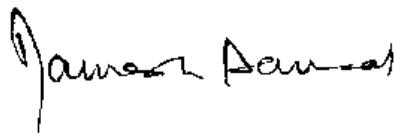
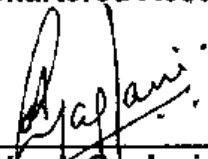
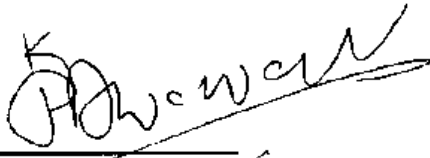


FORM A

Covering Letter of the Annual Audit Report for the year 2014-15 to be filed with the Stock Exchange

1	Name of the Company	H S INDIA LIMITED
2	Annual Financial Statements for the year ended	31.03.2015
3	Type of Audit Observation	Un-qualified
4	Frequency of Observation	Not Applicable
5	To be signed by	
	(a) Managing Director / CFO	 Ramesh Bansal Managing Director/CFO DIN-00086256
	(b) Auditor of the Company	For Pary & Co. Chartered Accountants  Akash Gaglani Partner Membership No. 114255 Firm Reg. No. 007288C
	(c) Audit Committee Chairman	 Pradeep Dhawan Director DIN-00519455



H S INDIA LIMITED

**26TH
ANNUAL REPORT
(2014-15)**

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Pushpendra Bansal	Chairman & Joint Managing Director
Mr. Ramesh Bansal	Managing Director / CFO
Mrs. Sangeeta Bansal	Director
Mr. Pradcep Dhawan	Director
Mr. Nimish Shah	Director
Mr. Bapi Datta	Director (Ceased w.e.f. 30.05.2015)
Mr. Nilkanth Barot	Additional Director (Appointed w.e.f. 30.05.2015)

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.
Axis Bank Ltd.

REGISTERED OFFICE

A-1, Manish Kaveri, Building No. 18,
Manish Nagar, J. P. Road,
Andheri (West),
Mumbai - 400 053, Maharashtra

REGISTRAR & SHARE TRANSFER AGENT

Sharepro Services (India) Pvt. Ltd.
13 AB Samhita Warehousing Complex,
2nd Floor, Sakinaka Telephone Exchange Lane,
Off. Andheri-Kurla Road, Sakinaka,
Andheri (E), Mumbai - 400 072,
Maharashtra

NOTICE

NOTICE is hereby given that the 26th ANNUAL GENERAL MEETING of H S INDIA LIMITED will be held at 'Kalash', Dhake Colony, J. P. Road, Andheri (W), Mumbai – 400 053, Maharashtra on Thursday, the 24th day of September, 2015 at 9:30 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 31st March, 2015 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 Mr. Pushpendra Bansal (DIN – 00086343), who retires by rotation and being eligible, offers himself for re-appointment.

3. Appointment of Auditor:

To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of section 139, 142 read with Companies (Audit and Auditors) Rules, 2014, M/s. Pary & Co., Chartered Accountants, Surat (F.R. No. 007288C) the retiring Auditor of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on a remuneration to be fixed by the Board of Director to audit the accounts of the Company for the Financial Year 2015-16.”

SPECIAL BUSINESS:**4. Appointment of Mr. Nilkanth Barot as an Independent Director:**

To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 read with relevant Rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Nilkanth Barot (DIN- 06689727), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 30th May, 2015 and who hold office up to the date of the forthcoming Annual General Meeting of the Company in terms of Section 161 (1) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years with effect from 30th May, 2015 to 29th May, 2020 and shall not retire by rotation.”

5. Re-appointment of Mr. Pushpendra Bansal, as a Chairman and Joint Managing Director for a further period of 5 years:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 198 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Pushpendra Bansal (DIN: 00086343) as a Chairman and Joint Managing Director of the Company, for a further period of 5 (five) years with effect from 28th October, 2015 to 27th October, 2020, on the following terms and conditions:

- (a) Duration : 5 Years (28th October, 2015 to 27th October, 2020)
- (b) Salary: ₹ 1,50,000 (Rupees One Lac Fifty Thousand) per month as per Remuneration Policy of the Company.
- (c) Perquisites and Allowances : In addition to the salary as outlined above, the Chairman and Joint Managing Director shall be entitled to 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.

FURTHER RESOLVED THAT the Board of Directors is entitled to revise the remuneration payable to Mr. Pushpendra Bansal as a Chairman and Joint 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, including any statutory modification(s), re-enactment thereof or any amendment thereto.

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

FURTHER RESOLVED 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.”

6. Approval of Related Party Transactions:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 (VII) of the Listing Agreement and subject to such other approvals, consents, sanctions and permissions of any authorities as may be necessary, consent of the Company be and is hereby accorded to the Audit Committee and the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include a Committee constituted by the Board or any person(s) authorized by the Board) to carry out transaction(s) in its ordinary course of business for conducting the business of Sai Ram Krupa Hotels Pvt. Ltd. and Lords Sai Ma Hotels Pvt. Ltd. on the existing terms and conditions set out in the Agreement dated 14th August, 2014 entered into between the Companies and mentioned in the explanatory statement annexed hereto.

RESOLVED FURTHER THAT the Board be and is hereby authorized as may be appropriate or relevant to implement and to give effect to this resolution, to take all steps whatsoever and to do all such acts, deeds, matters and things as each of them may consider necessary, relevant, usual, customary and/or expedient for giving effect to this resolution including finalizing the ancillary and incidental terms in relation to each transaction and to sign deeds, applications, documents and writings in relation thereto.”

NOTES:**(a) PROXY:**

A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of him and the proxy need not be a member of the Company. The instrument appointing the proxy 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 shareholders and other incorporated bodies shareholders 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) 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.
- (c) Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

- (d) The register of members and share transfer books of the Company will remain closed from Thursday, 17th September, 2015 to Thursday, 24th September, 2015, both days inclusive.
- (e) Corporate Members intending to send authorised representative(s) to attend the Annual General Meeting are requested to send a certified copy of the Board Resolution authorising such representative(s) to attend and vote on their behalf at the meeting.
- (f) Members are requested to:
- (i) Intimate to the Company's Registrar & Share Transfer Agent M/s. Sharepro Services (India) Pvt. Ltd., 13 AB Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri - Kurla Road, Sakinaka, Andheri (E), Mumbai - 400 072/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 Annual General Meeting. As a measure of economy, extra copies of the Annual Report will not be available at the meeting.
 - (iv) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business is annexed hereto.
- (g) 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.
- (h) A member desirous of getting any information on the accounts or operations of the Company is required to forward his/her queries to the Company at least seven days prior to the meeting so that the required information can be made available at the Meeting.
- (i) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Sharepro Services (India) Pvt. Ltd.
- (j) 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, H S India Limited, Investor Relation Centre, 912, Raheja Centre, Free Press Journal Road, Nariman Point, Mumbai – 400 021.
- (k) Pursuant to Clause 49 of the Listing Agreement, the particulars of Directors seeking appointment and re-appointment at the meeting are annexed.
- (l) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 26th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services.
- (m) 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.

- (n) The remote e-voting period commences on Monday, 21st September, 2015 (9:00 am) and ends on Wednesday, 23rd September, 2015 (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 Thursday, 17th September, 2015, 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.

I. The process and manner for remote e-voting are as under:

- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
- (i) Open email and open PDF file viz; "HSIL remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting then you can use your existing password for casting the vote. If you have forgot your password, you can reset your password by using "Forget User Details / Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "H S India Limited".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) 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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to csmanishpatel@gmail.com with a copy marked to evoting@nsdl.co.in.
- B. In case a Member receives physical copy of the Notice of 26th AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- (i) Initial password is provided as below at the bottom of the Attendance Slip.
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) as mentioned in A above, to cast vote.

- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

- III. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

- V. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 17th September, 2015.

