



# **HS INDIA LIMITED**

**30<sup>th</sup>  
ANNUAL  
REPORT  
2018-19**

## **COMPANY INFORMATION**

### **BOARD OF DIRECTORS & KMP**

Mr. Ramesh Bansal	- Managing Director / CFO
Mrs. Sangita Bansal	- Director
Mr. Pradeep Dhawan	- Director
Mr. Nilkanth Barot	- Director (Resigned w.e.f. 11.07.19)
Mr. Dinesh Mistry	- Director
Mr. Pushpendra Bansal	- Chief Executive Officer/Additional Director (Appointed as an Additional Director w.e.f. 31.05.19)
Mr. Shiladitya Mukherjee-	Additional Director (Appointed w.e.f. 03.08.19)

### **COMPANY SECRETARY & COMPLIANCE OFFICER**

Mr. Hitesh Limbani

### **AUDITORS**

M/s. PARY & Co.  
Chartered Accountants  
9005, World Trade Centre,  
Ring Road,  
Surat – 395 002, Gujarat

### **BANKERS**

Syndicate Bank  
Punjab National Bank  
State Bank of India  
Kotak Mahindra Bank Ltd.  
HDFC Bank Ltd.

### **REGISTERED OFFICE**

Unit No.202, Morya Blue Moon,  
Off New Link Road,  
Andheri West, Mumbai – 400 053  
Maharashtra  
(Changed w.e.f. 01.06.19)

### **REGISTRAR & SHARE TRANSFER AGENT**

Bigshare Services Pvt. Ltd.  
1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis Apartments (Next To Keys Hotel),  
Marol Maroshi Road, Andheri (East),  
Mumbai – 400 059,  
Maharashtra

**NOTICE**

NOTICE is hereby given that the 30<sup>TH</sup> ANNUAL GENERAL MEETING of H S INDIA LIMITED will be held at 'Udupi Shree Krishna', Dhake Colony, J. P. Road, Andheri (W), Mumbai-400 053, Maharashtra on Tuesday, the 10<sup>th</sup> day of September, 2019 at 9:00 a.m. to transact the following business:

**ORDINARY BUSINESS:****1. Adoption of Financial Statements:**

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2019 together with the Report of the Board of Directors and the Auditors thereon.

**2. Appointment of Director:**

To appoint a Director in the place of Mrs. Sangita Bansal (DIN – 01571275), who retires by rotation and being eligible, offers herself for re-appointment.

**3. Appointment of Auditor:**

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

“RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or amendments or re-enactments thereof for the time being in force) and pursuant to the recommendation of the Audit Committee and proposal of the Board of Directors, M/s J. M. Pabari & Associates, Chartered Accountants (Firm Reg. No- 117752W) at Baroda, be and are hereby appointed as Statutory Auditors of the Company, in place of M/s Pary & Co., Chartered Accountants (Firm Reg. No- 007288C) at Surat, the retiring Auditors of the Company, to hold office for a term of 5 (five) years from the conclusion of this Annual General Meeting (“AGM”) till the conclusion of the 35<sup>th</sup> AGM of the Company to be held in year 2024 on such remuneration as may be mutually agreed between the Board of Directors and Auditors of the Company.”

**SPECIAL BUSINESS:****4. Appointment of Mr. Pushpendra Bansal as a Managing Director:**

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) read with Schedule V of the Act and as recommended by Nomination and Remuneration Committee of the Company, approval of the Company be and is hereby accorded for the appointment of Mr. Pushpendra Bansal (DIN: 00086343), who was appointed as an Additional Director of the Company w.e.f. from 31<sup>st</sup> May, 2019 and who holds office up to the date of this Annual General Meeting (AGM), in respect of whom a notice in writing under Section 160 of the Act, as amended, has been received in the prescribed manner, as a Managing Director of the Company, liable to retire by rotation, for a period of 3 (three) years with effect from 11<sup>th</sup> September, 2019, on the following terms and conditions:

(a) Duration : 3 Years (11<sup>th</sup> September, 2019 to 10<sup>th</sup> September, 2022)

- (b) Salary: ₹ 1,00,000 (Rupees One Lakh) per month as per Remuneration Policy of the Company.
- (c) Perquisites and Allowances : In addition to the salary as outlined above, the Managing Director shall be entitled to the following perquisites/allowances which shall not be included in the computation of limits for the remuneration:
- (i) contribution to provident fund, superannuation or annuity funds, to the extent these either singly or put together are not taxable under the Income Tax Act;
  - (ii) gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
  - (iii) encashment of leave at the end of the tenure.

Explanation:

- (a) The said perquisites and allowances shall be evaluated as per Income Tax Rules, wherever applicable; in absence of any such Rules, perquisites and allowances shall be evaluated at actual cost or hire charges.

**RESOLVED FURTHER THAT** the Board of Directors is entitled to revise the remuneration payable to Mr. Pushpendra Bansal as a Managing Director at any time, such that the aggregate of the salary (inclusive of annual increments, if any) in any financial year shall not exceed the overall ceiling laid down in Sections 197 of the Act read with the Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** notwithstanding the above, in the event of any loss or inadequacy of profits in any financial year during the tenure of Mr. Pushpendra Bansal, Managing Director of the Company, remuneration payable to him shall be within the limits of Schedule V to the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to this resolution or otherwise considered by it in the best interest of the Company."

**5. Appointment of Mr. Shiladitya Mukherjee as an Independent Director:**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules made thereunder read with Schedule IV to the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as recommended by Nomination and Remuneration Committee of the Company, Mr. Shiladitya Mukherjee (DIN:08497453), who was appointed as an Additional Director (in the capacity of an Independent Director) of the Company w.e.f. from 3<sup>rd</sup> august, 2019 and who holds office up to the date of this Annual General Meeting (AGM), in terms of Section 161 of the Act and in respect of whom a notice in writing under Section 160 of the Act, as amended has been received in the prescribed manner, be and is hereby appointed as an Non-Executive Independent Director of the Company, not liable to retire by rotation to hold office for 5 (five) consecutive years w.e.f. 3<sup>rd</sup> August, 2019 up to 2<sup>nd</sup> August, 2024.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is, hereby authorized to do all such acts, deeds and things as may be necessary and expedient to give effect to this resolution."

**6. Re-appointment of Mr. Pradeep Dhawan as an Independent Director:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made thereunder read with Schedule IV to the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as recommended by Nomination and Remuneration Committee of the Company, Mr. Pradeep Dhawan (DIN: 00519455), whose term as an independent director expires on 10<sup>th</sup> September, 2019 and who has submitted a declaration, to that effect that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and in respect of whom a notice in writing under Section 160 of the Act, as amended has been received in the prescribed manner, be and is, hereby re-appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for a further period of 5 (five) consecutive years w.e.f. 11<sup>th</sup> September, 2019 upto 10<sup>th</sup> September, 2024.

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

**7. Continue the office of Mr. Ramesh Bansal as a Managing Director exceeding age of 70 years:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 196(3) and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made there under read with Schedule V to the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), consent of the Members of the Company be and is hereby accorded for continuation of holding of office of Managing Director by Mr. Ramesh Bansal (DIN: 00086256) upon attaining the age of 70 (Seventy) years on 4<sup>th</sup> October, 2019 upto the expiry of his present term of office.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**8. Revision in Remuneration of Mr. Ramesh Bansal as a Managing Director of the Company:**

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

**“RESOLVED THAT** in suppression of the earlier resolution passed in Board Meeting held on 10<sup>th</sup> August, 2018 and an ordinary resolution passed in 29<sup>th</sup> Annual General Meeting held on 25<sup>th</sup> September, 2018 and pursuant to the provisions of Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made there under read with Schedule V to the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded for revision in the remuneration of Mr. Ramesh Bansal (DIN-00086256), Managing Director of the Company, from ₹1,20,000/- (Rupees One Lakh Twenty Thousand Only) to ₹1,50,000/- (Rupees One Lakh Fifty Thousand Only) on existing terms and conditions mentioned in the earlier-ordinary resolution was passed w.e.f. 1<sup>st</sup> October, 2019 for his remaining period (i.e. upto 31<sup>st</sup> July, 2022).”

**NOTES:****(a) PROXY:**

A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY(IES) TO ATTEND AND VOTE ON A POLL INSTEAD OF HIM/HER AND THE PROXY(IES) NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY(IES) SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

Corporate members and other incorporated bodies members inter alia Trust, HUF, etc. intending to send their authorized representative to attend the meeting are requested to bring along with them, a certified true copy of resolution of the board of directors or its committee thereof/ power of attorney, authorizing such person to attend and vote on its behalf at the meeting.

- (b) Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
- (c) In order to enable us to register your attendance at the venue of the Annual General Meeting, we request you to bring your folio number/demat account number/DP ID-Client ID to enable us to give you a duly filled attendance slip for your signature and participation at the meeting.
- (d) In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- (e) Members may please note that no gifts will be distributed at meeting, in compliance with Section 118(10) of the Companies Act, 2013 and the Secretarial Standards issued by the Institute of Company Secretaries of India.
- (f) The register of members and share transfer books of the Company will remain closed from 4<sup>th</sup> September, 2019 to 10<sup>th</sup> September, 2019 (both days inclusive).
- (g) Members are requested to:
  - (i) Intimate to the Company's Registrar & Share Transfer Agent M/s. Bigshare Services Pvt. Ltd., 1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments (Next To Keys Hotel), Marol Maroshi Road, Andheri (E), Mumbai - 400 059, Maharashtra/their Depository Participant ("DP"), changes, if any, in their registered addresses and their E-mail ID at an early date.
  - (ii) Quote their Registered Folio Numbers and/or DP Identity and Client Identity number in their correspondence.
  - (iii) Bring their copy of Annual Report and the Attendance Slip with them at the 30<sup>th</sup> Annual General Meeting ("AGM"). As a measure of economy, extra copies of the Annual Report will not be available at AGM.
- (h) Members are requested to affix their signature at the space provided on the attendance slip annexed to the proxy form and hand over the slip at the entrance of the meeting hall.
  - a) Members holding shares in electronic form should notify any change in their residential address or bank details directly to their respective Depository Participants.
  - b) Members holding shares in physical form are advised to submit particulars of their bank account, viz. name and address of the branch of the bank; MICR code of the branch, type of account and account number to our Registrar and Share Transfer Agent "Bigshare

Services Pvt. Ltd.”

- (j) Non-Resident Indian Shareholders are requested to inform the Registrar & Share Transfer Agent/ Company/respective Depository Participant:
- Particulars of NRE Bank Account maintained in India with complete name and address of the Bank, if not already intimated.
  - Change, if any, in their Residential status.
- (k) Pursuant to the provisions of Section 72 of the Companies Act, 2013, members holding shares in physical mode are advised to file a Nomination Form in respect of their shareholding. Any member wishing to avail of this facility may submit the prescribed statutory Form SH-13 to the Company's Share Transfer Agent, Bigshare Services Pvt. Ltd., 1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments (Next To Keys Hotel), Marol Maroshi Road, Andheri (E), Mumbai – 400 059, Maharashtra.
- (l) Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Secretarial Standard -2 of the General Meetings, the particulars of Directors seeking appointment and re-appointment at the meeting are annexed.
- (m) The Members desirous of obtaining any information/ clarification concerning the accounts and operations of the Company are requested to address their questions in writing to the Company at least ten days before the AGM, so that the information required may be made available at the AGM.
- (n) Relevant documents referred to in the accompanying Notice and the explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 are available for inspection at the Registered Office of the Company during working hours upto the date of the AGM.
- (o) In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations (including any statutory modification(s) and/or re-enactment(s) for the time being in force), the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means and the business may be transacted through e-Voting Services.
- (p) The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- (q) The remote e-voting period commences on Saturday, 7<sup>th</sup> September, 2019 (9:00 am) and ends on Monday, 9<sup>th</sup> September, 2019 (5:00 pm). During this period, members of the Company holding shares either in physical form or in dematerialized form as on the cut-off date of Tuesday, 3<sup>rd</sup> September, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (r) The process and manner for remote e-voting consists of following “Two Steps” as given below:

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**  
**Step 2: Cast your vote electronically on NSDL e-Voting system.**

**Details on Step 1 are mentioned below:**

**How to Log-into NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
- A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after*

using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID\* details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Your password details are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - How to retrieve your 'initial password'?
    - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. HSIL remote-evoting.pdf file. Open the HSIL remote-evoting.pdf file. The password to open the HSIL remote-evoting.pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The HSIL remote-evoting.pdf file contains your 'User ID' and your 'initial password'.
    - If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "initial password" or have forgotten your password:
- Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 are given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

- After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- Select "EVEN" of **H S India Limited** to cast your vote.
- Now you are ready for e-Voting as the Voting page opens.



5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General instructions to shareholders:**

- (a) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csmanishpatel@gmail.com](mailto:csmanishpatel@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- (b) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- (c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request by email at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- (d) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of Ballot Paper/Polling Paper for all those members who are present at the AGM except those who have cast their votes by availing the remote e-voting facility.
- (e) The Scrutinizer shall, immediately after the conclusion of voting at the AGM will count the votes cast at the meeting & after unlocking the votes in presence of at least two (2) witnesses not in the employment of the Company, make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the meeting or a person authorized by him in writing, who shall countersign the same. The Chairman or a person authorized by him shall declare the result of the voting forthwith within forty eight hours of the conclusion of the AGM.
- (f) The Results declared along with the consolidated Scrutinizer's report shall be placed on the Company's website [www.hsindia.in](http://www.hsindia.in) and will be forwarded to the NSDL & BSE Ltd for its placing on their websites. The Results shall also be displayed on the Notice Board at the Registered Office of the Company for at least three days.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****ITEM NO. 4**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on 30<sup>th</sup> May, 2019, has appointed Mr. Pushpendra Bansal (DIN : 00086343) as an Additional Director of the Company upto this ensuing Annual General Meeting of the Company and proposed to be appointed as a Managing Director for a period of 3 years in the Board meeting held on 2<sup>nd</sup> August, 2019, subject to the approval by the members of the Company on the terms and conditions of appointment as mentioned in the Resolution. He will take remuneration of ₹1,00,000/- in capacity of Managing Director of the Company.

Mr. Pushpendra Bansal has more than 24 years of enriched experience and expertise in the field of hospitality Business.

Information required under Schedule V of the Companies Act, 2013:

**I. GENERAL INFORMATION :**

1. Nature of Industry – Hospitality Business
2. Date or expected date of commencement of Commercial Production – The Company was incorporated in the year 1989 and started its business since then.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in prospectus – Not applicable.
4. Financial performance based on given indicators as per audited financial statements as at 31.03.2019:

Particulars	31.03.2019 (₹ in Lakh)
Total Revenue	2954.68
Net Operating Profit	627.07
Less: Interest & Finance Charges	204.64
Less: Depreciation	171.79
<b>Net Profit Before Tax &amp; Exceptional Items</b>	<b>250.64</b>
Add: Exceptional Items	--
<b>Net Profit Before Tax</b>	<b>250.64</b>
Less : Provision for Taxation	
- Net Current Tax	87.00
- Deferred Tax	(13.17)
<b>Net Profit After Tax</b>	<b>176.81</b>

5. Foreign Investments or collaborations, if any – The Company has not made foreign investment and not entered into any foreign collaboration.

**II. INFORMATION ABOUT THE APPOINTEE:**

1. Background details: Mr. Pushpendra Bansal is a promoter of the Company having vast experience of more than 24 years in the Construction and Hospitality Business. Also, he is a Chief Executive Officer of the company.
2. Past remuneration: The appointment of Mr. Pushpendra Bansal as a Chief Executive Officer was duly approved in Board meeting held on 11th November, 2017, at a remuneration of ₹1,00,000/- per month.
3. Recognition or awards: Mr. Pushpendra Bansal awarded as the top most 100 influential leaders in Hospitality Industry by Global MICE and Luxury Congress in the year 2019.
4. Job profile and his suitability: He has worked as a Chairman & Jt. Managing Director of the Company for about 15 years and as a Chief Executive Officer for about 1 year, in which capacity he has been devoting whole time attention to the affairs of the Company and is suitable for this position.
5. Remuneration proposed: ₹ 1,00,000/- per month.
6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and Person (in case of expatriates the relevant details would be with respect to the country of his origin): Considering the size of the Company, the profile of Mr. Pushpendra Bansal, the responsibilities entrusted upon him in his capacity as Managing Director, and also considering the industrial benchmarks, the remuneration proposed is commensurate with the remuneration packages paid to similar appointees in other companies.
7. Pecuniary relationship directly or indirectly with the company, relationship with the managerial personnel, if any: Besides the remuneration proposed, Mr. Pushpendra Bansal does not have any pecuniary relationship with the Company. Mr. Ramesh Bansal and Mrs. Sangita Bansal are relatives of Mr. Pushpendra Bansal. No other managerial personnel are concerned or interested.

**III. OTHER INFORMATION:**

1. Reasons of loss or inadequate profits: Due to global slowdown and present scenario of the country and other reasons beyond the control of management of the Company, the Company has inadequate profits.
2. Steps taken or proposed to be taken for improvement: The Company is in continuous efforts to take appropriate steps for improvement of its business.
3. Expected increase in productivity and profits in measurable terms: The Company is very conscious about improvement in productivity and is undertaking constant measures to improve it.

**IV. DISCLOSURES:**

The following disclosures are mentioned in the Boards' Report under the heading "Corporate Governance" attached to the financial statement:

- (i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pensions, etc., of all the directors;
- (ii) Details of fixed component and performance linked incentive along with the performance criteria;
- (iii) Service contracts, notice period, severance fees; and
- (iv) Stock option details, if any and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

Accordingly, your Directors recommend the Special Resolution mentioned in item no. 4 for approval of the shareholders.

He is holding 30,71,198 equity shares of the Company and he is related to Mrs. Sangita Bansal and Mr. Ramesh Bansal.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr. Pushpendra Bansal, Mr. Ramesh Bansal and Mrs. Sangita Bansal are considered to be interested or concerned in the above resolution.

**ITEM NO. 5**

Mr. Shiladitya Mukherjee (DIN:08497453) was appointed as an Additional Director (in the capacity of an Independent Director) of the Company, w.e.f. 3<sup>rd</sup> August, 2019 under Section 161 of the Companies Act, 2013, pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors. He holds office only up to the date of the ensuing Annual General Meeting.

On recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, signifying intention to propose Mr. Shiladitya Mukherjee as a candidate for the office of an Independent Director of the Company to hold office for five consecutive years for a period from 3<sup>rd</sup> August, 2019 to 2<sup>nd</sup> August, 2024 and shall not retire by rotation.

Mr. Shiladitya Mukherjee is not disqualified from being appointed as an Independent Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

As per the Section 149 of the Act, an Independent Director can hold office for a term up to 5 (five) consecutive years on the Board of Company and he shall not be included in the total number of Directors for retirement by rotation.

