
| Depreciation and Amortization Expenses        |                                                           |                                                             |
| Depreciation on property, plant and equipment | 213.09                                                    | 281.45                                                      |
| <b>Total</b>                                  | <b>213.09</b>                                             | <b>281.45</b>                                               |

### The company has borrowed both secured and unsecured loans from related parties, with interest payable on these loans. However, due to ongoing financial losses, the company is not in a position to make interest payments. Consequently, the related parties have waived the interest payable. As a result, the company has recognized the interest expense and simultaneously written back the interest payable as income

| Particulars                              | Amount(Rs. In Lakhs)<br>For the Period Ended Mar 31, 2026 | Amount(Rs. In Lakhs)<br>For the Period Ended March 31, 2025 |
|------------------------------------------|-----------------------------------------------------------|-------------------------------------------------------------|
| <b>Note 22</b>                           |                                                           |                                                             |
| Other expenses                           |                                                           |                                                             |
| Booking Commission                       | 115.86                                                    | 96.60                                                       |
| Advertisement                            | 2.80                                                      | 0.67                                                        |
| Management Charges - Hard Rock & Mustard | 452.97                                                    | 479.79                                                      |
| Discount Allowed                         | 0.45                                                      | -                                                           |
| Electricity Charges                      | 250.26                                                    | 287.43                                                      |
| Valet Parking Services                   | 10.54                                                     | 10.28                                                       |
| Annual Maintenance                       | 33.20                                                     | 37.99                                                       |
| Building Valuation Charges               | -                                                         | 0.75                                                        |
| Annual Custody Fees                      | 0.75                                                      | 9.04                                                        |
| Annual Listing Fees                      | 3.26                                                      | 3.29                                                        |
| Security Expenses                        | 0.00                                                      | -                                                           |
| Loan Processing Fee                      | 14.46                                                     | -                                                           |
| Admin Expenses                           | 21.73                                                     | 55.53                                                       |
| Audit Fees                               | 2.00                                                      | -                                                           |
| Power and Fuel                           | 3.52                                                      | 5.43                                                        |
| Licence expenses                         | 7.31                                                      | -                                                           |
| DTH Connection -TV                       | 3.13                                                      | 5.48                                                        |
| Foundain Aquarium Work                   | -                                                         | 4.09                                                        |
| Printing & Stationery                    | 4.54                                                      | 0.83                                                        |
| Insurance                                | 6.45                                                      | 8.52                                                        |
| Professional Charges                     | 3.75                                                      | 4.25                                                        |
| Internet Lease Line                      | 2.59                                                      | 9.55                                                        |
| Internet Charges                         | 6.18                                                      | -                                                           |
| Interest Charges                         | -                                                         | 2.98                                                        |
| Pest Control                             | 7.31                                                      | 1.86                                                        |

## ARUNA HOTELS LIMITED

|                          |                 |                 |
|--------------------------|-----------------|-----------------|
| Property Tax             | 28.67           | 14.90           |
| Property Tax - Annexure  | 2.81            | -               |
| Rates and taxes          | 23.63           | 24.99           |
| Repair & Maintance       | 27.61           | 22.37           |
| News Paper               | 1.01            | -               |
| Sales promotion          | 13.81           | 11.27           |
| Selling and distribution | 7.68            | 0.65            |
| Consulting Charges       | -               | 0.88            |
| Contractors' Charges     | -               | 55.93           |
| Service charges-staff    | 0.20            | 13.26           |
| Uniform expenses         | -               | 3.71            |
| Other expenses           | 21.92           | 48.31           |
| <b>Total</b>             | <b>1,080.41</b> | <b>1,220.63</b> |

### Note 23

#### Related Party Disclosures

##### List of related parties:

##### Promoter Group

- Sivanthi Balasubramanian Adityan - Promoter
- Gay Travels Private Limited - Promoter Group
- Malar Publications Private Limited - Promoter Group
- Rani Printers Private Limited - Promoter Group
- Sovereign Media Marketing Pvt Ltd - Promoter Group
- Subasri Realty Private Limited -Promoter Group
- Sri Devi Agencies Private Limited -Promoter Group

##### List of Key Managerial Personnel (KMP):

##### Non – Whole Time Directors

- R Muralidharan -Non – executive -Non- Independent director
- R Rajakumar -Non – executive Non- Independent director
- N Suyambu -Independent director
- R.Vijayalakshmi -Independent Woman Director
- Radhaswamy Venkateswaran -Executive Director