- VI. Any person, who acquires shares of the Company and becomes member of the Company after the dispatch of the notice and holding shares as on the cut-off date i.e. 17th September, 2015 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.
- VII. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- VIII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- IX. Mr. Manish R Patel (C.P. No. 9360), Company Secretary in Practice at Surat has been appointed as a Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- X. 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 but have not cast their votes by availing the remote e-voting facility.
- XI. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XII. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.hsindia.in and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to Stock Exchanges where the shares of the Company are listed.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF
THE COMPANIES ACT, 2013**

ITEM NO. 4

Mr. Nilkanth Barot (DIN- 06689727) was appointed as an Additional Director of the Company by the Board of Directors pursuant to Section 161 (1) of the Companies Act, 2013 with effect from 30th May, 2015. He holds office only up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member under section 160 of the Companies Act, 2013, signifying his intention to propose Mr. Nilkanth Barot as a candidate for the office of an Independent Director of the Company to hold office for five consecutive years for a term up to 29th May, 2020 and shall not retire by rotation.

Mr. Nilkanth Barot 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. Nilkanth Barot that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement. Mr. Nilkanth Barot possesses appropriate skills, experience and knowledge; inter alia, in the field of Advocate.

In the opinion of the Board, Mr. Nilkanth Barot fulfils the conditions for his appointment as an Independent Director as specified in the Companies Act, 2013 and the Listing Agreement. Mr. Nilkanth Barot is an independent of the management.

Copy of the draft letter for appointment of Mr. Nilkanth Barot as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

The Board recommends the resolution for your approval.

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

ITEM NO. 5

The Board of Directors of the Company (the 'Board'), at its meeting held on 13th August, 2015 has, subject to the approval of members, re-appointed Mr. Pushpendra Bansal (DIN – 00086343) as a Chairman and Joint Managing Director, for a further period of 5 (five) years from the expiry of his present term, which is going to expire on 27th October, 2015.

Mr. Pushpendra Bansal satisfy all the conditions set out in Schedule V to the Act and also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for their re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The Board recommends the resolution for your approval.

Mr. Pushpendra Bansal is related to Mr. Ramesh Bansal and Mrs. Sangeeta Bansal .

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

ITEM NO. 6

The Company has entered into Business Conducting Agreement dated 14.08.2014 with Sai Ram Krupa Hotels Pvt. Ltd. and Lords Sai Ma Hotels Pvt. Ltd. The same has been approved by the Board of Directors in their meeting held on 14th August, 2014.

The particulars of the Transaction in terms of Clause 3 of the Explanation to Rule 15 sub-rule (3) of the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

Sr. No.	Name of Related Parties	Name of Director or Key Managerial Personnel who is related, if any	Nature of Relationship	Nature, Material Terms, Monetary Value and Particulars of the Contract or arrangement
1	Sai Ram Krupa Hotels Pvt. Ltd.	Mr. Pushpedra Bansal Mr. Ramesh Bansal Mrs. Sangeeta Bansal	Director and Member Relative of Mr. Pushpendra Bansal Member	Business Conducting Agreement entered into for a period of 10 years; The Company has given refundable Security Deposit of ₹1215.00 lac; Minimum ₹ 2.50 lac per month shall be paid as Business Conducting Fees to the Company till the subsistence of this Agreement.
2	Lords Sai Ma Hotels Pvt. Ltd.	Mr. Pushpedra Bansal Mr. Ramesh Bansal Mrs. Sangeeta Bansal	Director and Member Relative of Mr. Pushpendra Bansal Relative of Mr. Pushpendra Bansal	Business Conducting Agreement entered into for a period of 10 years; The Company has given refundable Security Deposit of ₹ 512.00 lac; Minimum ₹ 1.00 lac per month shall be paid as Business Conducting Fees to the Company till the subsistence of this Agreement.

All the Transactions with above related parties are entered into in the ordinary course of business of the Company. The aforesaid related parties are at arms' length basis and all factors relevant to the respective contracts have been considered and approved by the Audit Committee and the Board of Directors. For ensuring better corporate governance and as a matter of abundant caution, the approval of the Members is being sought by way of a special resolution.

The Board resolution dated 14th August, 2014 and the Business Conducting Agreement are available for inspection by the Members at the Registered Office of the Company.

It is in the interest of the Company to pass the special resolution. The Board has recommended the resolution and the Audit committee has approved the proposed resolution which is being placed before the Members for their approval.

None of the Directors or Key Managerial Personnel of the Company or their relatives except the following Directors are considered to be interested or concerned in the above resolution.

Name of Related Parties	Mr. Pushpendra Bansal	Mr. Ramesh Bansal	Mrs. Sangeeta Bansal
Sai Ram Krupa Hotels Pvt. Ltd.	63650 equity shares (9.48%)	--	50000 equity shares (7.44%)
Lords Sai Ma Hotels Pvt. Ltd.	9800 equity shares (0.45%)	--	--

By Order of the Board of Directors
For H S INDIA LIMITED

Place: Surat
Date: August 13, 2015

HITESH LIMBANI
Company Secretary
ACS-31531

Registered Office:
A-1, Manish Kaveri, Building No. 18,
Manish Nagar, J. P. Road,
Andheri (West),
Mumbai - 400 053,
Maharashtra.

Annexure to Annual General Meeting Notice

INFORMATION OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING (PURSUANT TO CLAUSE 49 (VII)(E)(I) OF THE LISTING AGREEMENT)									
Name of Director	Date of Birth	Date of Appointment	Expertise in Specific Functional Area	Qualifications	Directorship in other Public Limited Company	Membership of committee in other Public Limited Company	Other Informations	Remarks	
Mr. Pushendra Radheshyam Bansal	15/09/1960	28/10/2005	Construction and Hospitality business	B.E. (Civil)	1. Srijan Holdings Ltd.	—	Chairman and Joint Managing Director	Re-appointing as a Managing Director at the forthcoming Annual General Meeting and Retiring by rotation at the forthcoming Annual General Meeting	—
					2. Lords Inn Hotels and Developers Limited		Shares held : 2851198		
					3. Lords Ishwar Hotels Limited		Relative of Mr. Ramesh Bansal & Mrs. Sangeeta Bansal		
Mr. Ramesh Radheshyam Bansal	04/10/1950	29/09/2005	Export-Import & Hospitality business	B.Sc	Global Granimarmo Limited	—	Managing Director /CFO	—	—
							Shares held : Nil		
Mr. Pradeep Om Dhawan	27/01/1955	02/07/2001	Hospitality business	Graduate from catering college	—	—	Relative of Mr. Pushendra Bansal	—	—
Mr. Bapi Datta	24/10/1958	31/07/2009	Construction business	B.Sc. (Hons.) and B.E. (Civil)	—	—	Shares held : 4115	Resigned w.e.f 30.05.2015	—
Mr. Nimishbhai Kanubhai Shah	02/08/1966	04/04/2014	Technical advise in air conditioning engineering	B.E. (Mechanical)	—	—	Shares held : Nil	—	—
Mrs. Sangeeta Pushendra Bansal	13/12/1963	11/09/2014	Hospitality business	M.Phil.	1. Srijan Holdings Ltd.	—	Non-Executive Promoter	—	—
					2. Lords Inn Hotels and Developers Limited		Director		
					3. Lords Ishwar Hotels Limited		Shares held : 2638000		
Mr. Nilkanth Barot	08/09/1972	30/05/2015	Advocate	LL.B.	—	—	Relative of Mr. Pushendra Bansal	Appointed as an Additional Director w.e.f. 30.05.2015	—
							Shares held : Nil		

DIRECTORS' REPORT

To,
The Members,

Your Directors are pleased to present the 26th Annual Report of your Company together with the Audited Financial Statements and Auditors' Report for the year ended 31st March, 2015.