The Company has also received a declaration from Mr. Shiladitya Mukherjee that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1) (b) and Regulation 25 of the Listing Regulations.

Mr. Shiladitya Mukherjee possesses appropriate skills, experience and knowledge; inter alia, in Hospitality Business.

In the opinion of the Board, Mr. Shiladitya Mukherjee fulfils the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Shiladitya Mukherjee is an independent of the management.

Copy of the draft letter for appointment of Mr. Shiladitya Mukherjee as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company during the business hours (10 am to 5 pm) on any working day and also available at the venue of AGM.

Accordingly, your Directors recommend the Ordinary Resolution mentioned in item no. 5 for approval of the shareholders.

He is not holding any equity shares of the Company and he is not related to any Director of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr. Shiladitya Mukherjee is considered to be interested or concerned in the above resolution.

#### **ITEM NO. 6**

The Shareholders of the Company at their 25<sup>th</sup> Annual General Meeting held on 11<sup>th</sup> September, 2014 has appointed Mr. Pradeep Dhawan (DIN: 00519455) as an Independent Director of the Company for a period of 5 years and the term of Mr. Pradeep Dhawan ended on 10<sup>th</sup> September, 2019.

The Nomination and Remuneration Committee and Board of Directors at their meetings held on 2<sup>nd</sup> August, 2019 on the basis of the report of performance evaluation of Independent Directors, have recommended the re-appointment of Mr. Pradeep Dhawan as an Independent Director for a further period of 5 years from 11<sup>th</sup> September, 2019 to 10<sup>th</sup> September, 2024.

Mr. Pradeep Dhawan is not disqualified from being appointed as an Independent Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Director.

As per the Section 149 of the Act, an Independent Director can hold office for a further period of 5 (five) consecutive years on the Board of the Company and he shall not be included in the total number of Directors for retirement by rotation.

The Company has also received a declaration from Mr. Pradeep Dhawan that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1) (b) and Regulation 25 of the Listing Regulations. Mr. Pradeep Dhawan possesses appropriate skills, experience and knowledge; inter alia, in Hospitality Business.

In the opinion of the Board, Mr. Pradeep Dhawan fulfils the conditions for his re-appointment for the further period of 5 (five) years as an Independent Director as specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Pradeep Dhawan is an independent of the management.

Copy of the draft letter for appointment of Mr. Pradeep Dhawan as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company during the business hours (10 am to 5 pm) on any working day and also available at the venue of AGM.

Accordingly, your Directors recommend the Special Resolution mentioned in item no. 6 for approval of the shareholders.

He is holding 10,976 equity shares of the Company and he is not related to any Director of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr. Pradeep Dhawan is considered to be interested or concerned in the above resolution.

**ITEM NO. 7 & 8**

The Shareholders of the Company at the 29<sup>th</sup> Annual General Meeting held on 25<sup>th</sup> September, 2018 approved re-appointment of Mr. Ramesh Bansal (DIN : 00086256) as a Managing Director of the Company for a period of 3 (three) years effective from 1<sup>st</sup> August, 2019 through an Ordinary Resolution under the relevant provisions of the Companies Act, 2013. Mr. Ramesh Bansal, Managing Director will attain the age of 70 years on 4<sup>th</sup> October, 2019.

The Board of Directors of the Company (the 'Board'), at its meeting held on 2<sup>nd</sup> August, 2019 has, subject to the approval of members, revised the remuneration of Mr. Ramesh Bansal, Managing Director, from ₹ 1,20,000 to ₹1,50,000 w.e.f. 1<sup>st</sup> October, 2019 for his remaining period (i.e. upto 31<sup>st</sup> July, 2022) on the same terms and conditions as mentioned in the earlier ordinary resolution passed in 29<sup>th</sup> Annual general Meeting held on 25<sup>th</sup> September, 2018.

Pursuant to the provisions of the Section 196 of the Companies Act, 2013, the Company seeks consent of the members by way of special resolution for continuation of his existing office after the age of 70 years during the currency of his term of appointment.

Accordingly, your Directors recommend Special Resolutions mentioned in item no. 7 & 8 for approval of the shareholders.

He is holding 1,51,520 equity shares of the Company and he is related to Mr. Pushpendra Bansal and Mrs. Sangita Bansal of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr. Ramesh Bansal, Mr. Pushpendra Bansal and Mrs. Sangita Bansal are considered to be interested or concerned in the above resolution.

By Order of the Board of Directors  
**FOR H S INDIA LIMITED**

Place: Mumbai  
Date: 2<sup>nd</sup> August, 2019

**HITESH LIMBANI**  
Company Secretary  
ACS-31531

**Registered Office:**  
Unit No.202, Morya Blue Moon,  
Off New Link Road, Andheri West,  
Mumbai – 400 053, Maharashtra.

**ANNEXURE TO NOTICE OF 30<sup>TH</sup> ANNUAL GENERAL MEETING**

**Details of Directors seeking re-appointment at the 30<sup>th</sup> Annual General Meeting**

[In pursuance of Regulation 36 (3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard -2 of the General Meetings]

Name of Director	Mrs. Sangita Bansal	Mr. Pushpendra Bansal	Mr. Shiladitya Mukherjee	Mr. Pradheep Dhawan	Mr. Ramesh Bansal
DIN	01571275	00086343	08497453	00519455	00086256
Designation	Director	Additional Director/CEO	Additional Director	Independent Director	Managing Director/CFO
Date of Birth	13/12/1963	15/09/1960	23/03/1973	27/01/1955	04/10/1950
Date of appointment	11/09/2014	31/05/2019	03/08/2019	11/09/2014	29/09/2005
Terms and conditions of appointment/reappointment	Director liable to retire by rotation	Appointment as a Managing Director	Appointment as an Independent Director	Re-appointment as an Independent Director	Continue the office as a Managing Director exceeding age of 70 years
Qualifications	Master in Philosophy (History)	Civil Engineer	Graduation in Hotel Management	Graduation in Catering	B.Sc.
Expertise in specific functional area	Hospitality Industry	Construction and Hospitality Business	Hospitality Business	Hospitality Business	Export-Import & Hospitality Business
No. of Shares held	2686480 Equity Shares	3071198 Equity Shares	-	10976 Equity Shares	151520 Equity Shares
Remuneration last drawn	-	₹ 1,00,000/- per month	-	-	₹ 1,20,000/- per month
Directorship in other Companies	1. Lords Ishwar Hotels Ltd. 2. SSSP Consultant and Techno Services Ltd. 3. Lords Inn Hotels And Developers Ltd. 4. Sahyaadri Health Tourism Pvt.Ltd. 5. Lords Institute of Management Pvt. Ltd. 6. P. R. Bansal Salt Industries Pvt. Ltd.	1. Lords Institute Management Pvt. Ltd. 2. Lords Sai Ma Hotels Pvt. Ltd. 3. Kesar Motels Pvt. Ltd. 4. SSSP Consultant and Techno Services Ltd. 5. Vrajkamman Sai Hospitality Pvt. Ltd.	-	1. Marquis Hospitality & Resorts Pvt. Ltd.	1. Global Graminarno Ltd. 2. Stone Designis (India) Pvt. Ltd.
Membership of committee in other Public Limited Company	NIL	NIL	NIL	NIL	NIL
No. of Board Meetings attended during the financial year 2018-19	4	-	-	4	4
Relation	Mr. Ramesh Bansal and Mr. Pushpendra Bansal are relatives of Mrs.Sangita Bansal	Mr. Ramesh Bansal and Mrs. Sangita Bansal are relatives of Mr. Pushpendra Bansal	-	-	Mr. Pushpendra Bansal and Mrs. Sangita Bansal are relatives of Mr. Ramesh Bansal

**DIRECTORS' REPORT**

To,  
The Members,

Your Directors are pleased to present the 30<sup>th</sup> Annual Report of your Company together with the Audited Financial Statements and Auditors' Report for the year ended 31<sup>st</sup> March, 2019.

**FINANCIAL RESULTS:**

(₹ in Lakh)

Particulars	2018-19	2017-18
Total Revenue	2954.68	2743.83
Net Operating Profit	627.07	632.70
Less: Interest & Finance Charges	204.64	249.47
Less: Depreciation	171.79	210.99
<b>Net Profit Before Tax &amp; Exceptional Items</b>	<b>250.64</b>	<b>172.24</b>
Add: Exceptional Items	--	3.75
<b>Net Profit Before Tax</b>	<b>250.64</b>	<b>175.99</b>
Less : Provision for Taxation		
- Net Current Tax	87.00	73.50
- Deferred Tax	(13.17)	(90.23)
<b>Net Profit After Tax</b>	<b>176.81</b>	<b>192.72</b>

**OPERATIONS:**

The total revenue of your Company for the year 2018-19 was increased to ₹ 2954.68 Lakh as against ₹ 2743.83 Lakh of the previous year. Net Profit after tax of the Company was decreased to ₹ 176.81 Lakh as against ₹ 192.72 Lakh of the previous year.

During the year, there is no change in nature of business of the Company.

**TRANSFER TO RESERVE:**

For the financial year ended 31<sup>st</sup> March, 2019, the Board has not proposed to transfer any amount to Reserves.

**DIVIDEND:**

In order to conserve resources, your Directors have not recommended any dividend on equity shares of the Company.

**PUBLIC DEPOSITS:**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the year ended 31<sup>st</sup> March, 2019.

**SHARE CAPITAL:**

During the year under review, the Company has not issued any securities.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Mrs. Sangita Bansal, Director of the Company is liable to retire by rotation at the forthcoming Annual General Meeting (AGM) and being eligible, offers herself for re-appointment.

Mr. Pushpendra Bansal, Chief Executive officer of the Company was appointed as an Additional Director w.e.f. 31<sup>st</sup> May, 2019 and holds office upto the date of this ensuing AGM.

He is proposed to be appointed as a Managing Director of the Company for a period of 3 years in this ensuing AGM w.e.f. 11<sup>th</sup> September, 2019.

Mr. Shiladitya Mukherjee was appointed as an additional director (in the capacity of independent director) of the Company w.e.f. 3<sup>rd</sup> August, 2019 and holds office upto the date of this ensuing AGM. He is proposed to be appointed as an Independent Director of the Company for a period of 5 years w.e.f. the date of his appointment as an additional director i.e. 3<sup>rd</sup> August, 2019 upto the date of 2<sup>nd</sup> August, 2024 and shall not retire by rotation.

Mr. Pradeep Dhawan was appointed as an independent director of the Company w.e.f. 25<sup>th</sup> AGM held on 11<sup>th</sup> September, 2014 for a period of 5 years. He is proposed to be re-appointed as an Independent Director of the Company for a further period of 5 years w.e.f. 11<sup>th</sup> September, 2019 upto the date of 10<sup>th</sup> September, 2024 and shall not retire by rotation.

Mr. Ramesh Bansal was re-appointed as Managing Director of the Company for a period of 3 years w.e.f. 1<sup>st</sup> August, 2019 and he, who retires by rotation and being eligible, was also re-appointed as a director in 29<sup>th</sup> AGM held on 25<sup>th</sup> September, 2018. He is proposed to be continued his term as a Managing Director in this ensuing AGM as his age is exceeding 70 years on 4<sup>th</sup> October, 2019.

Particulars as per Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 of the General Meeting are enclosed as an Annexure with the notice of 30<sup>th</sup> Annual General Meeting.

**DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that he meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16 (1)(b) and Regulation 25 of the Listing Regulations.

**FAMILIARISATION PROGRAM TO INDEPENDENT DIRECTORS:**

As per Regulation 25 (7) of the Listing Regulations, Familiarisation Program has been carried out by the Company for the Independent Directors details of which has been posted on Company's website [www.hsindia.in](http://www.hsindia.in).

**MANAGEMENT DISCUSSION AND ANALYSIS:**

The Management Discussion and analysis as required under Regulation 34 (2) (e) of the Listing Regulations is annexed as **Annexure-1** herewith and forms a part of this report.

**CORPORATE GOVERNANCE:**

In compliance with Regulation 34 (3) of the Listing Regulations, a separate report on Corporate Governance along with a certificate from the Auditors on its compliance is annexed as **Annexure-2**, forms an integral part of this report.

**RATIO OF DIRECTORS' REMUNERATION TO MEDIAN EMPLOYEES' REMUNERATION AND OTHER DISCLOSURES:**

The table containing the names and other particulars of ratio of Directors' Remuneration to Median Employees' Remuneration in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure-3**.



**PARTICULARS OF EMPLOYEES:**

There are no employees drawing remuneration as per limits prescribed in Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**EXTRACT OF ANNUAL RETURN:**

As per Section 92 (3) of the Companies Act, 2013, the extract of the Annual Return in Form MGT-9 is annexed as Annexure-4 and the same has been posted on the Company's website [www.hsindia.in](http://www.hsindia.in).

**BOARD MEETINGS:**

During the year under review, 4 (Four) Board Meetings were held and the intervening gap between the meetings did not exceed the period prescribed under the Act, Listing Regulation as well as Secretarial Standard, the details of which are given in the Corporate Governance Report.

**COMMITTEE MEETINGS:**

Details pertaining to the composition of Audit Committee and Other Committees and all meetings were held during the year 2018-19, are given in the Corporate Governance Report.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of Section 134 (3) (c) of the Companies Act, 2013, the Board of Directors hereby confirms that:

- (i) in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2019, the applicable accounting standards have been followed and no material departures have been made for the same.
- (ii) the Directors 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 ended 31<sup>st</sup> March, 2019 and of the profit of the Company for the year ended on that date.
- (iii) the Directors have 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.
- (iv) the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2019, on a 'going concern' basis.
- (v) the Directors had laid down internal financial control to be followed by the company and that such internal financial controls are adequate and operating effectively.
- (vi) the Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**DISCLOSURE ON COMPLIANCE WITH SECRETARIAL STANDARDS:**

Your directors confirm that the Secretarial Standards issued by the Institute of Company Secretaries of India, have been complied with.

**REMUNERATION POLICY:**

The Company's policy relating to Nomination and Remuneration of Directors, Key Managerial Personnel and other Employees as stipulated under Section 178 (4) of the Companies Act, 2013, has been disclosed in the Corporate Governance report.

**STATUTORY AUDITORS:**

M/s. Pary & Co., Chartered Accountants (Firm Reg. No-007288C), were appointed as Statutory Auditors of the Company up to the conclusion of the 30<sup>th</sup> AGM of the Company.

The Auditors in their report have referred to the notes forming part of the accounts. The said notes are self explanatory and do not contain any qualification, reservation or adverse remark or disclaimer. No fraud reported by them under Section 143 (12) of the Act.

On the expiry of the term of the existing statutory auditor of the Company, the Audit Committee of the Company has proposed and the Board of Directors in its meeting held on 2<sup>nd</sup> August, 2019 has recommended the appointment of M/s. J. M. Pabari & Associates, Chartered Accountants (Firm Reg. No-117752W), as the statutory Auditors of the Company for a period of 5 years w.e.f. conclusion of the 30<sup>th</sup> AGM of the Company till the conclusion of the 35<sup>th</sup> AGM of the Company subject to the approval of shareholders of the Company in this ensuing AGM.

**INTERNAL AUDITOR:**

M/s. J. Bhavsar & Co., Chartered Accountants at Surat, the internal auditors of the Company have conducted periodic audit of all operations of the Company. The Audit Committee has reviewed the findings of Internal Auditors regularly and their reports have been well received by the Audit Committee.

**SECRETARIAL AUDITOR:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, your Company had appointed Mr. Manish R Patel, Company Secretary in Practice at Surat to undertake the Secretarial Audit of the Company for the Financial Year 2018-19. The Secretarial Audit Report (Form No. MR-3) is annexed herewith as **Annexure-5**. The report does not contain any qualifications, reservation or adverse remarks.

**SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES:**

During the year, your Company does not have any Subsidiaries, Joint Ventures or Associate Companies.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT:**

Your Company has not given any loans or guarantees covered under the Provisions of Section 186 of the Companies Act, 2013. The details of the Investment made by the Company are given in the notes to the financial statements.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY:**

All related party transactions that were entered into during the financial year were at arm's length basis and were in the ordinary course of business. All related Party Transactions were placed before the Audit Committee and the Board for approval. Prior omnibus approval of the Audit Committee has been obtained for the transactions which are of a foreseen and in

repetitive nature. Policy on Transactions with Related Parties as approved by the Board is uploaded on the Company's website [www.hsindia.in](http://www.hsindia.in).

During the year, your Company were not entered into any material related party transactions. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

Suitable disclosure as required under AS-18/Ind-AS-24 has been made in Note to the Financial Statement.

#### LISTING ON STOCK EXCHANGE:

The Company's shares are listed with the BSE Limited and the Company has paid the necessary listing fees and custody fees for the Financial Year 2019-20.

#### MATERIAL CHANGES AND COMMITMENTS:

There have been no material changes and commitments, affecting the financial position of the Company which occurred between the end of the financial year to which the financial statements relate and the date of this report.

#### REPORT ON CONSERVATION OF ENERGY, ABSORPTION OF TECHNOLOGY AND FOREIGN EXCHANGE EARNING AND OUTGO:

In accordance with the requirement of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, your Directors furnish hereunder the additional information as required.

##### A. Conservation of Energy:

Your Company has made all possible efforts to closely monitor power consumption on daily basis so as to reduce wastage. The Company is also trying to find ways and means to reduce power consumption and thus reduce the overall energy cost.

Your Company is using PNG (Pipelines Natural Gas) in the Kitchen and other operational areas. Your Company is also using power savers in electric panels and in Guest Rooms with LED fittings. Your Company is also using DG set for utilising alternate sources of energy. During the year, your company does not have any capital investment on energy conservation equipment.

##### B. Technology Absorption:

The project of your Company has no technology absorption, hence no particulars are offered.

##### C. Total Foreign Exchange Earning and Outgo:

Particulars	2018-19 Amount (₹)	2017-18 Amount (₹)
Total Foreign Exchange used	--	--
Total Foreign Exchange earned	4,412,156	3,700,742

#### RISK MANAGEMENT:

Although not mandatory, the Company has constituted a Risk Management Committee as a measure of good governance. The details of the Committee and its terms of reference are set out in the Corporate Governance Report.

A Risk Management Policy was framed and approved by the Board. The objective of this policy is to minimize the adverse impact of various risks attached with the business goals and objectives and to enhance the value of stakeholders.

The Management has put in place adequate and effective system and man power for the purposes of risk management. In the opinion of the Board, there are no risks which would threaten the existence of the Company.