##### Executive Officers

- P Nagaraj - Chief Financial Officer

##### Company Secretary

- N.Sornalatha - Company Secretary and Compliance Officer

##### Transactions during the Period

##### Long Term Borrowings

| Name of the Party                  | Amount(Rs. In Lakhs)<br>For the Period Ended March 31,2026 | Amount(Rs. In Lakhs)<br>For the Period Ended March 31,2025 |
|------------------------------------|------------------------------------------------------------|------------------------------------------------------------|
| Gay Travels Private Limited        | 300.00                                                     | 150.00                                                     |
| Malar Publications Private Limited | 932.10                                                     | 115.00                                                     |
| Rani Printers Private Limited      | -                                                          | 0.24                                                       |
| Subasri Realty Private Limited     | 262.00                                                     | 30.00                                                      |
| Sivels Holdings Private Limited    | -                                                          | -                                                          |
| Rani Syndicate Private Limited     | 160.00                                                     | -                                                          |
| <b>Total</b>                       | <b>1,654.10</b>                                            | <b>295.24</b>                                              |

## ARUNA HOTELS LIMITED

### Interest Accrued During the Period

| Name of the Party                  | Amount(Rs. In Lakhs)<br>For the Period Ended March 31,2026 | Amount(Rs. In Lakhs)<br>For the Period Ended March 31,2025 |
|------------------------------------|------------------------------------------------------------|------------------------------------------------------------|
| Gay Travels Private Limited        | 603.88                                                     | 567.88                                                     |
| Malar Publications Private Limited | 408.58                                                     | 397.17                                                     |
| Rani Printers Private Limited      | 75.60                                                      | 75.60                                                      |
| Subasri Realty Private Limited     | 263.35                                                     | 231.91                                                     |
| Sivels Holdings Private Limited    | 10.80                                                      | -                                                          |
| Rani Syndicate Private Limited     | 28.20                                                      | -                                                          |
| <b>Total</b>                       | <b>1,390.41</b>                                            | <b>1,272.57</b>                                            |

### Interest waived Off

| Name of the Party                  | Amount(Rs. In Lakhs)<br>For the Period Ended March 31,2026 | Amount(Rs. In Lakhs)<br>For the Period Ended March 31,2025 |
|------------------------------------|------------------------------------------------------------|------------------------------------------------------------|
| Gay Travels Private Limited        | 603.88                                                     | 567.88                                                     |
| Malar Publications Private Limited | 408.58                                                     | 397.17                                                     |
| Rani Printers Private Limited      | 75.60                                                      | 75.60                                                      |
| Subasri Realty Private Limited     | 263.35                                                     | 231.91                                                     |
| Sivels Holdings Private Limited    | 10.80                                                      | -                                                          |
| Rani Syndicate Private Limited     | 28.20                                                      | -                                                          |
| <b>Total</b>                       | <b>1,390.41</b>                                            | <b>1,272.56</b>                                            |

### Sale of Services

| Name of the Party                 | Amount(Rs. In Lakhs)<br>For the Period Ended March 31,2026 | Amount(Rs. In Lakhs)<br>For the Period Ended March 31,2025 |
|-----------------------------------|------------------------------------------------------------|------------------------------------------------------------|
| Malar Publications Limited        | 1.71                                                       | -                                                          |
| Rani Printers Private Limited     | 0.04                                                       | -                                                          |
| Rani Syndicate Private Limited    | 0.03                                                       | 0.02                                                       |
| Subasri Reality Private Limited   | 0.04                                                       | -                                                          |
| India Cabs Private Limited        | 0.06                                                       | -                                                          |
| Air Media Network Private Limited | 0.02                                                       | 0.02                                                       |
| <b>Total</b>                      | <b>1.90</b>                                                | <b>0.04</b>                                                |

### Purchase of Services

| Name of the Party                  | Amount(Rs. In Lakhs)<br>For the Period Ended March 31,2026 | Amount(Rs. In Lakhs)<br>For the Period Ended March 31,2025 |
|------------------------------------|------------------------------------------------------------|------------------------------------------------------------|
| Malar Publications Private Limited | 2.67                                                       | 0.97                                                       |
| India Cabs Private Limited         | 10.23                                                      | 4.41                                                       |
| Rani Printers Private Limited      | 0.29                                                       | -                                                          |
| Air Media Network Private Limited  | 1.00                                                       | -                                                          |
| <b>Total</b>                       | <b>14.19</b>                                               | <b>5.38</b>                                                |