FINANCIAL RESULTS:

(₹ in Lac)

Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
Total Turnover	2132.32	2020.76
Net Operating Profit	674.52	464.42
Less: Interest & Finance Charges	328.18	115.41
Less: Depreciation	217.18	135.42
Net Profit Before Tax	129.16	213.59
Less : Provision for Taxation		
- Net Current Tax	52.00	67.00
- Deferred Tax	14.60	(24.20)
Net Profit After Tax	62.56	170.79

OPERATIONS:

The total turnover of your Company for the year 2014-15 was increased to ₹ 2132.32 lac as against ₹ 2020.76 lac of the previous year. Net profit before tax of the Company was decreased to ₹ 129.16 lac as against ₹ 213.59 lac of the previous year due to increase in finance cost and Depreciation.

DIVIDEND:

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

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) Rule, 2014 during the year ended 31st March, 2015.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT:

The 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.

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 31st March, 2015, 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 31st March, 2015 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 31st March, 2015, 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 were 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.

MATERIAL CHANGES AND COMMITMENTS:

The Company has not made any material changes and commitments during the year, which affect the financial position of the Company.

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 CFL fittings.

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	2014-15 Amount (₹)	2013-2014 Amount (₹)
Total Foreign Exchange used	1,848,872	17,14,929
Total Foreign Exchange earned	8,869,304	75,19,555

DIRECTORS:

Mr. Ramesh Bansal was appointed as a Managing Director of the Company for a further period of 5 years w.e.f. 1st August, 2014.

As per the provisions of Section 149 and other applicable provisions, if any, of the Companies Act, 2013, Mrs. Sangeeta Bansal was appointed as a director of the Company w.e.f. 11th September, 2014 and liable to retire by rotation.

As per the provision of Section 149 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Nimish Shah was appointed as an Independent Director of the Company for a period of 5(five) consecutive years with effect from the date of 25th Annual General Meeting and shall not retire by rotation.

Mr. Sanjay Mangal and Mr. Manbir Singh Chhabra had resigned from the Directorship of the Company with effect from 4th April, 2014. And Mr. Bapi Datta had also resigned from the Directorship of the Company with effect from 30th May, 2015. The Board of Directors places on record its feeling of appreciation for the valuable contribution made by them during their tenure.

Mr. Nilkanth Barot was appointed as an Additional Director of the Company w.e.f. 30th May, 2015 and holds office upto the date of this ensuing Annual General Meeting. As per the provision of Section 149 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Nilkanth Barot is proposed to be appointed as an Independent Director of the Company for a period of 5(five) consecutive years with effect from the date of his appointment as an Additional director i.e. 30th May, 2015 upto the date 29th May, 2020 and shall not retire by rotation.

Mr. Pushpendra Bansal, Chairman and Joint Managing Director of the Company liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

Mr. Pushpendra Bansal, whose term of appointment is going to expire on 27th October, 2015, has been reappointed by the Board in their meeting held on 13th August, 2015 as a Chairman and Joint Managing Director of the Company for a further period of 5 years w.e.f. 28th October, 2015.

Their particulars are enclosed as an Appendix to the Notice convening the Twenty Sixth Annual General Meeting.

KEY MANAGERIAL PERSONNEL:

Mr. Ramesh Bansal, Chief Financial Officer of the Company was appointed as a Key Managerial Personnel during the financial year 2014-15 in accordance with the Section 203 of the Companies Act, 2013.

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 Clause 49 of the Listing Agreement.

FAMILIARISATION PROGRAM TO INDEPENDENT DIRECTORS:

As per Clause 49 of the Listing Agreement, 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.

LISTING ON STOCK EXCHANGE:

The Company's shares are listed with the Bombay Stock Exchange Limited and the Company has paid the necessary listing fees for the Financial Year 2015-16.

EXTRACT OF ANNUAL RETURN:

As per Section 134 (3) (a) of the Companies Act, 2013, the extract of the Annual Return in form MGT-9 is annexed as **Annexure I**.

BOARD MEETINGS:

During the year under review, 6 (Six) Board Meetings were held and the intervening gap between the meetings did not exceed the period prescribed under the Act, the details of which are given in the Corporate Governance Report.

Besides the above, several Committee Meetings of the Board were held during the financial year 2014-15, the details of which are given in the Corporate Governance Report.

AUDIT COMMITTEE:

Details pertaining to the composition of Audit Committee are included in the Corporate Governance Report.

BOARD EVALUATION:

Pursuant to the provisions of Companies Act, 2013 and clause 49 of the listing agreement, 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 are 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.

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.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. All Related Party Transactions are placed before the Audit Committee and the Board for approval. Policy on Transactions with Related Parties as approved by the Board is uploaded on the Company's website www.hsindia.in.

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2 are annexed as **Annexure- II**.

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.

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 Clause 49 of the Listing Agreement to deal with instances of fraud and mismanagement, if any. The Vigil Mechanism / Whistle Blower Policy is uploaded on the Company's website www.hsindia.in.

PARTICULARS OF EMPLOYEES:

Particulars of employees as required Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not annexed since there are no employees drawing remuneration of more than ₹60,00,000/- per annum during the year under review, if employed for full year or more than ₹5,00,000/- per month, if employed for part of the year.

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-III**.

STATUTORY AUDITORS:

M/s. PARY & Co., Chartered Accountants (FR. No.-007288C), Statutory Auditors of the Company, hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received letter from them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified for re-appointment. The report of the Statutory Auditors along with the notes to Schedules is enclosed to this report and does not contain any qualification, reservation or adverse remark or disclaimer.

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 2014-15. The Secretarial Audit Report is annexed herewith as **Annexure IV**. The report does not contain any qualifications, reservation or adverse remarks.

CORPORATE GOVERNANCE:

As required by Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited, a separate section on Corporate Governance together with a certificate from the Company's Auditors confirming compliance is given in the annexure forming part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis Report is attached separately to this report.

RISK MANAGEMENT POLICY:

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 to business goals and objectives and to enhance the value of stakeholders.

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

The Company has zero tolerance for sexual harassment at its workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under for prevention and redressal of complaints of sexual harassment at workplace. During the year under review, the Company has not received any complaint on sexual harassment.

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.

ACKNOWLEDGEMENTS:

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: Surat
Date : August 13, 2015

PUSHPENDRA BANSAL
Chairman & Jt. Managing Director
DIN-00086343

Registered Office:
A-1, Manish Kaveri, Building No. 18,
Manish Nagar, J. P. Road,
Andheri (West), Mumbai - 400 053,
Maharashtra

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 31/03/2015

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	Address of Registered office & contact details	
	Address:	A-1, Manish Kavcri, Buliding No. 18, Manish Nagar, J. P. Road, Andheri (W),
	Town / City:	Mumbai
	State:	Maharashtra - 400053
	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	Name and Address of Registrar & Transfer Agents (RTA)	
	Name of RTA:	SHAREPRO SERVICES (INDIA) PVT. LTD.
	Address:	13 AB Samhita Warehousing Complex, 2 nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri-Kurla Road, Sakinaka,
	Town / City:	Andheri (E), Mumbai,
	State:	Maharashtra
	Pin Code:	400072
	Telephone:	91-22-6772 0300/400
	Fax Number:	91-22-2859 1568
	Email Address:	sharepro@shareproservices.com

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Rooms	55101	45.72%
2	Restaurants	56101	8.65%
3	Wine and Liquor	47221	31.98%
4	Banquets and others	56210	13.65%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of shares held	Applicable Section
1	Kesar Motels Pvt. Ltd. Flat No. 1302, Manish Tower, Manish Nagar, J. P. Road, Andheri (W), Mumbai - 400 053, Maharashtra	U55200MH1993PTC073353	ASSOCIATE	25.54%	2 (6)