**BOARD EVALUATION:**

Pursuant to the provisions of Companies Act, 2013 and Regulation 17 (10) of the Listing Regulations, Board has carried out an annual performance evaluation of its own performance, Committees and the Directors individually. The manner in which the evaluation has been carried out, detailed below:

The performance evaluation of the Board as a whole, Chairman and Non Independent Directors was carried out by the Independent Directors. The Independent directors evaluated the parameters viz., level of engagement, duties, responsibilities, performance, obligations and governance safeguarding the interest of the Company. The performance evaluation of Independent directors was carried out by the entire Board.

**BOARD DIVERSITY POLICY:**

A diverse Board enables efficient functioning through differences in perspective and skill, and also fosters differentiated thought process at the back of varied industrial and management expertise, gender and knowledge. The Board recognizes the importance of diverse composition and has adopted a Board Diversity Policy which sets out the approach to diversity. The Board Diversity Policy is available on our website [www.hsindia.in](http://www.hsindia.in).

**INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is well defined in the organisation. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of Internal Audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions suggested are presented to the Audit Committee of the Board.

**VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

The Company has adopted Vigil Mechanism / Whistle Blower Policy in accordance with Section 177 (9) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations to deal with instances of fraud and mismanagement, if any. The Vigil Mechanism / Whistle Blower Policy is available on the Company's website [www.hsindia.in](http://www.hsindia.in).

**SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has duly constituted Internal Complaints Committee pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, the Company had not received any complaints and no complaints were pending as on 31<sup>st</sup> March, 2019.

**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS:**

During the year, no significant and material order has been passed by the Regulators, Courts and Tribunals impacting the going concern status and Company's operations in future.

**INDUSTRIAL RELATIONS:**

During the period under review, the relations with the most valuable human resources of the Company remained cordial and peaceful. Your Directors wish to place on record their appreciation for the devoted services rendered by the staff of the Company.

**MAINTAINANCE OF COST RECORDS:**

Your Company is not required to maintain cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013.

**CORPORATE SOCIAL RESPONSIBILITY:**

Provisions relating to Corporate Social Responsibility under Section 135 of the Companies Act, 2013 are not applicable to the Company.

**ACKNOWLEDGEMENT AND APPRECIATION:**

Your Directors would like to express their appreciation for the assistance and co-operation received from the Financial Institutions, the Bankers, Government authorities, customers, vendors and shareholders during the year under review. Your Directors also wish to record their recognition of the customer support and patronage by the corporate houses in and around Surat.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all executives, officers and staff, which enable the Company to deliver a good all-round record performance.

For and on behalf of the Board of Directors

Place: Mumbai  
Date : 2<sup>nd</sup> August, 2019

<b>RAMESH BANSAL</b>	<b>SANGITA BANSAL</b>
Managing Director	Director
DIN-00086256	DIN-01571275

**Registered Office:**  
Unit No.202, Morya Blue Moon,  
Off New Link Road, Andheri West,  
Mumbai - 400 053,  
Maharashtra

**ANNEXURE- 1****MANAGEMENT DISCUSSION AND ANALYSIS REPORT****1. BUSINESS ENVIRONMENT, INDUSTRY STRUCTURE AND DEVELOPMENTS:**

The Indian tourism market is fast growing with immense potential due to the country's rich cultural and geographical diversity. It is one of the major sectors contributing to GDP of the country and is driven by steady economic growth. The Hotel segments are expected to drive growth of the industry in 2019, growing at a rate of 13.20%.

Tourism has now become a significant industry in India. It is a sun rise industry, an employment generator, a significant source of foreign exchange for the country. Tourism in India is the third largest foreign exchange earner of the country. The booming tourism industry has had a cascading effect on the hospitality sector with an increase in the occupancy ratios and average room rates.

**2. OPPORTUNITIES, THREATS, RISK AND CONCERNS:**

Your Company is in well position to take advantage of the following situations:

- Healthy economy having positive support of Tourism Sector.
- Well framed State and Central Government policies to attract tourists.
- Proximity to Railway station and Bus station.
- Healthy Competition in the city.
- Extending the product portfolio by offering various types of facilities.
- Demand between the national and the inbound tourists can be easily managed due to difference in the period of holidays.

There are many regional, domestic and international factors which reduce tourist traffic and the business of the hotels. Lack of trained man power is also a threat for the hotel industry. High tax structure as per GST does not appear to be conducive for the Hotel industry as it may affect the revenues of the Hotels.

The Government plans to develop tourism infrastructure across the country to provide a better tourism experience for tourists. Schemes such as Swadesh Darshan, PRASHAD, and adopt a heritage are expected to gain momentum and boost overall tourism growth. In order to project India as a 365 days tourist destination globally, the Ministry of Tourism is exploring newer destinations and also actively promoting under-developed tourism destinations through development of infrastructure and better connectivity. This is expected to create growth opportunities for different stakeholders such as hotels, restaurants, tour operators, etc.

**3. DETAIL OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS:**

- (i) Inventory Turnover Ratio increased by 28.79% as the Company has purchased liquor from local vendor in small batches for optimisation of inventory utilization.
- (ii) Interest Coverage Ratio increased by 31.61% due to reduction of interest rate and reduction of principal amount. The effective amount of interest was reduced.
- (iii) Return on Net Worth of the Company was decreased by 15.02% due to higher net profit after tax in previous year on account of large amount of deferred tax liabilities reversal. As the effective Corporate Income Tax rate on the company were reduced from nearly 33.00% to approximately 27.50% in year 2017-18, the provisions made in earlier years were reduced as no such benefits were available in the year 2018-19. Hence, the net profit is lower to that extent.

**4. FINANCIAL AND OPERATIONAL PERFORMANCE:**

The total revenue of your Company for the year 2018-19 was increased to ₹ 2954.68 Lakh as against ₹ 2743.83 Lakh of the previous year. Net Profit after tax of the Company was decreased to ₹ 176.81 Lakh as against ₹ 192.72 Lakh of the previous year.

**5. FUTURE PROSPECTS:**

There is a great opportunity for tourism in India. The government has already given high priority to tourism as a contributing segment for economic growth. International hotel chains will likely increase their expansion and investment plans in India and are expected to account for 50% share in the Indian hospitality industry by 2022, from the current 44%.

However, your company to believe that the long term prospects for the travel and tourism industry in India are more attractive. As mid market faces very little disturbances, your company is at locations where they are targeting the mid-market segment, provide comfort and look as per guests' requirements. Your Directors look forward to the future with confidence.

**6. ADEQUACY OF INTERNAL CONTROL SYSTEM:**

The Company has proper, strong, independent and adequate internal control systems to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transaction are authorized, recorded and reported correctly. The internal control systems are supplemented by an extensive programme of internal audits reviewed by management and documented policies, guidelines and procedures. The internal control systems of the Company are designed to ensure that the financial and other records are reliable, for preparing financial statements and other data, and for maintaining accountability of assets.

**7. HUMAN RESOURCE DEVELOPMENT:**

The manpower employed in your Company for 2018-19 was 216 employees.

The Company depends extensively on its human assets and consider this as one of the most precious asset and not affordable to lose.

Your Company has a team of able and experienced industry professionals. Your company always believe to invest in human resources by means of providing various facilities, with a view to strengthen its presence in existing business and for taking advantage of the emerging growth opportunities in the hospitality sector. Your Company seeks regular feedback from its employees to ascertain their levels of satisfaction and to ensure that employees' morale and motivation are constantly improved. Critical human resource issues are analysed, corrective actions initiated and results monitored regularly. In order to preserve competent employees and to provide homely environment, your Company has arranged monthly staff function, religious programs, picnic tours, etc. Human resource is drawn from diverse academic backgrounds and the Company has placed emphasis on recruiting people with formal training that matches their job profile.

**8. CAUTIONARY STATEMENT:**

Certain statements made in the Management discussion and analysis report, describing the Company's objectives, projections, estimates, predictions and expectations may be forward looking statements, within the meaning of applicable securities law and regulations and actual results may differ materially from those expressed or implied. Significant factors that make differences to Company's operations include competition, changes in Government policies and regulations, tax regimes and economic development within India. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise.

**CORPORATE GOVERNANCE REPORT****1. COMPANY'S PHILOSOPHY**

Your Company strongly believes in adopting and adhering to good corporate governance practices. Company's philosophy of Corporate Governance is to ensure:

- (i) that the Board and top management of the company are fully appraised of the affairs of the company that is aimed at assisting them in the efficient conduct of the company so as to meet company's obligation to the shareholders.
- (ii) that the Board exercise its fiduciary responsibilities towards shareholders and creditors so as to ensure high accountability.
- (iii) that all disclosure of information to present and potential investors are maximized.
- (iv) that the decision making process in the organization is transparent and are backed by documentary evidence.

**2. BOARD OF DIRECTORS**

As on 31<sup>st</sup> March, 2019, the strength of the Board of Directors of the Company were 5 Directors out of which 1 Director was Executive Promoter Director, 1 was Non-executive Promoter Director (Woman Director) and 3 Directors were Non-executive Independent Directors. The more than half of the Board has Non Executive Independent Directors.

**Number of Board Meetings held and the dates of the Board Meetings:**

4 (Four) Board Meetings were held during the financial year 2018-19 and requisite quorum was present throughout all the Board Meetings of the Company. The dates on which the said meetings were held are as follows:

1	30 <sup>th</sup> May, 2018	2	10 <sup>th</sup> August, 2018	3	14 <sup>th</sup> November, 2018
4	12 <sup>th</sup> February, 2019				

The maximum gap between any two board meetings was less than one hundred and twenty days. All material information was circulated to the directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board.

**The last Annual General Meeting of the Company was held on 25<sup>th</sup> September, 2018.**

Details of attendance at the Board Meetings, Last Annual General Meeting and Shareholding of each Director are as follows:

Name	Designation	Category	Attendance Particulars		No. of Equity Shares held as on 31.03.2019
			Board Meetings	Last AGM	
Mr. Ramesh Bansal*	Managing Director /CFO	ED	4	Yes	151520
Mrs. Sangita Bansal	Director	NED	4	Yes	2686480
Mr. Pradeep Dhawan	Director	NED (I)	4	Yes	10976
Mr. Nilkanth Barot #	Director	NED (I)	2	Yes	Nil
Mr. Dinesh Mistry	Director	NED (I)	3	Yes	Nil

ED - Executive Director / NED - Non-Executive Director / NED(I) - Non Executive Director Independent

\* Re-appointed as a Managing Director of the Company w.e.f. 01.08.2019 for 3 years.

# Resigned as a Director w.e.f. 11.07.2019.



Name of other listed entities where directors of the Company are Directors and the category of Directorship.

Name of the Director	Name of other Listed Companies in which the concerned Director is a Director	Category of Directorship
Mr. Ramesh Bansal Mrs. Sangita Bansal Mr. Pradeep Dhawan Mr. Nilkanth Barot Mr. Dinesh Mistry	-- Lords Ishwar Hotels Limited -- -- --	-- Managing Director -- -- --

Number of other companies or committees of which the Director is a Director / Member / Chairman:

Name of the Director	No. of other Companies in which Director		No. of other Committee position held	
	Unlisted Public Company	Unlisted Private Company	Member	Chairman
Mr. Ramesh Bansal Mrs. Sangita Bansal Mr. Pradeep Dhawan Mr. Nilkanth Barot Mr. Dinesh Mistry	1 2 -- -- --	1 3 1 -- --	-- -- -- -- --	-- -- -- -- --

None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 Committees across all the Companies in which they are Directors. All the Directors have made necessary disclosures in this regards to the Company.

In accordance with the Regulation 26(1) of the Listing Regulations, the number of directorship/membership/chairmanship excludes directorship/membership/chairmanship of private companies, foreign companies and companies under Section 8 of the Companies Act, 2013. Membership/Chairmanship of only Audit Committees and Stakeholders' Relationship Committees of all Public Limited Company (excluding H S India Limited) have been considered.

The Company has a process to provide, inter-alia, the minimum information to the Board as required under Part A of Schedule II of Regulation 17(7) of the Listing Regulations pertaining to Corporate Governance.

Mr. Ramesh Bansal and Mr. Pushendra Bansal are brothers. Mrs. Sangita Bansal is wife of Mr. Pushendra Bansal. No other director is related to any other director of the Company.

The Company has not entered into any materially significant transactions during the year under report with promoter directors, senior management staff etc. that could have potential conflict of interest with the Company at large.

#### Skill/Expertise/Competence of the Board of Directors:

The Board comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contribution to its Board and Committees.

In the context of the Company business and sector for it to function effectively, the company requires skills/expertises/competencies in the area of Finance, Regulatory, Strategy, Business Leadership, Technology, Sales and Marketing, Hospitality, Risk & Governance and Public Relations.

The Board is satisfied that its current composition reflects an appropriate mix of knowledge, skills, experience, diversity and independence required for it to function properly.

During the year 2018-19, no Independent Director has resigned.

**Meeting of Independent Directors:**

During the year 2018-19, the separate meeting of the Independent Directors was held on 12<sup>th</sup> February, 2019, as required under Schedule IV of the Companies Act, 2013 and Regulation 25 (3) of the Listing Regulations without the presence of non-independent directors and other members of the management.

**Familiarisation Program to Independent Directors:**

As per Regulation 25 (7) of the Listing Regulations, Familiarisation Program has been carried out by the Company for the Independent Directors details of which has been posted on Company's website [www.hsindia.in](http://www.hsindia.in).

**Note on Directors seeking appointment/re-appointment:**

Mrs. Sangita Bansal, Director of the Company is liable to retire by rotation at the forthcoming Annual General Meeting (AGM) and being eligible, offers herself for re-appointment.

Mr. Pushpendra Bansal, Chief Executive officer of the Company was appointed as an Additional Director w.e.f. 31<sup>st</sup> May, 2019 and holds office upto the date of this ensuing AGM. He is proposed to be appointed as a Managing Director of the Company for a period of 3 years in this ensuing AGM w.e.f. 11<sup>th</sup> September, 2019.

Mr. Shiladitya Mukherjee was appointed as an additional director (in the capacity of independent director) of the Company w.e.f. 3<sup>rd</sup> August, 2019 and holds office upto the date of this ensuing AGM. He is proposed to be appointed as an Independent Director of the Company for a period of 5 years w.e.f. the date of his appointment as an additional director i.e. 3<sup>rd</sup> August, 2019 upto the date of 2<sup>nd</sup> August, 2024 and shall not retire by rotation.

Mr. Pradeep Dhawan was appointed as an independent director of the Company w.e.f. 25<sup>th</sup> AGM held on 11<sup>th</sup> September, 2014 for a period of 5 years. He is proposed to be re-appointed as an Independent Director of the Company for a further period of 5 years w.e.f. 11<sup>th</sup> September, 2019 upto the date of 10<sup>th</sup> September, 2024 and shall not retire by rotation.

Mr. Ramesh Bansal was re-appointed as Managing Director of the Company for a period of 3 years w.e.f. 1<sup>st</sup> August, 2019 and he, who retires by rotation and being eligible, was also re-appointed as a director in 29<sup>th</sup> AGM held on 25<sup>th</sup> September, 2018. He is proposed to be continued his term as a Managing Director in this ensuing AGM as his age is exceeding 70 years on 4<sup>th</sup> October, 2019.

Particulars as per Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 of the General Meeting are enclosed as an Annexure with the notice of 30<sup>th</sup> Annual General Meeting.

**3. AUDIT COMMITTEE:**

The Audit Committee acts as a link between the management, the statutory and internal auditors and the Board of Directors and oversees the financial reporting process.

4 (Four) Audit Committee Meetings with requisite quorum were held during the financial year 2018-19, the date on which the said meetings were held are as follows:

1	30 <sup>th</sup> May, 2018	2	10 <sup>th</sup> August, 2018	3	14 <sup>th</sup> November, 2018
4	12 <sup>th</sup> February, 2019				

The details of composition of the Committee and their attendance at the meetings are given below:

Name	Designation	Category	No. of Meetings attended
Mr. Pradeep Dhawan	Chairman	NED (I)	4
Mr. Ramesh Bansal	Member	ED	4
Mr. Nilkanth Barot*	Member	NED (I)	2
Mr. Dinesh Mistry	Member	NED (I)	3

\* Resigned as a Member w.e.f. 11.07.2019.

The Company Secretary acts as a Secretary to the Committee.

#### 4. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee was formed with the responsibility for determining the remuneration for all executive directors and Key Management Personnel, including any compensation payments, such as retirement benefits or stock options and also to determine principles, criteria and the basis of remuneration policy of the company and shall also recommend the appointment/removal and monitor the level and structure of pay for senior management, i.e. one level below the Board.

2 (Two) Nomination and Remuneration Committee Meetings with requisite quorum were held during the financial year 2018-19, The date on which the said meetings were held are as follows:

1	10 <sup>th</sup> August, 2018	2	12 <sup>th</sup> February, 2019
---	-------------------------------	---	---------------------------------

The details of composition of the Committee and their attendance at the meetings are given below:

Name	Designation	Category	No. of Meetings attended
Mr. Pradeep Dhawan	Chairman	NED (I)	2
Mr. Nilkanth Barot*	Member	NED (I)	2
Mr. Dinesh Mistry	Member	NED (I)	1

\* Resigned as a Member w.e.f. 11.07.2019.

Presently, the Company is not paying any sitting fees to its Non-Executive Directors for attending meetings of the Board, Audit Committee and other Committees. However, during the year ended 31<sup>st</sup> March, 2019, your Company has paid remuneration to its Executive Director as under:

Name & Designation of Director	Tenure upto	Salary (₹ in Lakh)	Perquisites (₹ in Lakh)
*Mr. Ramesh Bansal, Managing Director/CFO	31 <sup>st</sup> July, 2019	14.40	Nil

\* Re-appointed as a Managing Director of the Company w.e.f. 01.08.2019 for 3 years.

The Company has formulated the Nomination and Remuneration Policy to lay down criteria and terms & conditions with regards to identifying persons who are qualified to become Directors (Executive & Non-Executive) and persons who are qualified to be appointed in Senior Management and Key Managerial Positions and to determine their remuneration. Brief description of the said policy as below:

**➤ Remuneration Policy:**

Nomination and Remuneration Committee shall recommend the remuneration, including the commission based on the net profits of the Company for the Executive and Non – Executive Directors. This will be then approved by the Board and shareholders. Prior approval of shareholders will be obtained wherever applicable.

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) to Managing Director(s), Whole time Director. Remuneration is paid within the ceiling approved by the Shareholders.

The remuneration paid to Executive Directors is determined keeping in view the industry benchmark and the relative performance of the Company to the industry performance. Perquisites and retirement benefits are paid according to the Company policy as applicable to all employees.

Independent Non-Executive Directors are appointed for their professional expertise in their individual capacity as independent professionals. Independent Non- Executive Directors shall be received sitting fees for attending the meeting of the Board and Board Committees as may be decided by the Board and/or approved by the Shareholders from time to time.