### Key Managerial Personnel

The related party transactions with above listed KMP which comprises of directors and executive officers are as follows:

| Nature of transaction              | Amount(Rs. In Lakhs)<br>For the Period Ended March 31,2026 | Amount(Rs. In Lakhs)<br>For the Period Ended March 31,2025 |
|------------------------------------|------------------------------------------------------------|------------------------------------------------------------|
| Salary and Other Employee Benefits | 15.60                                                      | 8.92                                                       |
|                                    | 15.60                                                      | 8.92                                                       |

**Balances During The Period**  
**Long Term Borrowings**

| Name of the Party                  | Amount(Rs. In Lakhs)<br>As at March 31, 2026 | Amount(Rs. In Lakhs)<br>As at March 31, 2025 |
|------------------------------------|----------------------------------------------|----------------------------------------------|
| Gay Travels Private Limited        | 5,032.32                                     | 4,670.21                                     |
| Malar Publications Private Limited | 3,404.83                                     | 2,372.73                                     |
| Rani Printers Private Limited      | 630.00                                       | 705.00                                       |
| Subasri Realty Private Limited     | 2,194.62                                     | 1,932.62                                     |
| Sivels Holdings Private Limited    | 90.00                                        | 90.00                                        |
| Rani Syndicate Private Limited     | 235.00                                       | 75.00                                        |
| <b>Total</b>                       | <b>11,586.77</b>                             | <b>9,845.56</b>                              |

**Trade Payables**

| Name of the Party                  | Amount(Rs. In Lakhs)<br>As at March 31, 2026 | Amount(Rs. In Lakhs)<br>As at March 31, 2025 |
|------------------------------------|----------------------------------------------|----------------------------------------------|
| Gay Travels Private Limited        | 6.04                                         | 6.04                                         |
| Malar Publications Private Limited | 2.50                                         | 1.46                                         |
| India Cabs Private Limited         | 1.63                                         | 0.88                                         |
| Rani Printers Private Limited      | 0.28                                         | -                                            |
|                                    | 10.45                                        | 8.38                                         |

**Key Managerial Personnel**

The related party transactions with above listed KMP which comprises of directors and executive officers are as follows:

| Nature of transaction | Amount(Rs. In Lakhs)<br>As at March 31, 2026 | Amount(Rs. In Lakhs)<br>As at March 31, 2025 |
|-----------------------|----------------------------------------------|----------------------------------------------|
| Salary Payable        | 3.80                                         | 6.13                                         |
|                       | 3.80                                         | 6.13                                         |

**Note 24**

**Contingent Liabilities**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arise from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. As on 31, March 2026, there were following contingent liabilities of the company.

| Division | Sub-division               | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|----------|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Taxation | Direct Tax                 | There are TDS defaults for Aruna Hotels Limited. There is a short payment and short deduction of Rs.5,11,902. The reason for the above demands are yet to be crystallized and hence showing the above amount as contingent liability.                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Taxation | Indirect Tax-<br>Sales Tax | The Company had old sales tax arrears from 2001-02 under TNGST Act 1959, TNVAT Act 2006 and CST Act 1956 which were fully paid. Subsequently, the Company received a Show cause notice from the Department regarding payment of interest on the old arrear liability. The Company has responded to the Show Cause notice and is reasonable certain that the demand for interest is time barred and not legally enforceable. Hence, no provision has been recognized in respect of such interest liability to the tune of Rs.2.51 Crores. The auditor has also commented on this matter under Clause vii.(b)(iii) of the CARO report in the independent auditor's report |

The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company's Management reasonably expects, based on currently available information, that these legal actions, when ultimately concluded and determined, will not have a material and adverse effect on the Company's results of operations or financial condition.