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	
A. Promoters									
(1) Indian									
a) Individual/HUF	5935298	0	5935298	36.55	5935298	0	5935298	36.55	0.00
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									
Sub-total (A) (1)	6333752	0	6333752	39.00	6333752	0	6333752	39.00	0.00
(2) Foreign									
a) NRI - Individual/									
b) Other - Individual/									
c) Bodies Corp.									
d) Banks / FI									
e) Any Others									
Sub-total (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A) (1)+(A) (2)	6333752	0	6333752	39.00	6333752	0	6333752	39.00	0.00
B. Public Shareholding									
1. Institutions									

a) Mutual Funds									
b) Banks / FI	250849	0	250849	1.55	0	0	0	0.00	-1.55
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-	250849	0	250849	1.55	0	0	0	0.00	-1.55
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	627686	800	628486	3.88	606072	800	606872	3.74	-0.14
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1761861	119120	1880981	11.58	1875225	121320	1996545	12.30	0.72
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	6331698	695869	7027567	43.28	6575615	695869	7271484	44.78	1.50
c) Others Specify									
(c-i) Independent Directors	91115	0	91115	0.56	4115	0	4115	0.03	-0.53
(c-ii) Non-Residence (Non-Rcp)	2156	0	2156	0.01	2156	0	2156	0.01	0.00
(c-iii) Non-Residence(Rcp)	23494	0	23494	0.14	23476	0	23476	0.14	0.00
Sub-total B(2):-	8838010	815789	9653799	59.45	9086659	817989	9904648	61.00	1.55
Total Public Shareholding (B)=(B)(1)+(B)(2)	9088859	815789	9904648	61.00	9086659	817989	9904648	61.00	0.00
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	15422611	815789	16238400	100.00	15420411	817989	16238400	100.00	0.00

ii Shareholding of Promoters

Sl No.	Shareholder's Name	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	3.34	2851198	17.56	15.40	0.00
2	Sangceta P Bansal	2838000	17.48	0.00	2838000	17.48	0.00	0.00
3	Srijan Holdings Limited	398454	2.45	0.00	398454	2.45	0.00	0.00
4	Suresh T Patel	144640	0.89	0.00	144640	0.89	0.00	0.00
5	Hansaben S Patel	45920	0.28	0.00	45920	0.28	0.00	0.00
6	Rahul S Patel	29620	0.18	0.00	29620	0.18	0.00	0.00
7	Trushar S Patel	25920	0.16	0.00	25920	0.16	0.00	0.00
	TOTAL	6333752	39.00	3.34	6333752	39.00	15.40	0.00

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

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year				
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	No changes during the year			
At the End of the year				

iv Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.: 1 - Mehinder Sharma	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	650000	4.00		
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	No changes during the year			
At the End of the year (or on the date of separation, if separated during the year)	650000	4.00		

Sl. No.: 2 -Poonam Sharma	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	650000	4.00		
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	No changes during the year			
At the End of the year (or on the date of separation, if separated during the year)	650000	4.00		

Sl. No.: 3 -Vikas Suri	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	650000	4.00		
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	No changes during the year			
At the End of the year (or on the date of separation, if separated during the year)	650000	4.00		

Sl. No.: 4 -Vinod Dalvi	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	650000	4.00		
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	No changes during the year			
At the End of the year (or on the date of separation, if separated during the year)	650000	4.00		

Sl. No.: 5 - Anil Dhimmar	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	278800	1.72		
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	No changes during the year			
At the End of the year (or on the date of separation, if separated during the year)	278800	1.72		

Sl. No.: 6 - Shrirang Jadhav	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	271289	1.67		
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	No changes during the year			
At the End of the year (or on the date of separation, if separated during the year)	271289	1.67		

Sl. No.: 7 - Virendra Mistry	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	250000	1.54		
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	No changes during the year			
At the End of the year (or on the date of separation, if separated during the year)	250000	1.54		

Sl. No.: 8 - Rich Udyog Network Ltd.	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	248830	1.53		
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	No changes during the year			
At the End of the year (or on the date of separation, if separated during the year)	248830	1.53		

Sl. No.: 9- Uma Gupta	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	234300	1.44		
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	No changes during the year			
At the End of the year (or on the date of separation, if separated during the year)	234300	1.44		

Sl. No.: 10 - Ajay Sahoo	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	231500	1.43		
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	No changes during the year			
At the End of the year (or on the date of separation, if separated during the year)	231500	1.43		

V Shareholding of Directors and Key Managerial Personnel:

Sl. No.: 1 :- Pushendra Bansal (Chairman & Jt. MD)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	2851198	17.56		
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	No changes during the year			
At the End of the year	2851198	17.56		

Sl. No.: 2 :- Ramesh Bansal (Managing Director / CFO)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	0	0		
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	No changes during the year			
At the End of the year	0	0.00		

Sl. No.: 3 :- Sangeeta Bansal (Director)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	2838000	17.48		
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	No changes during the year			
At the End of the year	2838000	17.48		

Sl. No.: 4 :- Pradeep Dhawan (Director)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	4115	0.03		
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	No changes during the year			
At the End of the year	4115	0.03		

Sl. No.: 5 :- Nimish Shah (Director)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	0	0		
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	No changes during the year			
At the End of the year	0	0.00		

Sl. No.: 6 :- Bapi Datta (Director)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	0	0		
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	No changes during the year			
At the End of the year	0	0.00		

Sl. No.: 7 :- Hitesh Limbani (Company Secretary)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	0	0		
Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity, etc.)	No changes during the year			
At the End of the year	0	0.00		

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
i) Principal Amount	0	46970039	0	46970039
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	46970039	0	46970039
Change in Indebtedness during the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
* Addition	300000000	0	0	300000000
* Reduction	-180000000	-46970039	0	-64970039
Net Change	282000000	-46970039	0	235029961
Indebtedness at the end of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
i) Principal Amount	282000000	0	0	282000000
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	96575	0	0	96575
Total (i+ii+iii)	282096575	0	0	282096575

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		Total Amount
		Pushpendra Bansal (Chairman & Jt. Managing Director)	Ramesh Bansal (Managing Director)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1800000	180000	1980000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Swcat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	1800000	180000	1980000

Remuneration to Managing Directors was within the Ceiling as per the Companies Act, 2013.

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

Sl. no.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Pradeep Dhawan	Mr. Nimish Shah	Mr. Bapi Datta	
1	Independent Directors				-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors	Mrs. Sangeeta Bansal	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration (A+B)				1,980,000

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

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	345369	-	345369
	(b) Value of perquisites u/s 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	-	-	-	-
	Total	-	345369	-	345369

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

Annexure-II

Form No. AOC-2

[pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY

This Form pertains to the disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered in to during the year ended 31st March, 2015, which were not at arm's length basis.

Details of material contracts or arrangement or transactions at arm's length basis:

The details of material contracts or arrangement or transactions are entered into in the ordinary course of business and at arm's length basis for the year ended 31st March, 2015 are as follows:

(₹ In lac)

Name of Related Parties	Nature of Relationship	Nature of contracts/arrangements/transactions	Duration of Contracts/arrangements/transactions	Salient terms of the contracts/arrangement/transactions including the value, if any	Date of approval by the Board, if any	Amount paid as advance, if any
Sai Ram Krupa Hotels Pvt. Ltd.	Group Company	Business Conducting Agreement (BCA)	10 years	Security Deposit of ₹ 1215.00 was given and Minimum BCA fees ₹ 2.50 per month	14.08.2014	-
Lords Sai Ma Hotels Pvt. Ltd.	Group Company	Business Conducting Agreement (BCA)	10 years	Security Deposit of ₹ 512.00 was given and Minimum BCA fees ₹ 1.00 per month	14.08.2014	-

For and on behalf of the Board of Directors

Place: Surat
Date : August 13, 2015

PUSHPENDRA BANSAL
Chairman & Jt. Managing Director
DIN-00086343

Annexure-III

**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 Company Secretary during the financial year 2014-15, ratio of each director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