**➤ Directors, KMPs and Senior management personnel:**

The remuneration of Directors, KMPs and senior management largely consists of basic salary, perquisites, allowances and performance incentives. Perquisites and retirement benefits are paid according to the Company policy, subject to prescribed statutory ceiling.

The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification & experience/merits, performance of each employee. The Company while deciding the remuneration package takes into consideration current employment scenario and remuneration package of the industry.

The Nomination and Remuneration Policy is uploaded on the Company's website [www.hsindia.in](http://www.hsindia.in).

**➤ Performance Evaluation:**

Pursuant to the provisions of Companies Act, 2013 and Regulation 17 (10) of the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, Committees and the Directors individually. The manner in which the evaluation has been carried out, detailed below:

The performance evaluation of the Board as a whole, Chairman and Non Independent Directors was carried out by the Independent Directors. The Independent directors evaluated the parameters viz., level of engagement, duties, responsibilities, performance, obligations and governance safeguarding the interest of the Company. The performance evaluation of Independent directors was carried out by the entire Board.

**5. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Stakeholders Relationship Committee was constituted for Redressal of stakeholders' complaints like transfer of shares, non-receipt of annual report, etc.

4 (Four) Stakeholders Relationship Committee Meetings with requisite quorum were held during the financial year 2018-19, The date on which the said meetings were held are as follows:

1	30 <sup>th</sup> May, 2018	2	10 <sup>th</sup> August, 2018	3	14 <sup>th</sup> November, 2018
4	12 <sup>th</sup> February, 2019				

The details of composition of the Committee and their attendance at the meetings are given below:

Name	Designation	Category	No. of Meetings attended
Mr. Pradeep Dhawan	Chairman	NED (I)	4
Mr. Nilkanth Barot *	Member	NED (I)	2
Mr. Dinesh Mistry	Member	NED (I)	3

\* Resigned as a Member w.e.f. 11.07.2019.

Mr. Hitesh Limbani, Company Secretary is a Compliance Officer of the Company.

During the financial year, the Company had received 1 (One) investor complaint and it was resolved within time to the satisfaction of the shareholders /investors. No complaints were pending as on 31<sup>st</sup> March, 2019.

#### 6. RISK MANAGEMENT COMMITTEE:

Risk Management Committee comprises viz., Mrs. Sangita Bansal (Chairman) and Mr. Dinesh Mistry (Member), Mr. Pushendra Bansal (Member). No Risk Management Committee meeting was held during the year.

#### 7. GENERAL BODY MEETINGS:

##### (A) General Meeting

##### (i) Annual General Meeting:

Details	Date	Time	Venue
29 <sup>th</sup> Annual General Meeting 2017-18	25 <sup>th</sup> September, 2018	12.30 P.M.	'Kalash', Dhake Colony, J. P. Road, Andheri (W), Mumbai – 400 053, Maharashtra.
28 <sup>th</sup> Annual General Meeting 2016-17	26 <sup>th</sup> September, 2017	9.30 A.M.	
27 <sup>th</sup> Annual General Meeting 2015-16	24 <sup>th</sup> September, 2016	9.30 A.M.	

(ii) Extra-ordinary General Meeting: During the year, no Extra-ordinary General Meeting was held.

##### (B) Special Resolution

- A. At the 27<sup>th</sup> Annual General Meeting of the Company held on 24<sup>th</sup> September, 2016, no Special Resolution was passed –
- B. At the 28<sup>th</sup> Annual General Meeting of the Company held on 26<sup>th</sup> September, 2017, no Special Resolution was passed.
- C. At the 29<sup>th</sup> Annual General Meeting of the Company held on 25<sup>th</sup> September, 2018, one Special Resolution was passed –

(i) For alteration in memorandum of association of the company as per Companies Act, 2013:

##### (C) Postal Ballot

- (i) Whether any Special Resolution passed last year through Postal Ballot: No
- (ii) Whether any Special Resolution is proposed to be conducted through Postal Ballot: No

**8. OTHER DISCLOSURES:**

- (i) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the company at large: NIL  
Transactions with the related parties are disclosed in the notes to the accounts forming part of the accounts.
- (ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by SEBI, ROC, Stock Exchange or any statutory authority, on any matter related to capital markets, during the last 3 financial years: NIL.
- (iii) Vigil Mechanism/Whistle Blower Policy is uploaded on the Company's website [www.hsindia.in](http://www.hsindia.in) and during the year under review, no personnel has been denied access to the audit committee.
- (iv) The Company has complied with all mandatory requirements of Corporate Governance under Regulations 34 of the Listing Regulations.
- (v) Policy on dealing with related party transactions is uploaded on the Company's website [www.hsindia.in](http://www.hsindia.in).
- (vi) Pursuant to Regulation 17 (8) of the Listing Regulations, the Board has received Managing Director/CFO and CEO certificate for the Financial Year ended 31<sup>st</sup> March, 2019.
- (vii) The Company has not raised any funds through preferential allotment or qualified institutions placement during the Financial Year ended 31<sup>st</sup> March, 2019.
- (viii) The Company has complied with the requirements of sub-paras (2) to (10) of Part C of Schedule V (Corporate Governance Report) of the Listing Regulations.
- (ix) The company has complied with the corporate governance requirements of Regulation 17 to 27 of the Listing Regulations and Clauses 7(b) to (i) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations.
- (x) The Company has not adopted non-mandatory requirements of the Listing regulations.
- (xi) The Company has no subsidiary, so policy on material subsidiary is not applicable.
- (xii) The Board has accepted all recommendation of all its Committees of the Boards in the financial year ended 31<sup>st</sup> March, 2019.
- (xiii) Total fees for all services paid by the Company to M/s. Pary & Co., Statutory Auditor:- Rs.1,00,000/-.

**9. MEANS OF COMMUNICATION:**

The quarterly financial results are generally published in the Financial Express in English and Mumbai Lakshadip in Marathi. All other official news releases are first forwarded to the stock exchanges and subsequently released to the media. Further, all periodic statutory reports and other official news releases are also uploaded on the company's website [www.hsindia.in](http://www.hsindia.in).

The Company normally gets published financial results and other communications to the shareholders in the above newspapers.

The Company maintains a functional website where the prescribed information as per Companies Act and Listing Regulations, are being displayed on the website of the Company [www.hsindia.in](http://www.hsindia.in).

All periodicals compliance like shareholding pattern, Corporate Governance Report, Financial Results etc is also being filed electronically with online portal "BSE Listing Centre".

The Management Discussion & Analysis Report is also appended elsewhere with this Annual Report.

**10. GENERAL SHAREHOLDER INFORMATION:**

1.	Annual General Meeting																																									
	Date and Time	10 <sup>th</sup> September, 2019 at 9:00 a.m.																																								
	Venue	'Udupi Shree Krishna', Dhake Colony, J. P. Road, Andheri (W), Mumbai – 400053, Maharashtra																																								
2.	Financial Year	1 <sup>st</sup> April, 2018 to 31 <sup>st</sup> March, 2019																																								
3.	Dividend Payment Date	No Dividend has been recommended																																								
4.	Registered Office of the company	A-1, Manish Kaveri, Building No. 18, Manish Nagar, J. P. Road, Andheri (West), Mumbai – 400 053, Maharashtra. Changed w.e.f. 01.06.2019 Unit No.202, Morya Blue Moon, Off New Link Road, Andheri West, Mumbai – 400 053, Maharashtra. E-mail: <a href="mailto:hsindialimited@gmail.com">hsindialimited@gmail.com</a> Website : <a href="http://www.hsindia.in">www.hsindia.in</a>																																								
5.	Listing on Stock Exchange	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, Maharashtra																																								
6.	Annual listing fees	Duly paid for the year 2018-19 and 2019-20																																								
7.	Stock Code																																									
	(a) Trading Symbol at	BSE Limited, Mumbai	532145/HOTLSILV																																							
	(b) Demat ISIN Numbers in NSDL & CDSL	Equity Shares <b>INE731B01010</b>																																								
8.	Stock Market Data	BSE Limited																																								
		<b>High (₹)</b>	<b>Low (₹)</b>																																							
	April, 2018	13.00	9.53																																							
	May, 2018	12.50	8.00																																							
	June, 2018	10.25	7.01																																							
	July, 2018	11.47	7.72																																							
	August, 2018	11.43	8.38																																							
	September, 2018	11.00	8.51																																							
	October, 2018	9.67	8.02																																							
	November, 2018	9.40	8.12																																							
	December, 2018	9.78	8.05																																							
	January, 2019	10.24	8.54																																							
	February, 2019	10.20	7.35																																							
	March, 2019	9.44	7.45																																							
9.	Share Price Performance compared with broad based indices- BSE																																									
	<table border="1"> <caption>Share Price Performance compared with broad based indices- BSE</caption> <thead> <tr> <th>Month</th> <th>H S India Ltd. Monthly High (₹)</th> <th>BSE Sensex Monthly High</th> </tr> </thead> <tbody> <tr><td>Apr-18</td><td>13.00</td><td>35000</td></tr> <tr><td>May-18</td><td>12.50</td><td>36000</td></tr> <tr><td>Jun-18</td><td>10.25</td><td>35500</td></tr> <tr><td>Jul-18</td><td>11.47</td><td>37500</td></tr> <tr><td>Aug-18</td><td>11.43</td><td>39000</td></tr> <tr><td>Sep-18</td><td>11.00</td><td>39000</td></tr> <tr><td>Oct-18</td><td>9.67</td><td>36500</td></tr> <tr><td>Nov-18</td><td>9.40</td><td>36000</td></tr> <tr><td>Dec-18</td><td>9.78</td><td>36500</td></tr> <tr><td>Jan-19</td><td>10.24</td><td>37000</td></tr> <tr><td>Feb-19</td><td>10.20</td><td>37500</td></tr> <tr><td>Mar-19</td><td>9.44</td><td>38500</td></tr> </tbody> </table>			Month	H S India Ltd. Monthly High (₹)	BSE Sensex Monthly High	Apr-18	13.00	35000	May-18	12.50	36000	Jun-18	10.25	35500	Jul-18	11.47	37500	Aug-18	11.43	39000	Sep-18	11.00	39000	Oct-18	9.67	36500	Nov-18	9.40	36000	Dec-18	9.78	36500	Jan-19	10.24	37000	Feb-19	10.20	37500	Mar-19	9.44	38500
Month	H S India Ltd. Monthly High (₹)	BSE Sensex Monthly High																																								
Apr-18	13.00	35000																																								
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Jun-18	10.25	35500																																								
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Aug-18	11.43	39000																																								
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Jan-19	10.24	37000																																								
Feb-19	10.20	37500																																								
Mar-19	9.44	38500																																								

10. A. Distribution of Shareholding as on 31 <sup>st</sup> March, 2019:				
No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 - 500	1613	66.85	317755	1.96
501-1000	335	13.88	296368	1.83
1001-2000	180	7.46	291179	1.79
2001-3000	70	2.90	183772	1.13
3001-4000	36	1.49	127884	0.79
4001-5000	33	1.37	156991	0.97
5001-10000	58	2.40	410936	2.53
10001 & above	88	3.65	14453515	89.00
<b>GRAND TOTAL</b>	<b>2413</b>	<b>100.00</b>	<b>16238400</b>	<b>100.00</b>
Physical Mode	220	9.12	565800	3.48
Electronic Mode	2193	90.88	15672600	96.52

B. Category of Shareholders as on 31 <sup>st</sup> March, 2019:			
Category Code	Category of Shareholders	Total Number of Shares	As a Percentage of (A+B+C)
<b>(A)</b>	<b>Shareholding of Promoter &amp; Promoter Group</b>		
(1)	Indian	6553728	40.36
(2)	Foreign	0	0.00
	<b>Sub-Total (A)</b>	<b>6553728</b>	<b>40.36</b>
<b>(B)</b>	<b>Public Shareholding</b>		
(1)	Institutions	0	0.00
(2)	Non-Institutions		
	- Bodies Corporate	413337	2.54
	- Individuals	9234228	56.87
	- Independent Director	10976	0.07
	- NRI's/OBC's/Foreign National	24271	0.15
	- Trust	1	0.00
	- Clearing Members	1859	0.01
	<b>Sub-Total (B)</b>	<b>9684672</b>	<b>59.64</b>
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipt has been issued</b>	0	0.00
	<b>Sub-Total (C)</b>	<b>0</b>	<b>0.00</b>
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>16238400</b>	<b>100.00</b>

11.	Dematerialization of Shares	: As on 31 <sup>st</sup> March, 2019, 15,672,600 equity shares constituting 96.52% of the Equity Share Capital of the Company stand dematerialized.
12.	Outstanding GDRs/ ADRs/Warrants or any Convertible Instruments	: The Company has not issued GDRs/ADRs. As on 31 <sup>st</sup> March, 2019, no Warrants/Convertible Instruments outstanding for conversion.
13.	Commodity price risk or foreign exchange risk and hedging activities	: During the year, there is no Commodity price risk or foreign exchange risk and hedging activities.



14.	Hotel Location	: Lords Plaza Opp. Linear Bus Stand, Ring Road, Surat – 395 003. E-mail : <a href="mailto:hsindialimited@gmail.com">hsindialimited@gmail.com</a>
15.	Share Transfer System	: The transfer of shares in physical form is affected by the Registrar and Transfer Agents mentioned as above within the prescribed time period from the date of its receipt subject to the documents being in order and complete in all respects. The Stakeholder Relationship Committee of the Board of Directors observes this transfer system quarterly and takes note of the statement/register of Share transfer received from the Registrar and Transfer Agents.  A half yearly compliance certificate under Regulation 7 (3) of the Listing Regulations, jointly signed by compliance officer and RTA, certifying that all the above stated activities are being carried out by RTA, is regularly submitted to BSE Ltd.
16.	Credit Rating	: Rating - IND BB+/Stable has been assigned by India Ratings and Research Pvt. Ltd.
17.	Share Transfer Agent & Address for Correspondence	: M/s. Bigshare Services Private Limited Unit: (H S India Limited) 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments (Next To Keys Hotel), Marol Maroshi Road, Andheri (East), Mumbai – 400059, Maharashtra E-mail : <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> Tel. No. (022) 62638200, Fax No. (022) 62638299 Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>  <b>H S India Limited</b> Unit No.202, Morya Blue Moon, Off New Link Road, Andheri West, Mumbai – 400 053, Maharashtra. E-mail: <a href="mailto:hsindialimited@gmail.com">hsindialimited@gmail.com</a> Tel. No. (022) 49240174 Website: <a href="http://www.hsindia.in">www.hsindia.in</a>

#### 11. RECONCILIATION OF SHARE CAPITAL AUDIT:

In keeping with the requirements of the SEBI and BSE Ltd., an audit by a qualified Practicing Company Secretary carried out to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The said audit confirms that the total issued / paid-up capital tallies with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

#### 12. AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE:

Compliance Certificate from Auditors regarding compliance of conditions of corporate governance is annexed as **Annexure-6**.

#### 13. CERTIFICATE FROM PRACTICING COMPANY SECRETARY FOR NON-QUALIFICATION OF DIRECTORS:

Certificate from Practicing Company Secretary regarding non-qualifications of Directors annexed as **Annexure-7**.

#### 14. DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has duly constituted Internal Complaints Committee pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, the Company had not received any complaints and no complaints were pending as on 31<sup>st</sup> March, 2019.

**15. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT: Not Applicable****16. DISCRETIONARY REQUIREMENTS AS PER PART E OF SCHEDULE II OF THE LISTING REGULATIONS:**

- (i) The Company has published quarterly and half yearly financial results in newspapers as mentioned and uploaded the same in website of the Company. Hence, the same results are not separately circulated to the members.
- (ii) The Financial Statements are free from any audit qualifications.
- (iii) Reporting of the Internal Auditors: The Internal Auditor may report directly to the Audit Committee.

**ANNEXURE- 3****RATIO OF DIRECTORS' REMUNERATION TO MEDIAN EMPLOYEES' REMUNERATION AND OTHER DISCLOSURE**

[PURSUANT TO SUB-SECTION (12) OF SECTION 197 OF THE COMPANIES ACT, 2013 AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014]

- (i) The percentage increase in remuneration of each Director and KMP during the financial year 2018-19 and ratio of each director to the median remuneration of the employees of the Company for the financial year 2018-19 are as under:

(₹ In Lakh)

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2018-19	% increase in Remuneration in the financial year 2018-19	Ratio of remuneration of each Director to median remuneration of employees
1	Mr. Ramesh Bansal Managing Director/CFO	14.40	--	13.33
2	Mr. Pushpendra Bansal Chief Executive Officer	12.00	14.29%	N.A.
3	Mr. Hitesh Limbani Company Secretary	5.85	5.00%	N.A.

- (ii) The Median Remuneration of employees of the Company during the financial year was ₹ 1.08 Lakh.
- (iii) In the financial year 2018-19, there was an increase of 2.86% in the median of remuneration of employees.
- (iv) As on 31<sup>st</sup> March, 2019, there were 216 permanent employees on the rolls of the Company.
- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and points out if there are any exceptional circumstances for increase in the managerial remuneration: Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year 2018-19 was 6.97 %.
- (vi) Affirmation that the remuneration is as per the Remuneration policy of the Company: It is hereby affirmed that the remuneration is as per the remuneration policy for Directors, Key Managerial Personnel and other employees.

## FORM NO. MGT 9

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014.