**Note 25**

**(i) Defined Benefit Plans – As per Actuarial Valuation on March 31, 2026**

| Particulars:                                | Amount(Rs. In Lakhs)<br>March 31,2026 | Amount(Rs. In Lakhs)<br>March 31,2025 |
|---------------------------------------------|---------------------------------------|---------------------------------------|
| Current Service Cost                        | 1.42                                  | 2.11                                  |
| Interest expense on DBO                     | 0.72                                  | 0.14                                  |
| Net Periodic Benefit Cost recognized in PL  | 2.14                                  | 2.25                                  |
| Other Comprehensive Income/ (Loss)          | -7.03                                 | 6.40                                  |
| Present Value of Defined Benefit Obligation | 6.90                                  | 10.64                                 |
| Fair Value of Plan Assets                   | -                                     | -                                     |
| Discount Rate as per Para 83 of IND AS 19   | 7.31%                                 | 6.75%                                 |

**(ii) Expenses Recognized in the Statement of Profit & Loss**

| Particulars:         | Amount(Rs. In Lakhs)<br>March 31,2026 | Amount(Rs. In Lakhs)<br>March 31,2025 |
|----------------------|---------------------------------------|---------------------------------------|
| Current Service Cost | 1.42                                  | 2.11                                  |
| Past Service Cost    | 1.15                                  | -                                     |
| Interest Cost        | 0.72                                  | 0.14                                  |

**(iii) Expenses Recognized in the Statement of Other Comprehensive Income**

| Particulars:                                          | Amount(Rs. In Lakhs)<br>March 31,2026 | Amount(Rs. In Lakhs)<br>March 31,2025 |
|-------------------------------------------------------|---------------------------------------|---------------------------------------|
| Remeasurement due to changes in Actuarial Assumptions | -7.03                                 | 6.40                                  |

**(iv) Reconciliation of Defined Benefit Obligation**

| Particulars:                                   | Amount(Rs. In Lakhs)<br>March 31,2026 | Amount(Rs. In Lakhs)<br>March 31,2025 |
|------------------------------------------------|---------------------------------------|---------------------------------------|
| Opening Defined Benefit Obligation             | 10.64                                 | 1.99                                  |
| Current Service Cost                           | 1.42                                  | 2.11                                  |
| Past Service Cost                              | 1.15                                  | -                                     |
| Interest Cost                                  | 0.72                                  | 0.14                                  |
| “Remeasurements due to actuarial loss/ (gain)” | -7.03                                 | 6.40                                  |
| Closing Defined Benefit obligations            | 6.90                                  | 10.64                                 |

There are no plan assets as at 31.03.2026.

**(v) Actuarial Assumptions**

|                          |                                                                                                               |
|--------------------------|---------------------------------------------------------------------------------------------------------------|
| Discount Rate (p.a) in % | 7.31%                                                                                                         |
| Salary Escalation Rate   | 5%                                                                                                            |
| Attrition Rate           | 10%                                                                                                           |
| Mortality                | Indian Assured Lives Mortality (2012-14) Ultimate                                                             |
| Disability               | 5% of mortality rate rates                                                                                    |
| Withdrawal               | “Graded rates<br>From Age 50 - 7.14%,<br>From Age 55 - 4.76%,<br>From Age 60 - 2.38%,<br>From Age 65 - 1.19%” |
| Retirement age           | 58                                                                                                            |

**(vi) Sensitivity Analysis**

| Particulars:                     | % Increase in DBO | Liability | Decrease or Increase in DBO |
|----------------------------------|-------------------|-----------|-----------------------------|
| DISCOUNT RATE +100 basis points  | -7.65%            | 637,306   | -52,826                     |
| DISCOUNT RATE -100 basis points  | 8.79%             | 750,808   | 60,676                      |
| SALARY GROWTH +100 basis points  | 8.68%             | 750,003   | 59,871                      |
| SALARY GROWTH -100 basis points  | -7.65%            | 637,312   | -52,880                     |
| ATTRITION RATE +100 basis points | 0.08%             | 690,697   | 565                         |
| ATTRITION RATE -100 basis points | 0.18%             | 688,895   | -1,237                      |
| MORTALITY RATE 10% UP            | 0.03%             | 690,306   | 176                         |
| EFFECT OF NO CEILING             | 0.03%             | 689,955   | -177                        |