(₹ In Lac)

Sr. No.	Name of Director / KMP and Designation	Remuneration of Director/ KMP for financial year 2014-15	% increase in Remuneration in the financial year 2014-15	Ratio of remuneration of each Director to median remuneration of employees	Comparison of the Remuneration of KMP against performance of the Company
1	Mr. Pushpendra Bansal Chairman and Joint Managing Director	18.00	Nil	22.5	Total Income of the Company for the year 2014-15 was increased to ₹ 2132.32 Lac as against ₹ 2020.76 Lac of the previous year 2013-14. Net profit before tax decreased by ₹ 84.43 Lac in 2014-15.
2	Mr. Ramesh Bansal Managing Director	1.80	Nil	2.25	
3	Mr. Hitesh Limbani Company Secretary	3.45	38.46%	4.31	

- (ii) The Median Remuneration of employees of the Company during the financial year was ₹ 0.80 Lac.
- (iii) In the Financial year 2014-15, there was increase of 11.25 % in the median of remuneration of employees.
- (iv) As on 31.03.2015, there were 191 permanent employees on the rolls of the Company.
- (v) Relationship between average increase in remuneration and Company Performance – The Profit before tax of ₹ 129.16 Lac for the financial year 2014-15 is lower as compared to the previous financial year profit before tax of ₹ 213.59 Lac, whereas the increase in median remuneration was 11.25 %. The average increase in median remuneration was in line with the performance of the Company and Market conditions.
- (vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company – The total remuneration of Key Managerial Personnel increased from ₹ 2.49 Lac in 2013-14 to ₹ 3.45 Lac in 2014-15 whereas the Total Income of the Company for the year 2014-15 was increased to ₹ 2132.32 Lac as against ₹ 2020.76 Lac of the previous year 2013-14. Net profit before tax decreased by ₹ 84.43 Lac in 2014-15.
- (vii) Variations in the market capitalizations of the Company: The Market Capitalization was increased by 8.31% to ₹ 656.03 Lac as on 31.03.2015 from ₹ 605.69 Lac as on 31.03.2014.
- (viii) Price Earnings Ratio: Price Earnings Ratio was 10.36 as on 31.03.2015 which was increased by 191.61%, as compared to as on 31.03.2014.

- (ix) Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year i.e. 2014-15 was 6.99 %.
- (x) The Key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.
- (xi) During the financial year 2014-15, no employee received remuneration in excess of highest paid Director.
- (xii) It is hereby affirmed that the remuneration is as per the remuneration policy for Directors, Key Managerial Personnel and other employees.

Annexure-IV

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015
[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)
A-1, Manish Kaveri,
Building No. 18,
Manish Nagar, J. P. Road,
Andheri (W), 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 **31st March, 2015**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2015** according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

5. 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, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
6. Food Safety and Standards Act, 2006

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (Not applicable to the Company during the audit period).
- (ii) The Listing Agreement entered into by the Company with Stock Exchanges.

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 while the dissenting members' views are captured and recorded 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 audit period, the Company has taken following 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:

- (i) The Shareholders of the Company, at their 25th Annual General Meeting held on 11th September, 2014, have accorded the powers to the Board of Directors to borrow and create the mortgage/charge on the assets of the Company upto a sum of ₹ 225 Crores pursuant to Section 180 of the Companies Act, 2013.
- (ii) The Company has entered into "Business Conducting Agreement" in ordinary course of business with two Related Parties on 14th August, 2014. As per the agreement, the Company has paid refundable Security Deposits aggregating of ₹ 17.27 Crores.

Place: Surat
Date: August 13, 2015

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.

Annexure A of Secretarial Audit Report

To,
The Members,
H S India Limited
(CIN : L55100MH1989PLC053417)
A-1, Manish Kaveri,
Building No. 18,
Manish Nagar, J. P. Road,
Andheri (W), Mumbai – 400 053
Maharashtra

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our 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.

Place: Surat
Date: August 13, 2015

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

**ANNEXURE TO THE DIRECTORS' REPORT
MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

BUSINESS ENVIRONMENT, INDUSTRY STRUCTURE & DEVELOPMENTS:

The Indian tourism and hospitality industry has emerged as one of the key drivers of growth among the services sector in India. Tourism in India is a potential game changer. It is a sun rise industry, an employment generator, a significant source of foreign exchange for the country and an economic activity that helps local and host communities.

The value of the brand to the consumer, the growth in emerging markets, the importance of consumer-facing technology, and development and retention of human capital have helped shape the tourism industry over the past five years.

India has a diverse portfolio of niche tourism products - cruises, adventure, medical, wellness, sports, MICE, eco-tourism, film, rural and religious tourism. India has been recognised as a destination for spiritual tourism for domestic and international tourists. In addition, the launch of several branding and marketing initiatives by the Government of India such as Incredible India! and Athiti Devo Bhava provides a focused impetus to growth.

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.

Domestic tourism is an important segment of the overall tourist scenario although no reliable data are available in this regard. It is relatively easy to keep record of foreign tourists as they are registered at entry points like international airports which are not possible in case of domestic tourists.

It may be emphasised here that domestic tourism is no less pronounced than the foreign tourism. In fact, domestic tourists far outnumber foreign tourists. This is by far the largest segment of market with a potential of 20 crore local tourists travelling annually.

It is domestic tourism which fosters a sense of unity in the otherwise diverse environment of the country and contributes to national integration. Even if 10 per cent of the population travels outside the native state, it involves a massive movement of over 10 crore people who develop the feeling that they are travelling within their own country.

Domestic tourism has increased considerably during the last couple of decades. The improved economy and greater exposure through mass media have developed increasing awareness among the people about tourism; a new dimension to their life style.

FINANCIAL AND OPERATIONAL PERFORMANCE:

The Total Turnover of your Company for the year 2014-15 was increased to ₹ 2132.32 lac as against ₹ 2020.76 lac of the previous year. Net profit before tax of the Company was decreased to

₹ 129.16 lac as against ₹ 213.59 lac of the previous year due to increase in finance cost and Depreciation.

FUTURE PROSPECTS:

The hotel sector forms the key segment of tourism industry. Most of the foreign exchange earned by tourist industry is accounted for by hotel segment. Realising the importance of hotel segment, the Government has taken initiatives to encourage hotel industry by providing tax benefits and other incentives. The Industrial Policy has now placed the hotels and tourism related activities as a priority industry. Foreign investment and collaborations are now facilitated under the new economic policy.

However, your Company continues 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.

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.

HUMAN RESOURCE DEVELOPMENT:

The manpower employed in your Company for 2014-15 was 193 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.

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.

ANNEXURE TO THE DIRECTORS' REPORT CORPORATE GOVERNANCE REPORT

Pursuant to Clause 49 of the Listing Agreement, given below is a report on the corporate governance in the Company.

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

The present strength of the Board of Directors of the Company is 6 Directors of which 2 Directors are Executive Directors, 1 is Non-executive Director and 3 Directors are Non Executive Independent Directors, with the Chairman as an Executive Promoter Director. The numbers of Non Executive/Independent Directors are more than 50% of the total number of the Directors.

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

6 (Six) Board Meetings were held during the financial year 2014-15. The dates on which the said meetings were held are as follows:

1. April 04, 2014	2. May 30, 2014	3. August 14, 2014
4. September 30, 2014	5. November 14, 2014	6. February 13, 2015

During the year 2014-15, the separate meeting of the Independent Directors was held on 13.02.2015, as required under Schedule IV of the Companies Act, 2013 and Clause 49 II B(6) of the listing agreement without the presence of non-independent directors and other members of the management.

The last Annual General Meeting of the Company was held on September 11, 2014.