**EXTRACT OF ANNUAL RETURN**  
As on the financial year ended on 31/03/2019

**I. REGISTRATION & OTHER DETAILS:**

i	CIN	L55100MH1989PLC053417
ii	Registration Date	12-09-1989
iii	Name of the Company	H S INDIA LIMITED-
iv	Category of the Company	Public Company
	Sub-Category of the Company	Limited by Shares

v	<b>Address of Registered office &amp; contact details</b>	
	Address:	A-1, Manish Kaveri, Building No. 18, Manish Nagar, J. P. Road, Andheri (W),
	Town / City:	Mumbai
	State:	Maharashtra
	Pin Code:	400 053
	Country Name:	India
	Telephone (with STD Code):	(022) 26396768
	Fax Number:	(022) 26396768
	Email Address:	hsindialimited@gmail.com
	Website, if any:	www.hsindia.in
vi	Whether listed company	Yes

vii	<b>Name and Address of Registrar &amp; Transfer Agents ( RTA ):-</b>	
	Name of RTA:	BIGSHARE SERVICES PVT. LTD.
	Address:	E-3, Ansa Industrial Estate, Saki-vihar Road, Sakinaka, Andheri (E), • <b>Corporate Office:</b> 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis Apartments (Next To Keys Hotel), Marol Maroshi Road, Andheri (East), Mumbai – 400059, Maharashtra
	Town / City:	Mumbai
	State:	Maharashtra
	Pin Code:	400 072
	Telephone:	(022) 40430200
	Fax Number:	(022) 28475207
	Email Address:	investor@bigshareonline.com

**II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY:**

All the business activities contributing 10 % or more of the total turnover of the company:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Rooms	55101	48.30
2	Restaurants	56101	7.62
3	Wine and Liquor	47221	34.30
4	Banquets and others	56210	9.78

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:- Nil

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as Percentage of Total Equity):

## i. Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	5935274	0	5935274	36.55	6155274	0	6155274	37.91	1.36
b) Central Govt.									
c) State Govt.(s)									
d) Bodies Corp.	398454	0	398454	2.45	398454	0	398454	2.45	0.00
e) Banks / FI									
f) Any other									
<b>Sub-total (A) (1)</b>	<b>6333728</b>	<b>0</b>	<b>6333728</b>	<b>39.00</b>	<b>6553728</b>	<b>0</b>	<b>6553728</b>	<b>40.36</b>	<b>1.36</b>
<b>(2) Foreign</b>									
a) NRI - Individual									
b) Other - Individual									
c) Bodies Corp.									
d) Banks / FI									
e) Any Others									
<b>Sub-total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total shareholding of Promoter (A) = (A) (1)+(A) (2)</b>	<b>6333728</b>	<b>0</b>	<b>6333728</b>	<b>39.00</b>	<b>6553728</b>	<b>0</b>	<b>6553728</b>	<b>40.36</b>	<b>1.36</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt.									
d) State Govt.(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	368000	800	368800	2.27	412537	800	413337	2.54	0.27
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1632231	108431	1740662	10.72	1599384	108431	1707815	10.52	-0.20
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	7054154	706569	7760723	47.79	7069844	456569	7526413	46.35	-1.44
c) Others Specify									

(c-i) Independent Directors	7453	0	7453	0.05	10976	0	10976	0.07	0.02
(c-ii) Clearing Members	2762	0	2762	0.02	1859	0	1859	0.01	-0.01
(c-iii) Non-Residence (Non-Rep)	2183	0	2183	0.01	2183	0	2183	0.01	0
(c-iv) Non-Residence (Rep)	22088	0	22088	0.14	22088	0	22088	0.14	0.00
(c-v) Trust	1	0	1	0.00	1	0	1	0.00	0.00
<b>Sub-total B(2):-</b>	<b>9088872</b>	<b>815800</b>	<b>9904672</b>	<b>61.00</b>	<b>9118872</b>	<b>565800</b>	<b>9684672</b>	<b>59.64</b>	<b>-1.36</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>9088872</b>	<b>815800</b>	<b>9904672</b>	<b>61.00</b>	<b>9118872</b>	<b>565800</b>	<b>9684672</b>	<b>59.64</b>	<b>-1.36</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>15422600</b>	<b>815800</b>	<b>16238400</b>	<b>100.00</b>	<b>15672600</b>	<b>565800</b>	<b>16238400</b>	<b>100.00</b>	<b>0.00</b>

**ii. Shareholding of Promoters:**

Sl. No.	Name of the Promoter	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Pushpendra R Bansal	2851198	17.56	15.40	3071198	18.91	15.40	1.36
2	Sangita P Bansal	2686480	16.54	0.00	2686480	16.54	0.00	0.00
3	Ramesh R Bansal	151520	0.93	0.00	151520	0.93	0.00	0.00
4	SSSP Consultant and Techno Services Ltd.	398454	2.45	0.00	398454	2.45	0.00	0.00
5	Suresh T Patel	144640	0.89	0.00	144640	0.89	0.00	0.00
6	Hansaben S Patel	45920	0.28	0.00	45920	0.28	0.00	0.00
7	Rahul S Patel	29596	0.18	0.00	29596	0.18	0.00	0.00
8	Trushar S Patel	25920	0.16	0.00	25920	0.16	0.00	0.00
	<b>TOTAL</b>	<b>6333728</b>	<b>39.00</b>	<b>15.40</b>	<b>6553728</b>	<b>40.36</b>	<b>15.40</b>	<b>1.36</b>

**iii. Change in Promoters' Shareholding (please specify, if there is no change):**

Sl. No.	Name of the Promoter	Shareholding at the beginning of the year (01-04-2018)		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year(01-04-2018 to 31-03-2019)	
		No. Of Shares	% of Total Shares of the Company				No. Of Shares	% of Total Shares of the Company
1	Pushpendra R Bansal	2851198	17.56	--	--	--	--	--
				19.10.2018	220000	Purchase	3071198	18.91
				31.03.2019	--	--	3071198	18.91
2	Sangita P Bansal	2686480	16.54	--	--	No Change	2686480	16.54
3	Ramesh R Bansal	151520	0.93	--	--	No Change	151520	0.93
4	SSSP Consultant and Techno Services Ltd.	398454	2.45	--	--	No Change	398454	2.45
5	Suresh T Patel	144640	0.89	--	--	No Change	144640	0.89

6	Hansaben S Patel	45920	0.28	--	--	No Change	45920	0.28
7	Rahul S Patel	29596	0.18	--	--	No Change	29596	0.18
8	Trushar S Patel	25920	0.16	--	--	No Change	25920	0.16

iv. Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of the Shareholder (For Each of the Top 10 Shareholders)	Shareholding at the beginning of the year (01-04-2018)		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2018 to 31-03-2019)	
		No. Of Shares	% of Total Shares of the Company				No. Of Shares	% of Total Shares of the Company
1	Mehinder Sharma	650000	4.00	--	--	No Change	650000	4.00
2	Poonam Sharma	650000	4.00	--	--	No Change	650000	4.00
3	Vinod Dalvi	650000	4.00	--	--	No Change	650000	4.00
4	Vikas Suri	650000	4.00	--	--	No Change	650000	4.00
5	Shabnam Motifhar	323455	1.99	--	--	--	--	--
				13.07.2018	2535	Purchase	325990	2.01
				31.03.2019	--	--	325990	2.01
6	Ajay Sahoo	296496	1.83	--	--	No Change	296496	1.83
7	Anil Dhimmar	278800	1.72	--	--	No Change	278800	1.72
8	Shrirang Jadhav	291709	1.80	--	--	No Change	291709	1.80
9	Virendra Mistry	295500	1.82	--	--	No Change	295500	1.82
10	Uma Gupta	234300	1.44	--	--	No Change	234300	1.44

v. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding of Directors and KMPs	Shareholding at the beginning of the year (01-04-2018)		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2018 to 31-03-2019)	
		No. Of Shares	% of Total Shares of the Company				No. Of Shares	% of Total Shares of the Company
1	Mr. Ramesh Bansal* (Managing Director/CFO)	151520	0.93	--	--	No Change	151520	0.93
2	Mrs. Sangita Bansal (Director)	2686480	16.54	--	--	No Change	2686480	16.54
3	Mr. Pradeep Dhawan (Director)	7453	0.05	--	--	--	--	--
				27.07.2018	1000	Purchase	8453	0.05
				10.08.2018	1000	Purchase	9453	0.06
				14.12.2018	267	Purchase	9720	0.06
				08.02.2019	100	Purchase	9820	0.06
				22.02.2019	156	Purchase	9976	0.06
				01.03.2019	1000	Purchase	10976	0.07
				31.03.2019	--	--	10976	0.07
4	Mr. Nilkanth Barot (Director)	0	0.00	--	--	No Change	0	0.00
5	Mr. Dinesh Mistry (Director)	0	0.00	--	--	No Change	0	0.00

6	Mr. Pushendra Bansal (Chief Executive Officer)	2851198	17.56	--	--	--	--	--
				19.10.2018	220000	Purchase	3071198	18.91
				31.03.2019	--	--	3071198	18.91
7	Mr. Hitesh Limbani (Company Secretary)	0	0.00	--	--	No Change	0	0.00

\* Re-appointed as a Managing Director w.e.f. 01.08.2019 for 3 years

#### V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment (In ₹)

Indebtedness at the beginning of the financial year (As on 01.04.2018)	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	199434171	0	0	199434171
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	1973034	0	0	1973034
<b>Total (i+ii+iii)</b>	<b>201407205</b>	<b>0</b>	<b>0</b>	<b>201407205</b>
Change in Indebtedness during the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
* Addition	0	0	0	0
* Reduction	41494685	0	0	41494685
<b>Net Change</b>	<b>-41494685</b>	<b>0</b>	<b>0</b>	<b>-41494685</b>
Indebtedness at the end of the financial year (As on 31.03.2019)	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	158337678	0	0	158337678
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	1574842	0	0	1574842
<b>Total (i+ii+iii)</b>	<b>159912520</b>	<b>0</b>	<b>0</b>	<b>159912520</b>

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

##### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	
		Mr. Ramesh Bansal (Managing Director/CFO)*	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	1,440,000	1,440,000
	(b) Value of perquisites under Section 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	<b>Total (A)</b>	<b>1,440,000</b>	<b>1,440,000</b>

\* Re-appointed as a Managing Director w.e.f. 01.08.2019 for 3 years

## B. Remuneration to other directors: The Company has not paid any remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Pradeep Dhawan	Mr. Nilkanth Barot	Mr. Dinesh Mistry	
1	<b>Independent Directors</b>				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	<b>Other Non-Executive Directors</b>	Mrs. Sangita Bansal			
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	<b>Total Managerial Remuneration (A+B)</b>	-	-	-	<b>1,440,000</b>

Remuneration to Managing Director was paid within the Ceiling as per schedule V of the Companies Act, 2013.

## C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. Pushpendra Bansal (CEO)	Mr. Hitesh Limbani (Company Secretary)	CFO	
1	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	1,200,000	585,392	-	1,785,392
	(b) Value of perquisites under Section 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	<b>1,200,000</b>	<b>585,392</b>	<b>-</b>	<b>1,785,392</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:** There were no penalties, punishment or compounding of offences under the Companies Act, 2013, during the financial year ended 31<sup>st</sup> March, 2019.

For and on behalf of the Board of Directors

Place: Mumbai  
Date : 2<sup>nd</sup> August, 2019

**RAMESH BANSAL** **SANGITA BANSAL**  
Managing Director Director  
DIN-00086256 DIN-01571275



**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2019**  
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**H S India Limited**  
CIN: L55100MH1989PLC053417  
Unit No. 202, Morya Blue Moon,  
Off New Link Road, Andheri West,  
Mumbai – 400 053, Maharashtra

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2019**, complied with the statutory provisions of the applicable acts listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31<sup>st</sup> March, 2019** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2009 (Not applicable as the Company has not issued any securities);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable as the Company has not formulated any Employee Stock Option Scheme and Employee Stock Purchase Scheme);

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable as the Company has not issued any debts securities which were listed);
  - (f) 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 (Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent);
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable as the Company has not opted for delisting); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable as the Company has not done any Buyback of Securities).
- (vi) Other laws as applicable specifically to the Company.
- (a) Food Safety and Standards Act, 2006 and the Rules framed thereunder.

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

- (i) Secretarial Standards (with respect to Board and General Meetings) issued by The Institute of Company Secretaries of India (ICSI),
- (ii) The Listing Agreement entered into by the Company with Stock Exchanges read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, 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 and proper system is in place which facilitates/ensure to capture and record the dissenting member's views, if any, as part of the minutes.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the year, the Company has not taken specific actions/decisions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc. referred to above.

Place: Surat  
Date: 2<sup>nd</sup> August, 2019

**MANISH R. PATEL**  
Company Secretary in Practice  
ACS No: 19885  
COP No. : 9360

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.

To,  
The Members,  
**H S India Limited**  
CIN: L55100MH1989PLC053417  
Unit No. 202, Morya Blue Moon,  
Off New Link Road, Andheri West,  
Mumbai - 400 053, Maharashtra

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I 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.
7. I further, report that the Compliance by the Company of applicable Financial Laws like Direct and Indirect Tax Laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

Place: Surat  
Date: 2<sup>nd</sup> August, 2019

**MANISH R. PATEL**  
Company Secretary in Practice  
ACS No: 19885  
COP No. : 9360

**COMPLIANCE CERTIFICATE**

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

To,  
The Board of Directors  
H S India Limited  
Unit No.202, Morya Blue Moon,  
Off New Link Road, Andheri West,  
Mumbai - 400 053.

We hereby certify that:

- (a) We have reviewed the financial statements and cash flow statement for the year ended 31<sup>st</sup> March, 2019 and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) No transaction is entered into by the Company during the year which is 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 the internal control systems of the Company pertaining to the financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

**FOR H S INDIA LIMITED**

Place: Mumbai  
Date : 2<sup>nd</sup> August, 2019

**PUSHPENDRA BANSAL**  
Chief Executive Officer

**RAMESH BANSAL**  
Managing Director/CFO  
DIN -00086256

**DECLARATION ON CODE OF CONDUCT**

(Pursuant to Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
H S INDIA LIMITED

It is hereby certified and confirmed that all Board Members and Senior Management Personnel of the Company have affirmed compliance for the financial year ended 31<sup>st</sup> March, 2019 with the Code of Conduct of the Company. The code is posted on the Company's website [www.hsindia.in](http://www.hsindia.in).

**FOR H S INDIA LIMITED**

Place: Mumbai  
Date: 2<sup>nd</sup> August, 2019

**PUSHPENDRA BANSAL**  
Chief Executive Officer

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

**ANNEXURE - 6**

(Pursuant to Part E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
H S INDIA LIMITED

1. We have examined the compliance of conditions of Corporate Governance by H S INDIA LIMITED for the period ended 31<sup>st</sup> March, 2019, as stipulated in Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring 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.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**FOR PARY & CO.**  
Chartered Accountants  
FRN: 007288C

**AKASH GAGLANI**  
Partner  
Membership No.: 114255  
9005, World Trade Centre,  
Ring Road, Surat - 395 002 (Gujarat)

Place : Mumbai  
Date : 2<sup>nd</sup> August, 2019

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,  
The Members of  
H S India Limited  
Unit No.202, Morya Blue Moon,  
Off New Link Road, Andheri West,  
Mumbai - 400 053, Maharashtra.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of H S India Limited having CIN L55100MH1989PLC053417 and having registered office at Unit No. 202, Morya Blue Moon, Off New Link Road, Andheri West, Mumbai - 400 053, Maharashtra (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities 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 31<sup>st</sup> March, 2019 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.

Sr. No.	Name of Director	DIN	Date of Appointment in the Company (As per MCA record)
1	Mr. Ramesh Bansal	00086256	29.09.2005
2	Mrs. Sangita Bansal	01571275	11.09.2014
3	Mr. Pradeep Dhawan	00519455	02.07.2001
4	Mr. Nilkanth Barot	06689760	30.05.2015
5	Mr. Dinesh Mistry	07411914	13.02.2016

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

Place: Surat  
Date: 2<sup>nd</sup> August, 2019

**MANISH R. PATEL**  
Company Secretary in Practice  
ACS No: 19885  
COP No. : 9360

## Independent Auditor's Report

To,  
The Members of  
H S INDIA LIMITED

### Report on the Financial Statement:

We have audited the accompanying financial statements of H S INDIA LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2019, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

### Opinion:

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 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 the affairs of the Company as at 31<sup>st</sup> March, 2019, the profit and the total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion:

We conducted our audit in accordance with the Standards on Auditing (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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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 Matter	Auditor's Response
1	<b>Revenue Recognition</b> To ensure accuracy of recognition, measurement, presentation and disclosures of revenues and related accounts.	<b>Principal Audit Procedures</b> <ul style="list-style-type: none"> <li>• We have assessed the Company's internal controls surrounding its revenue transactions;</li> <li>• We tested the key controls identified;</li> <li>• We performed substantive detail testing by selecting a sample of revenue transactions, that we considered appropriate to test the evidence of effectiveness of the internal controls and adherence to accounting policies in recognising the revenue, and the rebates and discounts there against.</li> </ul>

**Information Other than the Financial Statements and Auditor's Report Thereon:**

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

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

In connection with our audit of the standalone 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 in the 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 is responsible for the matters stated in the Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive Income, cash flows and changes in Equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

**Auditor's Responsibility for the Audit of the Financial Statements:**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also



responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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.

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

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

1. As required by Section 143 (3) of the Act, based on our audit we report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

- e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019, 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 A".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirement of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- 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 explanation 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 derivative contracts for which there were any material foreseeable losses; and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters on the matters specified in paragraphs 3 and 4 of the Order.

**For PARY & CO.**  
Chartered Accountants  
FRN: 007288C

Place : Mumbai  
Date : 30<sup>th</sup> May, 2019

**Akash Gaglani**  
Partner  
Membership No.: 114255

**“Annexure A” to the Independent Auditor’s Report to the Members of H S India Limited**  
(Referred to in paragraph 1(f) under “Report in Other Legal and Regulatory Requirement” section of our report of even date)

**Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub Section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over Financial Reporting of H S India Limited (“the Company”) as of 31<sup>st</sup> March, 2019 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 Company’s management is responsible for establishing and maintaining internal financial control based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the adequacy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor’s Responsibility:**

Our responsibility is to express an opinion on the Company’s internal controls over financial reporting 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”) and the Standards on Auditing, issued by the Institute of Chartered Accountants of India and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance note require that we comply with ethical requirements and plan and perform audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exist, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend upon the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Company's internal financial controls 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:

- a) Pertain to the maintenance of records that, in reasonable details, accurately and fairly reflect the transactions and dispositions of the assets of the Company.
- b) 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 expenditure of the Company are being made only in accordance with authorization of management and directors of the company; and
- c) 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.

**Inherent Limitations of Internal Financial Controls over Financial Reporting:**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to the 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, the company has in all material respects, an adequate internal financial controls systems over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2019, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India".

**For PARY & CO.**  
Chartered Accountants  
FRN: 007288C

Place: Mumbai  
Date: 30<sup>th</sup> May, 2019

**Akash Gaglani**  
Partner  
Membership No.: 114255

Annexure B to the Independent Auditor's Report to the Members of the H S India Limited dated 30<sup>th</sup> May, 2019

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 2 of 'Report on other Legal and Regulatory Requirement' section. We report that:

- I. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.  
(c) The title deeds of Immovable properties are held in the name of the company.
- II. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals and no material discrepancies have been noticed on such verification.
- III. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, 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.
- IV. According to the Information and Explanation given to us and on the basis of our examination of the books of accounts, the Company has duly complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities.
- V. Based on the audit procedures applied by us and according to the information and explanations provided by the management, the Company has not accepted deposits from public within the meaning of directives issued by the Reserve Bank of India and provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder are not applicable.
- VI. As per information and explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 for the Company's activities. Hence, the provisions of clause 3(vi) of the Order are not applicable to the company.
- VII. (a) According to the records of the Company, the Company is regular in depositing undisputed statutory dues including Employees' Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess, Goods and Services Tax and any other statutory dues applicable to it.  
(b) No undisputed amount payable in respect of Provident fund, employees state insurance, Income Tax, Service Tax, Sales Tax, duty of customs, duty of excise, value added tax, Goods and Service Tax, cess and other statutory dues were outstanding as on 31<sup>st</sup> March, 2019 for a period of more than six months from the date they became payable.  
(c) According to the information and explanations given to us, there is no amounts payable in respect of Income Tax, Sales Tax, Service Tax, duty of customs, duty of excise, Value Added Tax, Goods and Services Tax or cess on account of any dispute.
- VIII. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, government or debenture holders.