**Note 26 : Earnings per Share (EPS) :  
Weighted Average Number of Shares**

| Particulars :                                | March 31, 2026 | March 31, 2025 |
|----------------------------------------------|----------------|----------------|
| Profit / (Loss) after tax (In Lakhs)         | 80.90          | 103.41         |
| Weighted Average Number of Shares (In Lakhs) | 339.00         | 339.00         |
| Earnings per share                           |                |                |
| Basic & Diluted EPS                          | 0.24           | 0.31           |
| Face Value per Equity Share (In Rs.)         | 10             | 10             |

**Note 27: Ratios**

| Ratio                                                                                                                                                                                                                                                                                                            | Numerator                                              | Denominator                  | Current period | Previous period | % of variance |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|------------------------------|----------------|-----------------|---------------|
| Current ratio                                                                                                                                                                                                                                                                                                    | Current assets                                         | Current liabilities          | 0.45           | 0.14            | 223.62%       |
| Debt-equity ratio                                                                                                                                                                                                                                                                                                | Total liabilities                                      | Total Equity                 | 6.53           | 4.44            | 47.13%        |
| Operating Profit Margin                                                                                                                                                                                                                                                                                          | EBIT                                                   | Revenue                      | 0.72           | 0.19            | 278.21%       |
| Return on equity ratio                                                                                                                                                                                                                                                                                           | Net Profits after taxes – Preference Dividend (if any) | Average Shareholder's Equity | 0.01           | 0.01            | 56.46%        |
| Inventory turnover ratio                                                                                                                                                                                                                                                                                         | Cost of Goods Sold or Sales                            | Average Inventories          | 2.05           | 72.88           | -97.19%       |
| Trade receivables turnover ratio                                                                                                                                                                                                                                                                                 | Net Credit Sales                                       | Avg. Accounts Receivable     | 5.38           | 3.30            | 62.94%        |
| Interest Coverage Ratio                                                                                                                                                                                                                                                                                          | EBIT                                                   | Finance Cost                 | 1.21           | 2.01            | -39.69%       |
| Net profit ratio                                                                                                                                                                                                                                                                                                 | Net profit                                             | Net sales                    | 0.13           | 0.04            | 214.46%       |
| Return on capital employed                                                                                                                                                                                                                                                                                       | Earning before interest and taxes                      | Capital Employed             | 0.11           | 0.01            | 1013.98%      |
| The current ratio improved during the year primarily due to an increase in current assets, particularly trade receivables, inventories and cash balances, along with better management of working capital. However, the ratio continues to remain below the ideal benchmark owing to higher current liabilities. |                                                        |                              |                |                 |               |
| The debt-equity ratio increased mainly due to higher borrowings and other liabilities availed for funding business operations and expansion, while the increase in shareholders' equity was comparatively lower.                                                                                                 |                                                        |                              |                |                 |               |
| The operating profit margin improved significantly on account of higher operating revenue coupled with effective control over operating costs, resulting in improved operating efficiency during the year.                                                                                                       |                                                        |                              |                |                 |               |
| The return on equity remained broadly stable with a marginal improvement due to increased profitability during the year despite only a limited increase in shareholders' funds.                                                                                                                                  |                                                        |                              |                |                 |               |
| The inventory turnover ratio declined mainly due to a substantial increase in average inventory levels maintained during the year to support business operations and future sales. The decline does not necessarily indicate lower operational efficiency but reflects higher inventory holding.                 |                                                        |                              |                |                 |               |

## ARUNA HOTELS LIMITED

The improvement was primarily attributable to higher sales and more efficient collection of trade receivables, resulting in faster realization of outstanding debts.

The decline in interest coverage ratio was mainly due to an increase in finance costs arising from higher borrowings, while the growth in operating earnings (EBIT) was comparatively lower.

The net profit ratio improved due to higher operating income, better cost management and improved profitability during the year.

The increase in ROCE was mainly attributable to improved earnings before interest and tax (EBIT) and better utilization of capital employed during the year.

**For Venkat and Rangaa LLP**  
**Chartered Accountants**  
**LLPIN: AAK-5672**

S.MOHAN RAAJAN  
Partner  
M.No: 206393

Place: Chennai  
Date: 27-05-2026

**For and on behalf of the Board of Directors of**  
**Aruna Hotels Limited**

Radhaswamy Venkateswaran  
Managing Director  
DIN: 09532159

Nagarajan P  
Chief Financial Officer

Suyambu Narayanan  
Director  
DIN: 07718798

N.Sornalatha  
Company Secretary  
M.No.: A68185