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
			Board Meetings	Last AGM	
Mr. Pushendra Bansal	Chairman & Joint Managing Director	ED	6	Yes	2851198
Mr. Ramesh Bansal	Managing Director	ED	6	No	Nil
Mrs. Sangeeta Bansal	Director	NED	3	Yes	2838000
Mr. Nimish Shah *	Director	NED (I)	6	No	Nil

Mr. Pradeep Dhawan	Director	NED (I)	6	Yes	4115
Mr. Bapi Datta@	Director	NED (I)	6	Yes	Nil
Mr. Nilkanth Barot#	Additional Director	NED (I)	N.A.	N.A.	Nil

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

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

Name of the Director	No. of other Public Limited Company in which Director	No. of Committees in which Member (other than H S India Ltd.) §	No. of Committees in which Chairman (other than H S India Ltd.) §
Mr. Pushendra Bansal	3	--	--
Mr. Ramesh Bansal	1	--	--
Mrs. Sangeeta Bansal	3	--	--
Mr. Nimish Shah*	--	--	--
Mr. Pradeep Dhawan	--	--	--
Mr. Bapi Datta @	--	--	--
Mr. Nilkanth Barot#	--	--	--

* Appointed as a Director w.e.f. 04.04.2014.

@ Ceased as a Director w.e.f. 30.05.2015.

Appointed as an Additional Director w.e.f. 30.05.2015.

§ In accordance with the Explanation (ii) of Clause 49 (II)(D)(2) of the Listing Agreement, Membership/Chairmanship of only Audit Committees and Stakeholders' Relationship Committees of all Public Limited Company (excluding H S India Limited) have been considered.

None of the Directors holds office in more than 20 companies and in more than 10 public companies.

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.

The Company has a process to provide, inter-alia, the information to the Board as required under Annexure X to clause 49 of the listing agreement pertaining to Corporate Governance.

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.

Code of Conduct

The Board has laid down a code of conduct for Board Members and senior management staff of the Company. The Board Members and senior management staff have affirmed compliance with the said Code of Conduct. The Annual report of the Company contains certificate duly signed by the Managing Director in this regard.

Note on Directors seeking appointment/re-appointment:

Mr. Ramesh Bansal was appointed as a Managing Director of the Company for a further period of 5 years w.e.f. 1st August, 2014.

As per the provisions of Section 149 and other applicable provisions, if any, of the Companies Act, 2013, Mrs. Sangeeta Bansal was appointed as a director of the Company w.e.f. 11th September, 2014 and liable to retire by rotation.

As per the provision of Section 149 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Nimish Shah was appointed as an Independent Director of the Company for a period of 5(five) consecutive years with effect from the date of 25th Annual General Meeting and shall not retire by rotation.

Mr. Sanjay Mangal and Mr. Manbir Singh Chhabra had resigned from the Directorship of the Company with effect from 4th April, 2014. And Mr. Bapi Datta had also resigned from the Directorship of the Company with effect from 30th May, 2015. The Board of Directors places on record its feeling of appreciation for the valuable contribution made by them during their tenure.

Mr. Nilkanth Barot was appointed as an Additional Director of the Company w.e.f. 30th May, 2015 and holds office upto the date of this ensuing Annual General Meeting. As per the provision of Section 149 and other applicable provisions, if any, of the Companies Act, 2013, Mr. Nilkanth Barot is proposed to be appointed as an Independent Director of the Company for a period of 5(five) consecutive years with effect from the date of his appointment as an Additional director i.e. 30th May, 2015 upto the date 29th May, 2020 and shall not retire by rotation.

Mr. Pushendra Bansal, Chairman and Joint Managing Director of the Company liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.

Mr. Pushendra Bansal, whose term of appointment is going to expire on 27th October, 2015, has been reappointed by the Board in their meeting held on 13th August, 2015 as a Chairman and Joint Managing Director of the Company for a further period of 5 years w.e.f. 28th October, 2015.

Their particulars are enclosed as an Appendix to the Notice convening the Twenty Sixth 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.

During the financial year 2014-15, the Audit Committee met 5 (Five) times on May 30, 2014, August 14, 2014, September 30, 2014, November 14, 2014 and February 13, 2015. The Committee, at these meetings reviewed the financial reporting system and unaudited financial results for the first three quarters.

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

Name	Designation	Category	No. of Meeting attended
Mr. Pradeep Dhawan	Chairman	NED (I)	5
Mr. Nimish Shah*	Member	NED (I)	5
Mr. Ramesh Bansal	Member	ED	5

*Appointed as a Director /member w.e.f. 04.04.2014.

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.

During the financial year 2014-15, the Nomination and Remuneration Committee met 4 (Four) times on April 04, 2014, May 30, 2014, August 14, 2014 and September 30, 2014.

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

Name	Designation	Category	No. of Meeting attended
Mr. Pradeep Dhawan	Chairman	NED (I)	4
Mr. Nimish Shah*	Member	NED (I)	4
Mr. Bapi Datta @	Member	NED (I)	4
Mr. Nilkanth Barot #	Member	NED (I)	N.A.

* Appointed as a Director /member w.e.f. 04.04.2014.

@Ceased as a Director /member w.e.f. 30.05.2015.

#Appointed as an Additional Director /member w.e.f. 30.05.2015.

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 March 31, 2015, your Company has paid remuneration to its Executive Directors as under:

Name & Designation of Director	Salary (in ₹)	Perquisites (in ₹)
Mr. Pushendra Bansal, Chairman & Jt. Managing Director	18,00,000	Nil
Mr. Ramesh Bansal, Managing Director	1,80,000	Nil

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 at ending of 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.

5. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee was constituted for redressal of stakeholders' complaints like transfer of shares, non-receipt of annual report, non-receipt of dividend, etc. During the year, one Stakeholders Relationship Committee meeting was held on August 14, 2014.

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

Name	Designation	Category	No. of Meeting attended
Mr. Pradeep Dhawan	Chairman	NED (I)	1
Mr. Nimish Shah*	Member	NED (I)	1
Mr. Bapi Datta @	Member	NED (I)	1
Mr. Nilkanth Barot #	Member	NED (I)	N.A.

*Appointed as a Director /member w.e.f. 04.04.2014.

@Ceased as a Director /member w.e.f. 30.05.2015.

#Appointed as an Additional Director /member w.e.f. 30.05.2015.

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

During the year, the company has not received any shareholders'/investors' complaints. There was no outstanding complaint as on March 31, 2015.

6. RISK MANAGEMENT COMMITTEE:

The Risk Management Committee was constituted for risk assessment and risk minimization in the Company comprising Mr. Pushendra Bansal as a Chairman with Mrs. Sangeeta Bansal and Mr. Nimish Shah as the other members. During the year, one Risk Management committee meeting was held on 14th November, 2014. All the members were present in the meeting.

7. GENERAL BODY MEETINGS

(A) General Meeting

(i) Annual General Meeting:

Details	Date	Time	Venue
Annual General Meeting 2013-14	September 11, 2014	9.30 A.M.	'Kalash', Dhake Colony, J. P. Road, Andheri (W), Mumbai - 400 053, Maharashtra.
Annual General Meeting 2012-13	August 30, 2013	10.00 A.M.	
Annual General Meeting 2011-12	September 25, 2012		

- (ii) Extraordinary General Meeting:
During the year, No Extraordinary General Meeting was held.

(B) Special Resolution

A. At the 23rd Annual General Meeting of the Company held on September 25, 2012, two Special Resolutions were passed –

- (i) For payment of remuneration to Mr. Pushpendra Bansal, Chairman & Jt. Managing Director, in the event of loss or inadequate profits in any financial year during his remaining period of 3 years w.e.f. 28th October, 2012.
- (ii) For payment of remuneration to Mr. Ramesh Bansal, Managing Director, in the event of loss or inadequate profits in any financial year during his remaining period of 2 years w.e.f. 1st October, 2012.

B. At the 24th Annual General Meeting of the Company held on August 30, 2013, one Special Resolutions was passed –

- (i) For Investment in Equity Shares of Lords Oriental Resorts Developers (Silvassa) Pvt. Ltd. and Lords Varam Hotels Pvt. Ltd.