- IX. According to the information and explanation given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year under consideration. The Company has not availed any fresh term loan facility during the year under consideration.
- X. Based on our audit procedures and on the basis of information and explanation given by the management, we are of the opinion that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- XI. According to the information and explanation given to us, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- XII. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and therefore the provisions of clause 3(xii) of the Order are not applicable to the company.
- XIII. Based on the information and explanations given to us, the Company has complied with Section 177 and 188 of the Companies Act, 2013 wherever applicable and the details have been disclosed in the financial statement etc. as required by the applicable accounting standards.
- XIV. In our opinion and according to the information and explanations given to us, the Company has not made any preferential Allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- XV. Based on the information and explanations given to us, the Company has not entered in to any non-cash transaction with directors or persons connected with him as per Section 192 of the Companies Act, 2013.
- XVI. According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For PARY & CO.**  
Chartered Accountants  
FRN: 007288C

Place : Mumbai  
Date : 30<sup>th</sup> May, 2019

**Akash Gaglani**  
Partner  
Membership No.: 114255

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2019**

PARTICULARS	Note No.	As at 31/03/2019		As at 31/03/2018	
		₹	₹	₹	₹
<b>I. ASSETS</b>					
<b>1. Non-Current Assets</b>					
(a) Property, Plant & Equipment	2	160,223,210		177,402,514	
(b) Financial Assets					
(i) Investments	3	58,439,260		58,439,260	
(ii) Others	4	5,364,465		4,936,675	
			224,026,935		240,778,449
<b>2. Current assets</b>					
(a) Inventories	5	7,343,711		6,779,695	
(b) Financial Assets					
(i) Trade receivables	6	23,737,600		22,362,534	
(ii) Cash and cash equivalents	7	31,759,854		47,776,295	
(iii) Loans and Advances	8	256,816		305,163	
(c) Current Tax Assets (Net)	9			192,396	
(d) Other Current Assets	10	210,579,961		211,346,836	
			273,677,942		288,762,919
<b>TOTAL</b>			<b>497,704,877</b>		<b>529,541,368</b>
<b>II. EQUITY AND LIABILITIES</b>					
<b>1. Equity</b>					
(a) Equity Share Capital	11	162,384,000		162,384,000	
(b) Other Equity	12	134,864,593		117,177,028	
			297,248,593		279,561,028
<b>2. Liabilities</b>					
<b>Non Current Liabilities</b>					
(a) Financial Liabilities					
(i) Borrowings	13	113,007,938		147,844,136	
(ii) Others	14	1,261,624		763,985	
(b) Deferred tax liabilities (Net)	15	13,300,000		14,617,000	
			127,569,562		163,225,121
<b>3. Current Liabilities</b>					
(a) Financial Liabilities					
(i) Trade Payables	16				
- Dues of Micro & Small Enterprises					
- Dues of Others		11,058,043		18,656,359	
(ii) Others	17	51,730,451		57,123,025	
(b) Other Current Liabilities	18	9,521,480		10,975,835	
(c) Current Tax Liabilities (Net)	19	576,748		-	
			72,886,722		86,755,219
<b>TOTAL</b>			<b>497,704,877</b>		<b>529,541,368</b>
<b>III</b> The significant accounting policies and accompanying notes forming an integral part of the financial statement	1-35				

As per our report of even date

For PARY & CO.

Chartered Accountants

Firm Reg. No. 007288C

For and on behalf of the Board of Directors

Akash Gargani  
Partner  
Membership No. 114255

Ramesh Bansal  
Managing Director/CFO  
DIN: 00086256

Sangita Bansal  
Director  
DIN: 01571275

Place : Mumbai  
Date: 30<sup>th</sup> May, 2019

Pushpendra Bansal  
Chief Executive Officer

Hitesh Limbani  
Company Secretary  
ACS-31531

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2019

	PARTICULARS	Note No.	2018-19	2017-18
			₹	₹
I	Revenue from operations	20	289,376,059	268,200,084
II	Other Income	21	6,092,407	6,183,010
III	<b>Total Income</b>		<b>295,468,466</b>	<b>274,383,094</b>
IV	<b>Expenses</b>			
	Food and Beverages Consumed	22	15,549,187	14,497,897
	Purchase of Stock in Trade	23	52,605,317	43,933,467
	Changes in Inventories of Stock in Trade	24	(476,423)	1,950,500
	Employee benefit expense	25	47,629,278	41,778,200
	Finance Costs	26	20,464,395	24,946,568
	Depreciation and amortization expense	2	17,179,304	21,098,762
	Other operating and general expenses	27	117,453,295	108,953,976
	<b>Total Expenses</b>		<b>270,404,353</b>	<b>257,159,370</b>
V	<b>Profit before exceptional and extraordinary items and tax</b>		<b>25,064,113</b>	<b>17,223,724</b>
VI	Exceptional items	28	-	375,343
VII	<b>Profit before extraordinary items and tax</b>		<b>25,064,113</b>	<b>17,599,067</b>
VIII	Extraordinary items		-	-
IX	<b>Profit before tax</b>		<b>25,064,113</b>	<b>17,599,067</b>
X	<b>Tax expense:</b>			
	(a) Current Tax Expense	15	8,700,000	7,350,000
	(b) Less: MAT credit		-	-
	(c) Net current tax expense	15	8,700,000	7,350,000
	(d) Deferred tax		(1,317,000)	(9,023,000)
XI	<b>Profit/(Loss) for the period after tax (A)</b>		<b>17,681,113</b>	<b>19,272,067</b>
XII	<b>Other Comprehensive Income</b>			
	(i) Items that will not be reclassified to Profit or Loss			
	Remeasurement of Defined Benefit Liability		(147,862)	133,390
	(ii) Income Tax relating to Items that will not be reclassified to Profit or Loss		-	-
	<b>Other Comprehensive Income for the year (B)</b>		<b>(147,862)</b>	<b>133,390</b>
XIII	<b>Total Comprehensive Income for the year (A+B)</b>		<b>17,533,251</b>	<b>19,405,457</b>
XIV	<b>Earnings per equity share:</b>	29		
	(1) Basic		1.08	1.20
	(2) Diluted		1.08	1.20
XV	The significant accounting policies and accompanying notes forming an integral part of the financial statements	1-35		

As per our report of even date  
For PARY & CO.  
Chartered Accountants  
Firm Reg. No. 007288C

For and on behalf of the Board of Directors

Atash Gaglani  
Partner  
Membership No. 114255

Ramesh Bansal  
Managing Director/CFO  
DIN: 00086256

Sangita Bansal  
Director  
DIN: 01571275

Place: Mumbai  
Date: 30<sup>th</sup> May, 2019

Pushendra Bansal  
Chief Executive Officer

Hitesh Limbani  
Company Secretary  
ACS-31531



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019**

	31/03/2019		31/03/2018	
	₹	₹	₹	₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit as per Statement of Profit & Loss before tax		25,064,113		17,599,067
<b>Adjustments for:</b>				
Depreciation				
(Profit)/Loss on sale of assets	17,179,304		21,098,762	
OCI Impact of Defined Benefit Obligation	-		(375,343)	
Interest paid	(147,862)		133,390	
	20,464,395		24,946,568	
Operating Profit Before Working Capital Changes		37,495,837		45,803,377
		62,559,950		63,402,444
<b>Working Capital Changes:</b>				
(Increase)/Decrease in inventories	(564,016)		3,041,942	
(Increase)/Decrease in trade receivables	(1,375,066)		(8,007,308)	
(Increase)/Decrease in other financial assets	(427,790)		(181,799)	
(Increase)/Decrease in loans	48,347		108,948	
(Increase)/Decrease in other current assets	766,875		(930,171)	
Increase/(Decrease) in other financial liabilities	497,639		(922,737)	
Increase/(Decrease) in trade payables	(7,598,316)		5,005,123	
Increase/(Decrease) in other current financial liabilities	(5,392,574)		5,150,223	
Increase/(Decrease) in other current liabilities	(1,454,355)		3,931,920	
Increase/(Decrease) in provisions	-		(51,799)	
Cash Generated from Operations		(15,499,256)		7,144,342
Taxes Paid (Net)		47,660,694		70,546,786
<b>Net Cash Flow from Operating Activities</b>		(7,776,542)		(7,818,747)
		39,284,152		62,728,039
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of fixed assets / capital work-in-progress				
Sale Proceeds of Assets				(1,275,288)
<b>Net Cash Flow From Investing Activities</b>				475,000
				(800,288)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds/(Repayments) from/of long-term borrowings		(34,500,000)		(42,000,000)
Proceeds from Car Loan net off re-payments		(336,198)		379,323
Interest paid		(20,464,395)		(24,946,568)
<b>Net Cash Flow From Financing Activities</b>		(55,300,593)		(66,567,245)
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>		(16,016,441)		(4,639,494)
<b>OPENING CASH AND CASH EQUIVALENTS</b>		47,776,295		52,415,789
<b>CLOSING CASH AND CASH EQUIVALENTS</b>		31,759,854		47,776,295

Components of Cash and Cash Equivalents as at	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Cash on Hand	1,836,994	2,546,526
Balances with Banks	29,922,860	45,229,769
<b>Total</b>	<b>31,759,854</b>	<b>47,776,295</b>

As per our report of even date  
**For PARY & CO.**  
 Chartered Accountants  
 Firm Reg. No. 007288C

For and on behalf of the Board of Directors

**Akash Gagliani**  
 Partner  
 Membership No. 114255

**Ramesh Bansal**  
 Managing Director/CFO  
 DIN:00086256

**Sangita Bansal**  
 Director  
 DIN: 01571275

Place: Mumbai  
 Date: 30<sup>th</sup> May, 2019

**Pushpendra Bansal**  
 Chief Executive Officer

**Hitesh Limbani**  
 Company Secretary  
 ACS-31531

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2019

## A Equity Share Capital

Equity Shares of ₹10/- each, issued, subscribed and fully paid up

	Equity Shares	
	No.	₹
As at 1 <sup>st</sup> April, 2017	16,238,400	162,384,000
Increase/(Decrease) during the year	-	-
As at 31 <sup>st</sup> March, 2018	16,238,400	162,384,000
Increase/(Decrease) during the year	-	-
As at 31 <sup>st</sup> March, 2019	16,238,400	162,384,000

## B Other Equity

Particulars	Reserves and Surplus			Items of Other Comprehensive Income (OCI)	Total
	Securities Premium Reserve	General Reserve	Surplus in P & L	Employee Benefits	
Balance as at 1 <sup>st</sup> April, 2017	21,752,000	32,500,000	42,058,410	1,326,962	97,637,372
Add/(Less): Total Comprehensive Income for the year	-	-	19,272,067	133,390	19,405,457
Add: Provision for Income Tax Written off	-	-	134,199	-	134,199
Balance as at 31 <sup>st</sup> March, 2018	21,752,000	32,500,000	61,464,676	1,460,352	117,177,028
Add/(Less): Total Comprehensive Income for the year	-	-	17,681,113	(147,862)	17,533,251
Add: Provision for Income Tax Written off	-	-	154,314	-	154,314
Balance as at 31 <sup>st</sup> March, 2019	21,752,000	32,500,000	79,300,103	1,312,490	134,864,593

As per our report of even date

For PARY &amp; CO.

Chartered Accountants

Firm Reg. No. 007288C

For and on behalf of the Board of Directors

**Akash Gaglani**  
Partner  
Membership No. 114255

Place: Mumbai  
Date: 30<sup>th</sup> May, 2019

**Ramesh Bansal**  
Managing Director/CFO  
DIN:00086256

**Pushendra Bansal**  
Chief Executive Officer

**Sangita Bansal**  
Director  
DIN: 01571275

**Hitesh Limbani**  
Company Secretary  
ACS-31531

**Significant Accounting Policies & Notes on Financial Statement  
for the year ended on 31<sup>st</sup> March, 2019****Note '1'- SIGNIFICANT ACCOUNTING POLICIES****A. Corporate Information:**

These financial Statements comprise financial statements of H S India Limited ("the Company") for the year ended 31<sup>st</sup> March, 2019. The Company was incorporated on 12<sup>th</sup> September, 1989 under the provisions of Companies Act, 1956. The company is into the business of hotels and restaurants. The company is listed on BSE Ltd.

**B. Basis of Preparation:**

The financial statements are prepared in accordance with and in compliance, in all material aspects, with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") read along with the Companies (Indian Accounting Standards) Rules, as amended and other provisions of the Act. The presentation of the Financial Statements is based on Ind AS Schedule III of the Companies Act, 2013.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention, unless otherwise stated.

**C. Use of Estimates:**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**D. Classification of Assets and Liabilities into current and Non-current:**

The company presents its assets and liabilities in the Balance Sheet based on current/non-current classification; An asset is treated as current when it is:

- i) Expected to be realized or intended to be sold or consumed in the normal operating cycle; or
- ii) Held primarily for the purpose of trading; or
- iii) Expected to be realized within twelve months after the reporting period; or
- iv) 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 other assets are classified as non-current.

A liability is treated as current when it is:

- i) Expected to be settled in the normal operating cycle; or
- ii) Held primarily for the purpose of trading; or
- iii) Expected to be settled within twelve months after the reporting period; or
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

**Significant Accounting Policies & Notes on Financial Statement  
for the year ended on 31<sup>st</sup> March, 2019**

The operating cycle is the time between the acquisition of assets and their realization in cash and cash equivalents. Based on the services rendered and their realizations in cash and cash equivalents, the company has ascertained its operating cycle is twelve months for the purpose of current and non-current classification of assets and liabilities.

**E. Property, Plant and Equipment:****Property, Plant and Equipment:**

Freehold land is carried at historical cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Costs include freight, import duties, non-refundable purchase taxes and other expenses directly attributable to the acquisition of the asset.

**Depreciation and Amortisation:**

Depreciation is provided on straight line method applying the useful lives as prescribed in part C of the Schedule II to the Companies Act, 2013.

Gains/Losses on disposals/de-recognition of property, plant and equipment are determined by comparing proceeds with carrying amount and these are recognized in statement of Profit & Loss.

**F. Intangible assets:**

Intangible assets are carried at cost, net of credit availed in respect of any taxes and duties, less accumulated amortization.

**G. Leases:**

The determination of whether an arrangement is (or contains) a finance lease or operating lease is based on the substance of the arrangement at the inception of lease. A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfer substantially all the risks and rewards incidental to ownership to the lessee is classified as finance lease.

**Lessee:** Leases where the lessor effectively retains substantially all the risks and benefits of ownership of assets over the lease term, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight line basis unless payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

**Lessor:** Rental income from operating lease is recognised on a straight line basis over the lease term unless payments to the Company are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increase. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

**H. Revenue Recognition:**

Revenue is recognised 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 measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

**Significant Accounting Policies & Notes on Financial Statement  
for the year ended on 31<sup>st</sup> March, 2019**

- i) Income from guest accommodation is recognised on a day to day basis after the guest checks into the Hotels.
- ii) Income from Food and Beverages are recognised at the point of serving these items to the guests. Income stated is exclusive of taxes collected. Rebates and discounts granted to customers are reduced from revenue.
- iii) Rentals are recognized on accrual basis.
- iv) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- v) Insurance claims are recognized as and when they are settled / admitted.

**I. Foreign Exchange Transactions:**

The Company's financial statements are presented in Indian Rupee (INR), which is also the Company's functional currency.

- a. Initial recognition: Transactions in foreign currencies are initially recorded at the exchange rates (INR spot rate) prevailing on the date of the transaction.
- b. Conversion: Foreign currency monetary items are reported at the exchange rates (INR spot rate) on Balance Sheet date.
- c. Exchange Difference: Exchange differences arising on the settlement of monetary items, on reporting of such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or expense in the year in which they arise. Foreign currency assets / liabilities are restated at the rates prevailing at the year end and the gain / loss arising out of such restatement is taken to revenue.

**J. Inventories:**

Inventories of food and beverages and other consumables and operating supplies are measured at cost. Inventories of liquor / wine are valued at the lower of cost and net realisable value.

**K. Financial Instruments:**

Financial Assets and liabilities are recognised when the Company becomes 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 and loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liabilities.

**Financial Assets:**

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- (a) the entity's business model for managing the financial assets; and
- (b) the contractual cash flow characteristics of the financial asset.

**(a) Measured at amortised cost:**

A financial asset is measured at amortised cost, if it is held within a business model whose objective is to hold the assets in order 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 outstanding.

**(b) Measured at fair value through other comprehensive income (FVOCI):**

**Significant Accounting Policies & Notes on Financial Statement  
for the year ended on 31<sup>st</sup> March, 2019**

A financial asset is measured at FVOCI, if it is held within a business model whose objective is achieved by both contractual cash flows and selling such financial asset and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

**(c) Measured at fair value through profit or loss (FVTPL):**

A financial asset which is not classified in any of the above categories are measured at FVTPL.

**Equity Instruments:**

All equity instruments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in "Other Comprehensive Income". If sufficient more recent information is not available to measure the fair value of the equity instrument or where the cost represents the best estimate of fair value, in such cases, such equity instruments has been measured at cost.

**Impairment:**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

**Financial Liabilities:****Initial Recognition and measurement:**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

**Subsequent measurement:**

All financial liabilities are recognized at fair value except when the effect of applying it is immaterial and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

**Significant Accounting Policies & Notes on Financial Statement  
for the year ended on 31<sup>st</sup> March, 2019**

**De-recognition of Financial Instruments:**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**Offsetting of financial instruments:**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**L. Impairment of non-financial assets:**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss. An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

**M. Fair Value Measurement:**

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

**Significant Accounting Policies & Notes on Financial Statement  
for the year ended on 31<sup>st</sup> March, 2019**

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**N. Employee Benefits:**

The Company has following post-employment plans:

- (a) Defined benefit plans such a gratuity;
- (b) Defined contribution plans such as Provident fund & Superannuation fund; and
- (c) Other Employee Benefits.

**a) Defined-benefit plan:**

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in full in the other comprehensive income for the period in which they occur. Past service cost both vested and unvested is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring cost or termination benefits.

The retirement benefit obligations recognised in the Balance Sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme.



**Significant Accounting Policies & Notes on Financial Statement  
for the year ended on 31<sup>st</sup> March, 2019**

**b) Defined-contribution plan:**

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

**c) Other employee benefits:**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date.

**O. Taxes on Income:**

The tax expense for the period comprises of current tax and deferred income tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the Other Comprehensive Income or in equity. In which case, the tax is also recognised in Other Comprehensive Income or Equity.