C. At the 25th Annual General Meeting of the Company held on September 11, 2014, three Special Resolutions were passed –

- (i) For authority to the Board of Directors to borrowed money under section 180(1) (c) of the Companies Act, 2013.
- (ii) For approval of creation of charge/security over the assets/undertaking of the company in respect of borrowings.
- (iii) For adoption of new Articles of Association of the Company.

(C) Postal Ballot

During the year, No Postal Ballot was conducted.

8. 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 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 Clause 49 of the Listing Agreement.

- (v) Pursuant to Clause 49 (IX) of the Listing Agreement, the Board has received Chairman and Joint Managing Director and CFO certificate for the Financial Year ended March 31, 2015.

9. MEANS OF COMMUNICATION

The Company regularly published its quarterly, half yearly and annual results in The Financial Express in English and Jantecha Mahanayak in Marathi. Additionally, the results and other important financial information are also periodically updated on the Company's website viz. www.hsindia.in. Hence, the results are not sent to all Shareholders.

All periodical compliance filings like Shareholding Pattern, Corporate Governance Report, Financial Result, etc., are also being filed electronically with the new portal "BSE Listing Centre" launched by BSE Ltd.

The Management Discussion and Analysis Report is appended elsewhere and forms an integral part of the Annual Report.

10. GENERAL SHAREHOLDER INFORMATION

1.	Annual General Meeting		
	Date and Time	September 24, 2015 at 9:30 a.m.	
	Venue	'Kalash', Dhake Colony, J. P. Road, Andheri (West), Mumbai-400053	
2.	Financial Calendar 2015-16	Financial Calendar	Financial reporting by
		For the quarter ending June, 2015	mid of August, 2015
		For the quarter ending September, 2015	mid of November, 2015
		For the quarter ending December, 2015	mid of February, 2016
		For the quarter ending March, 2016	mid of May, 2016
		Annual General Meeting for 2015-16	end of September, 2016
3.	Book closure date	17.09.2015 to 24.09.2015 (both days inclusive)	
4.	Dividend Payment Date	No Dividend has been recommended.	
5.	Registered Office of the company	A-1, Manish Kaveri, Building No. 18, Manish Nagar, J. P. Road, Andheri (West), Mumbai – 400 053, Maharashtra. E-mail: hsindialimited@gmail.com Website : www.hsindia.in	
6.	Listing on Stock Exchanges	Bombay Stock Exchange Limited, Mumbai	
7.	Annual listing	Duly paid for the year 2015-16	
8.	Stock Code		
	(a) Trading Symbol at	Bombay Stock Exchange Limited, Mumbai	
	(b) Demat ISIN Numbers in NSDL & CDSL	Equity Shares INE731B01010	532145/HOTLSILV
9.	Stock Market Data	The Bombay Stock Exchange Ltd.	
		High (₹)	Low (₹)
	April, 2014	4.31	3.60
	May, 2014	4.73	3.58
	June, 2014	6.25	4.30
	July, 2014	5.35	4.34
	August, 2014	5.41	4.29
	September, 2014	5.50	3.87
	October, 2014	5.00	3.31
	November, 2014	6.19	4.26
	December, 2014	6.45	3.99
	January, 2015	4.64	4.05
	February, 2015	4.89	4.10
	March, 2015	4.70	4.04
10.	Share Price Performance compared with broad based indices		
		H S India Limited	BSE
	As on 1 st April, 2014	3.60	22446.44
	As on 31 st March, 2015	4.04	27957.49
	Change (%)	12.22%	24.55%

11. A. Distribution of Shareholding as on 31 st March, 2015:				
No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 – 500	1750	64.98	374553	2.31
501-1000	405	15.04	357137	2.20
1001-2000	208	7.73	340459	2.10
2001-3000	86	3.19	218357	1.34
3001-4000	42	1.56	146304	0.90
4001-5000	44	1.64	205779	1.27
5001-10000	65	2.41	462523	2.85
10001 & above	93	3.45	14133288	87.03
GRAND TOTAL	2693	100.00	16238400	100.00
Physical Mode	225	8.35	817989	5.04
Electronic Mode	2468	91.65	15420411	94.96

B. Category of Shareholders as on 31 st March, 2015:				
Category Code	Category of Shareholders	No. of Shareholders	Total Number of Shares	As a Percentage of (A+B+C)
(A)	Shareholding of Promoter & promoter Group			
(1)	Indian	7	6333752	39.00
(2)	Foreign	0	0	0.00
	Sub-Total (A)	7	6333752	39.00
(B)	Public Shareholding			
(1)	Institutions			
(2)	Non-Institutions			
	- Bodies Corporate	80	606872	3.74
	- Individuals	2598	9268029	57.08
	- Independent Director	1	4115	0.03
	- NRI's/OBC's/Foreign National	7	25632	0.15
	Sub-Total (B)	2686	9904648	61.00
(C)	Shares held by Custodians and against which Depository Receipt has been issued			
		0	0	0.00
	Sub-Total (C)	0	0	0.00
	GRAND TOTAL (A)+(B)+(C)	2693	16238400	100.00

12. Dematerialization of Shares : As on March 31, 2015, 1,54,20,411 equity shares constituting 94.96% of the Equity Share Capital of the Company stand dematerialized.

13. Outstanding GDRs/ ADRs/Warrants or any Convertible Instruments : The Company has not issued GDRs/ADRs. As on March 31, 2015, no Warrants/Convertible Instruments outstanding for conversion.

14. Hotel Location : Lords Plaza
Opp. Linear Bus Stand,
Ring Road, Surat – 395 003.
e-mail : hsindialimited@gmail.com

15.	Address for Correspondence	<p>For Shares held in Physical and Demat Form: M/s. SHAREPRO SERVICES (INDIA) PVT. LTD. Unit: (H S India Limited) <u>Registered Office:-</u> 13 AB Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri-Kurla Road, Sakinaka, Andheri (E), Mumbai - 400 072 e-mail : sharepro@shareproservices.com Tel. No. 022-67720300 / 400 Fax No. 022-28591568</p> <p><u>Investor Relation Centre:</u> 912, Raheja Centre, Free Press Journal Road, Nariman Point, Mumbai – 400 021 Tel. No. 022-66134700</p>
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11. RECONCILIATION OF SHARE CAPITAL AUDIT:

In keeping with the requirements of the SEBI and Bombay Stock Exchange 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. SECRETARIAL STANDARARD ISSUED BY INSTITUTE OF COMPANY SECRETARIES OF INDIA:

The Institute of Company Secretaries of India (ICSI), one of the premier professional bodies in India, has established Secretarial Standards relating to the Meetings to the Board thereof and Annual General Meetings. Approval of the Central Government under sub-section (10) of Section 118 of the Companies Act, 2013 has been accorded to the Secretarial Standards (SS) namely SS-1 on the meetings of the Board and SS-2 on General Meeting.

These Secretarial Standards (SS-1 & SS-2) shall apply to Board meetings and General Meetings, in respect of which notices are issued on or after 1st July, 2015. The Company shall follow the same.

CEO/CFO CERTIFICATION

To,
The Board of Directors
H S India Limited
A-1, Manish Kavcri, Building No. – 18,
Manish Nagar, J. P. Road,
Andheri (W), Mumbai – 400 053.

We hereby certify that:

- (a) We have reviewed the financial statements and cash flow statement for the year ended March 31, 2015 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 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: Surat
Date :August 13, 2015

PUSHPENDRA BANSAL
Chairman & Jt. Managing Director
DIN – 00086343

RAMESH BANSAL
Managing Director/CFO
DIN -00086256

To,
The Members of
H S INDIA LIMITED

It is hereby certified and confirmed that as provided in clause 49 II(E) of the Listing Agreement with the Stock Exchange, the Board members and the senior management personnel of the Company have affirmed compliance with the code of conduct of the Company for the financial year ended March 31, 2015.