**(a) Current Tax:**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the Income Tax authorities, based on tax rates and laws that are applicable for the period of Financial Statement.

**(b) Deferred Tax:**

Deferred tax is recognised on time differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

**P. Provisions and Contingencies:**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

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**Significant Accounting Policies & Notes on Financial Statement**  
**for the year ended on 31<sup>st</sup> March, 2019**

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**Q. Cash and Cash Equivalents:**

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

**R. Cash Flow Statement:**

Cash flows are reported using the indirect method where by the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

**S. Borrowing Cost:**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of cost of that assets, during the period till all the activities necessary to prepare the qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are recognized as an expense in the period in which they are incurred.

**T. Earnings Per Share:**

Basic EPS is arrived at based on net profit after tax from continuing operations available to equity shareholders to the weighted average number of equity shares outstanding during the year. The company did not have any potentially dilutive securities in any of the years' represented.

Diluted earnings per share: Diluted earnings per share is calculated by dividing the net profit or loss for the year after tax from continuing operations attributable to equity shareholders by the weighted average number of equity shares outstanding including equity shares which would have been issued on the conversion of all dilutive potential equity shares unless they are considered anti-dilutive in nature.

**U. Dividend:**

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors

**V. Exceptional Items:**

When an item of income or expense within profit or loss from ordinary activity is of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year, the nature and amount of such items is disclosed as exceptional items.

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**Significant Accounting Policies & Notes on Financial Statement for the year ended on 31<sup>st</sup> March, 2019**

Note-2<sup>i</sup>

Property, plant and equipment (owned, unless otherwise stated)

	Freehold Land	Borewell	Building	Plant and Equipment	Vehicles	Computer	Electrical Installations	Furniture & Fixtures	Total
<b>Gross Block</b>									
Balance as at 1 <sup>st</sup> April, 2017	21,767,000	74,330	131,292,133	120,196,090	5,734,308	4,420,633	44,158,093	57,753,123	385,395,710
Additions	-	-	-	-	1,275,288	-	-	-	1,275,288
Disposals	-	-	-	-	(1,993,143)	-	-	-	(1,993,143)
Balance as at 31 <sup>st</sup> March, 2018	21,767,000	74,330	131,292,133	120,196,090	5,016,453	4,420,633	44,158,093	57,753,123	384,677,855
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 <sup>st</sup> March, 2019	21,767,000	74,330	131,292,133	120,196,090	5,016,453	4,420,633	44,158,093	57,753,123	384,677,855
<b>Accumulated Depreciation</b>									
Balance as at 1 <sup>st</sup> April, 2017	-	70,614	34,885,652	74,880,772	4,092,295	3,853,291	28,326,042	41,961,399	188,070,065
Additions	-	-	5,386,548	5,287,004	220,998	238,889	3,775,034	6,170,289	21,098,762
Disposals	-	-	-	-	(1,893,486)	-	-	-	(1,893,486)
Balance as at 31 <sup>st</sup> March, 2018	-	70,614	40,272,200	80,167,776	2,419,807	4,112,180	32,101,076	48,131,688	207,275,341
Additions	-	-	5,386,548	4,759,100	362,777	96,165	3,759,312	2,815,402	17,179,304
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 <sup>st</sup> March, 2019	-	70,614	45,658,748	84,926,876	2,782,584	4,208,345	35,860,388	50,947,090	224,454,645
<b>Net Block</b>									
Balance as at 31 <sup>st</sup> March, 2018	21,767,000	3,716	91,019,933	40,028,314	2,596,646	308,453	12,057,017	9,621,435	177,407,514
Balance as at 31 <sup>st</sup> March, 2019	21,767,000	3,716	85,633,385	35,269,214	2,233,869	212,288	8,297,705	6,806,033	160,223,210

a. Title deeds of Freehold land and Building has been hypothecated for availing term loan from bank.

**Significant Accounting Policies & Notes on Financial Statement  
for the year ended on 31<sup>st</sup> March, 2019**

	As at 31/03/2019 ₹	As at 31/03/2018 ₹
<b>NOTE '3'</b>		
<b>INVESTMENTS- NON CURRENT</b>		
Investments measured at Cost		
Others		
Investment in Unquoted Equity Shares		
Kesar Motels Pvt. Ltd. of ₹ 100/- each 67,250 Shares, (Previous Year 67,250 Shares)	26,900,000	26,900,000
Naroli Resorts Pvt. Ltd. of ₹ 10/- each 65,625 Shares (Previous Year 65,625 Shares)	31,500,000	31,500,000
Japan Market Co-operative Service Society Ltd. of ₹ 50/- each 260 Shares, (Previous Year 260 Shares)	39,260	39,260
<b>TOTAL</b>	<u>58,439,260</u>	<u>58,439,260</u>
Aggregate Book Value of Unquoted Investment	58,439,260	58,439,260
<b>NOTE '4'</b>		
<b>OTHER FINANCIAL ASSETS</b>		
Unsecured, Considered Good unless otherwise stated		
Fixed Deposits	2,764,931	2,587,444
Security Deposits	2,599,534	2,349,231
<b>TOTAL</b>	<u>5,364,465</u>	<u>4,936,675</u>
<b>NOTE '5'</b>		
<b>INVENTORIES</b>		
Traded Goods		
Wine & Liquor	5,762,628	5,286,205
Stores & Spares		
Provision, Stores, Food and Beverages	415,732	446,677
Other Consumables and Operating Supplies	1,165,351	1,046,813
<b>TOTAL</b>	<u>7,343,711</u>	<u>6,779,695</u>
The mode of valuation of inventories has been stated in Note No.1(J) of the significant accounting policies.		
<b>NOTE '6'</b>		
<b>TRADE RECEIVABLES</b>		
Unsecured, considered good:		
Trade Receivables	23,737,600	22,362,534
<b>TOTAL</b>	<u>23,737,600</u>	<u>22,362,534</u>
<b>NOTE '7'</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
Cash on Hand		
Balance with Banks	1,836,994	2,546,526
-In Current Accounts	29,922,860	45,229,769
<b>TOTAL</b>	<u>31,759,854</u>	<u>47,776,295</u>
<b>NOTE '8'</b>		
<b>LOANS</b>		
Unsecured, Considered Good unless otherwise stated		
Advance to Employees	256,816	305,163
<b>TOTAL</b>	<u>256,816</u>	<u>305,163</u>
<b>NOTE '9'</b>		
<b>CURRENT TAX ASSETS (NET)</b>		
Advance Tax, TDS and TCS (Net off Provision)	-	192,396
<b>TOTAL</b>	<u>-</u>	<u>192,396</u>

**Significant Accounting Policies & Notes on Financial Statement  
for the year ended on 31<sup>st</sup> March, 2019**

NOTE '10'	As at 31/03/2019 ₹	As at 31/03/2018 ₹
<b>OTHER CURRENT ASSETS</b>		
Unsecured, Considered Good unless otherwise stated		
Capital Advances	35,300,000	35,300,000
Security Deposits-With Related Parties	172,700,000	172,700,000
Advances to Suppliers	721,926	908,606
Prepaid Expense	502,470	494,113
Balance with Bank for Specific Purpose	210,408	-
Balances with GST and State Authorities	1,145,157	1,944,117
<b>TOTAL</b>	<b>210,579,961</b>	<b>211,346,836</b>

NOTE '11'	As at 31/03/2019 ₹	As at 31/03/2018 ₹
<b>SHARE CAPITAL</b>		
<b>-Authorised Share Capital</b>		
17,000,000 Equity Shares of ₹ 10/- each	170,000,000	170,000,000
(Previous year 17,000,000 Equity Shares of ₹ 10/- each)		
<b>TOTAL</b>	<b>170,000,000</b>	<b>170,000,000</b>
<b>-Issued, Subscribed and Paid up Share Capital</b>		
16,238,400 Equity Shares of ₹ 10/- each fully paid up	162,384,000	162,384,000
(Previous year 16,238,400 Equity Shares of ₹ 10/- each fully paid up)		
<b>TOTAL</b>	<b>162,384,000</b>	<b>162,384,000</b>

**Footnote:**

(i) Reconciliation of Equity Shares with voting rights outstanding at the beginning and at the end of the year:

Particulars	As at 31/03/2019		As at 31/03/2018	
	Number of shares	Amount ₹	Number of shares	Amount ₹
As at the beginning of the year	16,238,400	162,384,000	16,238,400	162,384,000
Add: Shares issued during the year	-	-	-	-
Less: Shares cancelled during the Year	-	-	-	-
As at the end of the year	16,238,400	162,384,000	16,238,400	162,384,000

(ii) Terms & Rights of Shareholders:

The Company has one class of equity shares having par value of ₹10/- each. Each shareholder is eligible for one vote per Share held.

(iii) Shareholders holding more than 5% shares in the company:

Name of Shareholders	As at 31/03/2019		As at 31/03/2018	
	Number of shares	% of holding	Number of shares	% of holding
Pushpendra Bansal	3,071,198	18.91%	2,851,198	17.56%
Sangita Bansal	2,686,480	16.54%	2,686,480	16.54%

NOTE '12'

**OTHER EQUITY**

<b>Securities Premium Reserve</b>		
Opening and Closing Balance		
<b>General Reserve</b>	21,752,000	21,752,000
Opening and Closing Balance		
<b>Surplus in Statement of Profit and Loss</b>	32,500,000	32,500,000
Opening Balance		
Add: Surplus during the year	61,464,676	42,058,410
Add: Provision for Income Tax Written off	17,681,113	19,272,067
Closing Balance	154,314	134,199
	79,300,103	61,464,676
<b>Other Reserve- Other Comprehensive Income</b>		
Opening Balance		
Less: Transfer from Statement of Profit and Loss	1,460,352	1,326,962
Add: Transfer from Statement of Profit and Loss	147,862	-
Closing Balance		133,390
<b>TOTAL</b>	<b>1,312,490</b>	<b>1,460,352</b>
	<b>134,864,593</b>	<b>117,177,028</b>

**Significant Accounting Policies & Notes on Financial Statement  
for the year ended on 31<sup>st</sup> March, 2019**

NOTE '13' BORROWINGS	As at 31/03/2019 ₹	As at 31/03/2018 ₹
Term Loan from Banks -Secured	112,500,000	147,000,000
Vehicle Loan from Banks -Secured	507,938	844,136
<b>TOTAL</b>	<b>113,007,938</b>	<b>147,844,136</b>

Footnote:

(i) Current and Non Current Components of Long-Term Borrowings:

	As at 31/03/2019 ₹		As at 31/03/2018 ₹	
	Non-Current	Current	Non-Current	Current
Secured				
a) Term Loan from banks				
a) Term Loan from Bank	112,500,000	45,000,000	147,000,000	51,000,000
	112,500,000	45,000,000	147,000,000	51,000,000
(ii) Maturity Profile:				
a) Term Loan Bank				
			2019-20	2020-21
			45,000,000	48,000,000
				2021-22
				54,000,000

(iii) Term Loan from Bank is secured by 1<sup>st</sup> & exclusive charge by way of registered mortgage over Hotel Land and Building and exclusive charge on all movable fixed assets (both present and future) of the company. Further, it is also secured by way of personal guarantee from Director. The aforesaid term loan is obtained at the interest rate of 11.75% p.a.

(h) Vehicle Loan from bank

	As at 31/03/2019 ₹		As at 31/03/2018 ₹	
	Non-Current	Current	Non-Current	Current
Vehicle Loan from Bank	507,938	329,740	844,136	590,035
	507,938	329,740	844,136	590,035

NOTE '14'

**OTHER LONG-TERM LIABILITIES**

Security Deposit -Unsecured		500,000		500,000
Provision for Employee Benefit		761,624		263,985
<b>TOTAL</b>		<b>1,261,624</b>		<b>763,985</b>

NOTE '15'

**INCOME TAX**

(A) Major Components of Income Tax Expense:

**Profit and Loss Section:**

**Current Income Tax:**

-Current Income Tax Charges		8,700,000		7,350,000
Deferred Tax				
-Relating to Origination and reversal of temporary differences		(1,317,000)		(9,023,000)
<b>Income Tax Expenses reported in Statement of Profit and Loss</b>		<b>7,383,000</b>		<b>(1,673,000)</b>

(B) Deferred Tax:

Deferred Tax Related to the following:

**Deferred Tax Liability:**

Impact due to Property, Plant and Equipment		13,600,000		14,931,000
Provision for Gratuity				
<b>Total (A)</b>		<b>13,600,000</b>		<b>14,931,000</b>

**Deferred Tax Assets:**

Provision for Gratuity		95,000		70,000
Provision for Bonus		205,000		244,000
<b>Total (B)</b>		<b>300,000</b>		<b>314,000</b>

Net Deferred Tax Liability (A-B)

Deferred Tax Assets not recognised:

**Particulars**

Deferred Tax on Long Term Capital Loss (Pertaining to AY 2012-13 expiring in AY 2020-21)		3,699,000		3,699,000
<b>Total</b>		<b>3,699,000</b>		<b>3,699,000</b>

Note: Deferred Tax Asset on Long Term Capital Loss is not recognised in absence of virtual certainty to realize the assets in future.

**Significant Accounting Policies & Notes on Financial Statement  
for the year ended on 31<sup>st</sup> March, 2019**

NOTE '16'	As at 31/03/2019	As at 31/03/2018
TRADE PAYABLES	₹	₹
Dues of Micro & Small Enterprises (Refer to footnote)	11,058,043	18,656,359
Dues of Others	11,058,043	18,656,359
<b>TOTAL</b>	<b>11,058,043</b>	<b>18,656,359</b>
Footnote: In view of the large number of accounts and in absence of segregated information, total outstanding dues to Small Scale Industrial Undertakings as defined under Micro, Small and Medium Enterprises Development Act, 2006 have not been disclosed separately.		
However, based on the details available with the company, in respect of transactions incurred during the year, there are no overdues as such to Micro, Small and Medium Enterprises as at 31 <sup>st</sup> March, 2019 on account of principal amount together with interest for delayed payment under the Act. The Company has not received any claim for interest from any suppliers under the "Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertaking Act, 1993.		
NOTE '17'		
<b>OTHER FINANCIAL LIABILITIES</b>		
Current Maturities of Long-term borrowings (Refer Note - 13, Footnote)	45,329,740	51,590,035
Interest Accrued but not due on borrowings	1,574,842	1,973,034
Employee and Ex-Employee Related Liabilities	4,726,547	3,460,305
Director Remuneration Payable	99,322	99,651
<b>TOTAL</b>	<b>51,730,451</b>	<b>57,123,025</b>
NOTE '18'		
<b>OTHER CURRENT LIABILITIES</b>		
Advances from Customers	1,055,774	992,953
Statutory Dues	8,465,706	9,982,882
<b>TOTAL</b>	<b>9,521,480</b>	<b>10,975,835</b>
NOTE '19'		
<b>CURRENT TAX LIABILITIES (NET)</b>		
Income Tax Provision (Net of Advance Tax, TDS and TCS)	576,748	-
<b>TOTAL</b>	<b>576,748</b>	<b>-</b>
	<b>Year Ended 31<sup>st</sup> March, 2019</b>	<b>Year Ended 31<sup>st</sup> March, 2018</b>
NOTE '20'		
<b>REVENUE FROM OPERATION</b>		
Sale of Services		
Room Sale		
Food & Beverage Sale	139,782,261	130,224,271
Other Services	49,133,554	43,998,855
Total - Sale of Services	1,207,893	6,285,809
Sale of Products	190,123,708	180,508,935
Wine & Liquor Sale	99,252,351	87,691,149
<b>TOTAL</b>	<b>289,376,039</b>	<b>268,200,084</b>
NOTE '21'		
<b>OTHER INCOME</b>		
Interest Income		
- From Bank		
- From Others	224,024	257,144
Other non-operating income	81,025	86,800
<b>TOTAL</b>	<b>5,787,358</b>	<b>5,839,066</b>
	<b>6,092,407</b>	<b>6,183,010</b>
NOTE '22'		
<b>FOOD AND BEVERAGES CONSUMED</b>		
Stock at Commencement		
Add: Purchases	446,677	548,781
	15,518,242	14,393,793
Less: Stock at Close	15,964,919	14,944,574
<b>TOTAL</b>	<b>415,732</b>	<b>446,677</b>
	<b>15,549,187</b>	<b>14,497,897</b>
NOTE '23'		
<b>PURCHASE OF STOCK IN TRADE</b>		
Purchase of Wine & Liquor	34,133,006	42,560,296
Add: Excise Duty/Import Fee	18,472,311	1,373,171
<b>TOTAL</b>	<b>52,605,317</b>	<b>43,933,467</b>

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	Year Ended 31st March, 2019 ₹	Year Ended 31st March, 2018 ₹
<b>NOTE '24'</b>		
<b>CHANGES IN INVENTORIES OF STOCK IN TRADE</b>		
Opening Stock		7,236,705
Less: Closing Stock	5,286,205	
<b>TOTAL</b>	<b>(476,423)</b>	<b>1,950,500</b>
<b>NOTE '25'</b>		
<b>EMPLOYEE BENEFIT EXPENSE</b>		
Salaries, Wages, Bonus etc.		32,472,180
Contribution to P.F., E.S.I.C. and Other Statutory Funds	37,494,379	2,409,368
Workmen and Staff Welfare Expenses	3,326,360	4,866,652
Directors Remuneration	5,368,539	2,030,000
<b>TOTAL</b>	<b>1,440,000</b>	<b>2,030,000</b>
	<b>47,629,278</b>	<b>41,778,200</b>
<b>NOTE '26'</b>		
<b>FINANCE COSTS</b>		
Interest on Term Loan		24,867,239
Interest on Car Loan	20,361,226	79,329
<b>TOTAL</b>	<b>103,169</b>	<b>24,946,568</b>
	<b>20,464,395</b>	
<b>NOTE '27'</b>		
<b>OTHER OPERATING AND GENERAL EXPENSES</b>		
Power and Fuel		16,595,762
Repairs To - Building	17,301,171	8,953,381
- Machinery	12,276,541	6,183,918
- Furniture	5,031,721	4,064,435
- Others	4,849,347	1,770,493
Renewal & Replacements	2,532,973	2,865,536
Insurance	1,957,055	376,129
Rates and Taxes	278,189	7,332,433
Linen & Uniform Expense	12,810,919	4,382,451
Guest Complimentary	3,271,662	6,054,186
Housekeeping Expenses	7,490,527	4,533,125
Advt. Publicity & Promotional Expenses	3,503,238	1,264,957
Commission Expense	1,355,696	17,500,542
Travelling & Conveyance	15,057,898	2,386,236
Freight, Carriage & Transportation	2,369,579	2,769,737
Management & Franchise Fees	2,337,673	9,761,250
Legal & Professional Fees	12,000,000	5,297,493
Payment to Auditor (Refer Footnote i)	5,402,232	100,000
Miscellaneous Expense	100,000	7,061,912
<b>TOTAL</b>	<b>7,526,874</b>	<b>108,953,976</b>
	<b>117,453,295</b>	
<b>Footnote:</b>		
(i) Payment to Auditors:		
As auditors - statutory audit		40,000
For taxation matters	40,000	30,000
For other services	30,000	30,000
<b>TOTAL</b>	<b>100,000</b>	<b>100,000</b>
	<b>100,000</b>	
<b>NOTE '28'</b>		
<b>EXCEPTIONAL ITEMS</b>		
Profit on Sale of assets		375,343
<b>TOTAL</b>	<b>-</b>	<b>375,343</b>
	<b>-</b>	
<b>NOTE '29'</b>		
<b>EARNINGS PER SHARE</b>		
Profit after Tax (PAT) available for equity shareholders (before exceptional items)	17,533,251	19,030,114
Profit after Tax (PAT) available for equity shareholders (after exceptional items)	17,533,251	19,405,457
Weighted average number of equity shares (In Nos.)	16,238,400	16,238,400
Nominal value of Equity Shares (in ₹)	10.00	10.00
Basic & Diluted Earning per share (before exceptional income/loss)	1.08	1.17
Basic & Diluted Earning per share (after exceptional income/loss)	1.08	1.20
<b>NOTE '30'</b>		
<b>ADDITIONAL INFORMATION</b>		
<b>Earnings in foreign exchange :</b>		
Payment Received from Foreign Customers in Foreign Currencies	4,412,156	3,700,742
<b>TOTAL</b>	<b>4,412,156</b>	<b>3,700,742</b>
	<b>4,412,156</b>	



Significant Accounting Policies & Notes on Financial Statement  
for the year ended on 31<sup>st</sup> March, 2019

**Note 31:- Fair Values**

The carrying amount and fair values of financial instruments by category are as follows:

**a. Financial Assets**

Particulars	Note	Instruments carried at		Total Carrying Value	Total Fair Value
		Fair Value			
		At Cost	FVTPL		
<b>As at 31<sup>st</sup> March, 2019</b>					
Investment in Unquoted Equity Shares	3	58,439,260	-	58,439,260	58,439,260
Fixed Deposit	4	-	-	2,764,931	2,764,931
Security Deposit	4	-	-	2,599,534	2,599,534
Trade Receivables	6	-	-	23,737,600	23,737,600
Cash & Cash Equivalents	7	-	-	31,759,854	31,759,854
Loans	8	-	-	256,816	256,816
<b>TOTAL</b>		<b>58,439,260</b>	<b>-</b>	<b>61,118,735</b>	<b>119,557,995</b>
<b>As at 31<sup>st</sup> March, 2018</b>					
Investment in Unquoted Equity Shares	3	58,439,260	-	58,439,260	58,439,260
Fixed Deposit	4	-	-	2,587,444	2,587,444
Security Deposit	4	-	-	2,349,231	2,349,231
Trade Receivables	6	-	-	22,362,534	22,362,534
Cash & Cash Equivalents	7	-	-	47,776,295	47,776,295
Loans	8	-	-	305,163	305,163
<b>TOTAL</b>		<b>58,439,260</b>	<b>-</b>	<b>75,380,667</b>	<b>133,819,927</b>

**a. Financial Liabilities**

Particulars	Note	Instruments carried at		Total Carrying Value	Total Fair Value
		Fair Value			
		At Cost	FVTOCI		
<b>As at 31<sup>st</sup> March, 2019</b>					
Borrowings	13	-	-	113,007,938	113,007,938
Security Deposit	14	-	-	500,000	500,000
Provision for Employee Benefit	14	-	761,624	-	761,624
Trade Payables	16	-	-	11,058,043	11,058,043
Other Financial Liabilities	17	-	-	51,730,451	51,730,451
<b>TOTAL</b>		<b>-</b>	<b>761,624</b>	<b>176,296,432</b>	<b>177,058,056</b>
<b>As at 31<sup>st</sup> March, 2018</b>					
Borrowings	13	-	-	147,844,136	147,844,136
Security Deposit	14	-	-	500,000	500,000
Provision for Employee Benefit	14	-	263,985	-	263,985
Trade Payables	16	-	-	18,656,359	18,656,359
Other Financial Liabilities	17	-	-	57,123,025	57,123,025
<b>TOTAL</b>		<b>-</b>	<b>263,985</b>	<b>224,123,520</b>	<b>224,387,505</b>

**Significant Accounting Policies & Notes on Financial Statement  
for the year ended on 31<sup>st</sup> March, 2019**

**Note '32'- Financial Risk Management Objectives and Policies**

The Company's principal financial liabilities comprise loans and borrowings, security deposits taken, employee related payables, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Property, Plant & Equipments, investments, security deposits given, employee advances, trade and other receivables, cash and short-term deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's Board of Directors reviews and sets out policies for managing these risk and monitors suitable actions taken by management to potential adverse effects of such risks on company's operational and financial performance.

**A. Market risk**

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, payables and loans and borrowings.

**a. Interest Rate Risk:**

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to the risk changes in the market interest rates relates primarily to the Company's long-term debt obligation.

The borrowings in terms of fixed and floating rate are as follows: (Amount in ₹)

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
Floating Rate of Borrowings	15,75,00,000	19,80,00,000
Fixed Rate of Borrowings	8,37,678	14,34,171

**B. Credit risk**

Credit risk arises from the possibility that the counter party may not be able to settle their obligation as agreed. Customer credit risk is managed by each business unit subject to Company's established policy, procedure and control relating to customer risk management. Further, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

Financial assets are written off when there is no reasonable expectations of recovery, such debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised as income in the statement of profit and loss.

**Ageing of Accounts Receivables:**

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
More than 180 days	2,66,000	2,77,517
Up to 180 days	2,34,71,600	2,20,85,017

**Significant Accounting Policies & Notes on Financial Statement  
for the year ended on 31<sup>st</sup> March, 2019**

**C. Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed condition, without incurring unacceptable losses or risking damage to the Company's reputation.

The Management monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of surplus funds, bank loans and inter-corporate loans.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Particulars	Up to One Year	More than One Year	Total
<b>Year Ended 31<sup>st</sup> March 2019</b>			
Borrowings	46,904,582	113,007,938	159,912,520
Trade Payables	11,058,043	-	11,058,043
Other Financial Liabilities	4,825,869	1,261,624	6,087,493
Total	62,788,494	114,269,562	177,058,056
<b>Year Ended 31<sup>st</sup> March 2018</b>			
Borrowings	53,563,069	147,844,136	201,407,205
Trade Payables	18,656,359	-	18,656,359
Other Financial Liabilities	3,559,956	763,985	4,323,941
Total	75,779,384	148,608,121	224,387,505

**Note '33'- Segment Information**

Information regarding primary segment reporting as per Ind-AS 108.

The company is engaged in only one segment of Hotel Business. Accordingly, the segment revenue, segment results, segment assets and segment liabilities are reflected by the financial statement themselves as at and for the financial year ended 31<sup>st</sup> March, 2019.

**Note '34'- Gratuity and other post employment benefit plans:****A. Defined benefit Plans - General Description**

The Company operates gratuity plan wherein every employee is entitled to a benefit equivalent to 15 days salary (includes dearness allowance) last drawn for each completed year of service. The same is payable on termination of service, or retirement, or death, whichever is earlier. The benefit vests after five years of continuous service. Gratuity benefits are valued in accordance with the Payment of Gratuity Act, 1972.

**Significant Accounting Policies & Notes on Financial Statement  
for the year ended on 31<sup>st</sup> March, 2019**

**Amount Recognized in Statement of Profit and Loss**

Net Employee Benefit expense recognized in the Statement of Profit and Loss:

Particulars	Year Ended 31 <sup>st</sup> March, 2019	Year Ended 31 <sup>st</sup> March, 2018
Current Service Cost	489,258	462,870
Net Interest Cost	(11,892)	(16,563)
<b>Net Employee Benefit Expense recognized in the Statement of Profit and Loss</b>	<b>477,366</b>	<b>446,307</b>

Amount recognized in Other Comprehensive Income:

Particulars	Year Ended 31 <sup>st</sup> March, 2019	Year Ended 31 <sup>st</sup> March, 2018
Actuarial (Gains)/Losses on Obligation for the period	97,859	(173,010)
Return on Plan Assets, Excluding Interest Income	50,003	39,620
<b>Amount Recognized in Other Comprehensive Income</b>	<b>147,862</b>	<b>(133,390)</b>

**Balance Sheet**

Benefit Asset/Liability:

Particulars	Year Ended 31 <sup>st</sup> March, 2019	Year Ended 31 <sup>st</sup> March, 2018
Present Value of Benefit Obligation at the end of the Period	(4,446,169)	(3,714,682)
Fair Value of Plan Assets at the end of the period	4,474,072	3,668,217
Funded Status (Surplus/(Deficit))	27,903	(46,465)
<b>Net (Liability)/Asset Recognized in the Balance Sheet</b>	<b>27,903</b>	<b>(46,465)</b>

Fair Value of Plan Assets:

Particulars	Year Ended 31 <sup>st</sup> March, 2019	Year Ended 31 <sup>st</sup> March, 2018
Fair Value of Plan Assets at the beginning of the period	3,668,217	3,301,406
Return on Plan Assets	238,686	213,268
Benefits Paid from the Fund	(132,081)	(94,252)
Contribution by the Employer	699,250	247,795
<b>Fair Value of Plan Assets at the end of the period</b>	<b>4,474,072</b>	<b>3,668,217</b>

B. The Principal assumptions used in determining gratuity and compensated absences are as follows:

Particulars	Year Ended 31 <sup>st</sup> March, 2019	Year Ended 31 <sup>st</sup> March, 2018
Rate of Discounting	6.76%	7.66%
Rate of salary Increase	8.00%	7.00%
Rate of Employee Turnover	For service of 2 years and below 50% p.a. For service of 3 years to 4 years 30% p.a. For service of 5 years and above 15% p.a.	2.00%
Expected Return on Plan Assets	6.76%	7.87%

**Significant Accounting Policies & Notes on Financial Statement  
for the year ended on 31<sup>st</sup> March, 2019**

C. A Quantitative Sensitivity Analysis for significant assumptions as at 31<sup>st</sup> March, 2019 and 31<sup>st</sup> March, 2018 is as shown below:

Assumptions	Sensitivity Level	Defined Benefit Obligation			
		31 <sup>st</sup> March, 2019		31 <sup>st</sup> March, 2018	
		Increase	Decrease	Increase	Decrease
Discount Rate	1% Increase/Decrease	(155,643)	170,684	(251,752)	299,544
Increase in Salary	1% Increase/Decrease	167,010	(155,310)	299,152	(255,824)
Employee Turnover	1% Increase/Decrease	(16,575)	17,768	9,440	(12,716)

The sensitivity analysis as above has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

D. Maturity Profile of Defined Benefit Obligations:

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Within the next 12 months	856,294	948,170
Between 2 to 5 years	2,462,093	574,979
Between 6 to 10 years	1,252,765	1,435,426
Beyond 10 years	1,266,251	5,845,438

**Note '35'- Related Party Disclosure**

(A) Nature of Relationship

- (I) Enterprises in which Key Management Personnel (KMP) have significant influence, with whom the company had transactions:  
Lords Inn Hotels and Developers Ltd.  
Sai Ram Krupa Hotels Pvt. Ltd.  
Lords Sai Ma Hotels Pvt. Ltd.  
Lords Ishwar Hotels Ltd.

- (II) Key Management Personnel:  
Mr. Pushendra Bansal  
Mr. Ramesh Bansal

(B) Transactions with Related Parties

Sr. No.	Nature of Transaction (Excluding Reimbursement)	Enterprises in which KMP have significant influence	Key Management Personnel	(Amount in ₹)
				Total
1	Receiving of services	1,20,00,000 (97,61,250)	26,40,000 (24,90,000)	1,46,40,000 (1,22,51,250)
2	Rendering of Services	42,00,000 (42,00,000)	Nil (Nil)	42,00,000 (42,00,000)
3	Purchase of Wine & Liquor	1,77,15,377 (1,03,28,152)	Nil (Nil)	1,77,15,377 (1,03,28,152)

**Significant Accounting Policies & Notes on Financial Statement  
for the year ended on 31<sup>st</sup> March, 2019**

(C) Balance as at 31.03.2019

4	Trade & Other Receivable	1,73,11,410 (1,27,75,410)	Nil (Nil)	1,73,11,410 (1,27,75,410)
5	Trade & Other Payables	11,80,000 (Nil)	99,322 (1,68,000)	12,79,322 (1,68,000)
6	Security Deposit	17,27,00,000 (17,27,00,000)	Nil (Nil)	17,27,00,000 (17,27,00,000)

(Figures in brackets are for previous year)

As per our report of even date

**For PARY & CO.**

Chartered Accountants

Firm Reg No: 007288C

For and on behalf of the Board of Directors

**Akash Gaglani**

Partner

Membership No: 114255

**Ramesh Bansal**

Managing Director/CFO

DIN: 00086256

**Sangita Bansal**

Director

DIN: 01571275

Place: Mumbai

Date: 30<sup>th</sup> May, 2019**Pushpendra Bansal**

Chief Executive Officer

**Hitesh Limbani**

Company Secretary

ACS: 31531

**NOTES**

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**H S INDIA LIMITED**

CIN: L55100MH1989PLC053417

Reg. Off: Unit No.202, Morya Blue Moon, Off New Link Road, Andheri West, Mumbai – 400 053, Maharashtra  
Tel: 022-49240174, Email: [hsindialimited@gmail.com](mailto:hsindialimited@gmail.com), Website: [www.hsindia.in](http://www.hsindia.in)

**FORM NO. MGT-11  
PROXY FORM**

DPID:-----  
Regd. Folio No.-----

CLIENT ID:-----

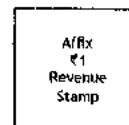
I/We being the member(s) of ----- shares of the above named Company hereby appoint:

1. Name:-----  
Address:-----  
E-mail Id:-----  
Signature:----- or failing him/her
2. Name:-----  
Address:-----  
E-mail Id:-----  
Signature:----- or failing him/her
3. Name:-----  
Address:-----  
E-mail Id:-----  
Signature:----- or failing him/her

as my/our proxy to attend and vote for me/us and on my/our behalf at the 30<sup>th</sup> Annual General Meeting of the Company to be held on Tuesday, the 10<sup>th</sup> September, 2019 at 09.00 a.m. and any adjournment thereof in respect of such resolutions as are indicated below.

Resolution No.	Resolution
<b>Ordinary Business</b>	
1	Adoption of financial statements
2	Appointment of Director
3	Appointment of Auditor
<b>Special Business</b>	
4	Appointment of Mr. Pushpendra Bansal as a Managing Director
5	Appointment of Mr. Shiladitya Mukherjee as an Independent Director
6	Re-appointment of Mr. Pradeep Dhawan as an Independent Director
7	Continue the office of Mr. Ramesh Bansal as a Managing Director exceeding age of 70 years
8	Revision in Remuneration of Mr. Ramesh Bansal as a Managing Director of the Company

As witness my / our hand(s) this \_\_\_\_\_ day of \_\_\_\_\_ 2019



Signature of Shareholder:----- Signature of Proxy:-----

**NOTE:**

The proxy form duly stamped, completed and signed must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding of the aforesaid meeting. The Proxy need not be a member of the Company.



**H S INDIA LIMITED**

CIN: L55100MH1989PLC053417

Reg. Off.: Unit No.202, Morya Blue Moon, Off New Link Road, Andheri West, Mumbai – 400 053, Maharashtra

Tel: 022-49240174, Email: [hsindialimited@gmail.com](mailto:hsindialimited@gmail.com), Website: [www.hsindia.in](http://www.hsindia.in)

**ATTENDANCE SLIP**

(Please complete this Attendance slip and hand it over at the entrance of the Meeting Hall)

DPID \_\_\_\_\_

CLIENT ID \_\_\_\_\_

Regd. Folio No. \_\_\_\_\_

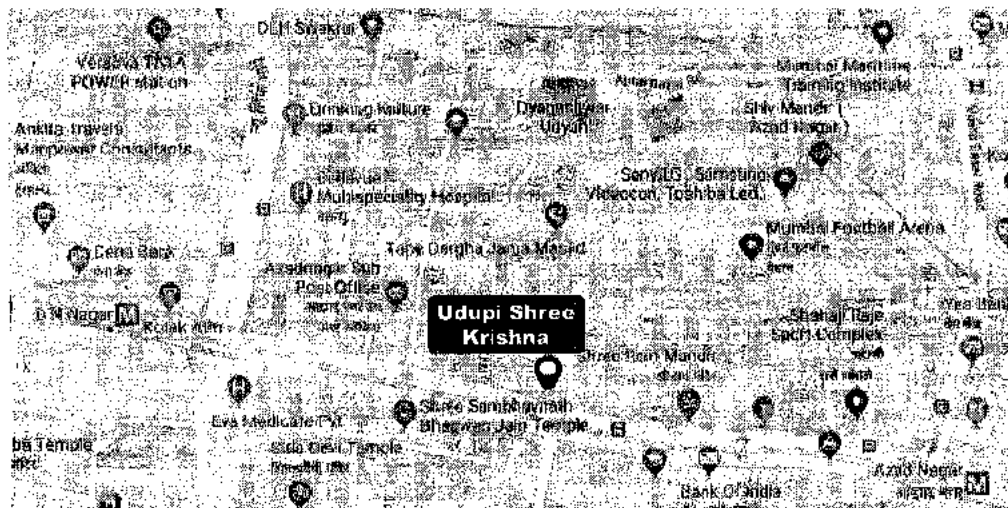
I hereby record my presence at the 30<sup>th</sup> ANNUAL GENERAL MEETING of the Company held on Tuesday, 10<sup>th</sup> September, 2019 at 09.00 a.m. at 'Udupi Shree Krishna', Dhake Colony, J. P. Road, Andheri (W), Mumbai - 400 053, Maharashtra.

Name of Shareholder/Proxy \_\_\_\_\_ Signature of Shareholder/Proxy \_\_\_\_\_

**ELECTRONIC VOTING PARTICULARS**

EVEN (Electronic Voting Event Number)	USER ID	PASSWORD
<b>111235</b>		

**ROUTE MAP:**



If undelivered, please return to :  
**H S INDIA LIMITED**  
CIN: L55100MH1989PLC053417  
Unit No.202, Morya Blue Moon,  
Off New Link Road, Andheri West,  
Mumbai – 400 053, Maharashtra.