FOR H S INDIA LIMITED

Place: Surat
Date: August 13, 2015

PUSHPENDRA BANSAL
Chairman and Jt. Managing Director
DIN – 00086343

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

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 March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.
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 Agreement.
4. We state that no investor grievance is pending for a period exceeding one month against the Company as per the records and other documents maintained by the Shareholders'/Investors' Grievance Committee.
5. 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 – 395002 (Gujarat)

Place : Surat
Date : August 13, 2015

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 **March 31, 2015**, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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 and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these financial statements.

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:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at **March 31, 2015**;
- b) In the case of the Statement of Profit and Loss, of the **Profit** for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2015 (the "Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act.
 - f) 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.

For PARY & CO.
Chartered Accountants
FRN: 007288C

AKASH GAGLANI
Partner
Membership No.: 114255

Place : Surat
Date : May 30, 2015

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirement' section of our report of even date. 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.
- II. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- 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 or other parties covered in the register maintained under section 189 of the Companies Act.
- IV. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and for sale of goods and services. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
- 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.
- 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.
- VII. (a) According to the records of the company, the company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess and any other statutory dues and there are no statutory dues outstanding as on 31st March, 2015 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty, excise duty or cess which have not been deposited on account of any disputes.
(c) According to the information and explanations given to us, there are no amounts required to be transferred to the Investor Education and Protection Fund in accordance with the provisions of the Companies Act, 1956 and rules made thereunder.

- VIII.** The company has been incorporated for a period exceeding five years. The company has no accumulated losses. It has not incurred cash loss during the financial year covered by our audit and in the immediately preceding the financial year.
- IX.** Based on our audit procedures and on the 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 or debenture holders.
- X.** According information and explanation given to us the company has not given any guarantee for loans taken by others from bank or financial institution, the terms and conditions whereof are prejudicial to the interest of the company.
- XI.** In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
- XII.** Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2015, we report that no funds raised on short-term basis have, prima-facie, been used for long-term investment by the Company and vice-versa.
- XIII.** Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For PARY & CO.
Chartered Accountants
FRN: 007288C

Place : Surat
Date : May 30, 2015

AKASH GAGLANI
Partner
Membership No.: 114255

BALANCE SHEET AS AT 31ST MARCH, 2015

PARTICULARS	Note No.	As at 31/03/2015		As at 31/03/2014	
		₹	₹	₹	₹
I. EQUITY AND LIABILITIES					
I. Shareholders' funds					
(a) Share Capital	2	162,384,000		162,384,000	
(b) Reserves and Surplus	3	76,499,854	238,883,854	78,449,645	240,833,645
2 Non- Current Liabilities					
(a) Long-term borrowings	4	255,000,000		-	
(b) Deferred tax liabilities (Net)	5	30,700,000		29,240,000	
(c) Other long-term liabilities	6	500,000	286,200,000	500,000	29,740,000
3 Current Liabilities					
(a) Short-term borrowings	7	-		46,970,039	
(b) Trade payables	8	8,995,380		11,068,904	
(c) Other current liabilities	9	39,676,484		12,271,391	
(d) Short-term provisions	10	7,467,445	56,139,309	10,564,769	80,875,103
TOTAL			581,223,163		351,448,748
II ASSETS					
1. Non-Current Assets					
(a) Fixed assets					
(i) Tangible assets	11	241,934,853		221,888,432	
(ii) Intangible assets		-		-	
(iii) Capital work-in-progress		-		-	
(b) Non-current investments	12	66,639,260		35,139,260	
(c) Long-term loans and advances	13	210,735,965	519,310,078	56,285,920	313,313,612
2. Current assets					
(a) Inventories	14	8,627,546		7,915,957	
(b) Trade receivables	15	5,608,464		5,662,912	
(c) Cash and cash equivalents	16	37,223,716		13,785,037	
(d) Short-term loans and advances	17	10,453,359	61,913,085	10,771,230	38,135,136
TOTAL			581,223,163		351,448,748
III The significant accounting policies and accompanying notes forming an integral part of the financial statements	1-37				

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

PRADEEP DHAWAN
Director
DIN:00519455

HITESH LIMBANI
Company Secretary
ACS-31531

Place : Surat
Date: May 30, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

PARTICULARS	Note No.	2014-15	2013-14
		₹	₹
I Revenue from operations	18	209,260,692	199,768,739
II Other Income	19	3,971,105	2,306,938
III Total Revenue (I + II)		213,231,797	202,075,677
IV Expenses			
Food and Beverages Consumed	20	10,238,470	10,902,112
Purchase of Stock in Trade	21	33,147,941	38,114,963
Changes in Inventories of Stock in Trade	22	(608,267)	454,521
Employee benefit expense	23	29,908,995	28,398,258
Finance Costs	24	32,817,422	11,541,210
Depreciation and amortization expense		21,718,438	13,541,979
Other operating and general expenses	25	73,092,528	77,763,675
Total Expenses		200,315,527	180,716,718
V Profit before exceptional and extraordinary items and tax (III-IV)		12,916,270	21,358,959
VI Exceptional Items		-	-
VII Profit before extraordinary items and tax (V-VI)		12,916,270	21,358,959
VIII Extraordinary items		-	-
IX Profit before tax (VII-VIII)		12,916,270	21,358,959
X Tax expense:			
(a) Current tax expense		5,200,000	6,700,000
(b) Less: MAT credit		-	-
(c) Net current tax expense		5,200,000	6,700,000
(d) Deferred tax		1,460,000	(2,420,000)
XI Profit/(Loss) for the period from continuing operations after tax (IX - X)		6,256,270	17,078,959
XII Profit/(Loss) for the period from discontinued operations		-	-
XIII Tax expense of discontinued operations		-	-
XIV Profit/(Loss) from discontinued operations (after tax) (XII-XIII)		-	-
XV Profit for the period (XI + XIV)		6,256,270	17,078,959
XVI Earnings per equity share:			
(1) Basic		0.39	1.05
(2) Diluted		0.39	1.05
XVII The significant accounting policies and accompanying notes forming an integral part of the financial statements	1-37		

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

PRADEEP DHAWAN
Director
DIN:00519455

HITESH LIMBANI
Company Secretary
ACS- 31531

Place : Surat
Date: May 30, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

	31/03/2015		31/03/2014	
	₹	₹	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit as per Statement of Profit & Loss before tax		12,916,270		21,358,959
Adjustments for:				
Depreciation	21,718,438		13,541,979	
Increase/(Decrease) in Short Term Provisions	691,055		315,451	
Interest paid	32,817,422		11,541,210	
		55,226,915		25,398,640
Operating Profit Before Working Capital Changes		68,143,185		46,757,599
Working Capital Changes:				
(Increase)/Decrease in inventories	(711,589)		1,700,480	
(Increase)/Decrease in trade receivables	54,448		(775,343)	
(Increase)/Decrease in loans & advances	(154,339,326)		(2,192,044)	
Increase/(Decrease) in trade payables	(2,073,524)		1,297,850	
Increase/(Decrease) in other current liabilities	27,405,093		(22,297,770)	
		(129,664,898)		(22,266,827)
Cash Generated from Operations		(61,521,713)		24,490,772
Taxes Paid (Net)		(6,517,477)		(6,910,182)
Net Cash Flow from Operating Activities		(68,039,190)		17,580,590
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets / capital work-in-progress		(52,234,670)		(1,261,821)
Purchase of Non Current Investments		(31,500,000)		-
Net Cash Flow From Investing Activities		(83,734,670)		(1,261,821)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds/(Repayments) from/of long-term borrowings		255,000,000		(47,763,651)
Increase/(Decrease) in short-term borrowings (net)		(46,970,039)		45,323,023
Interest paid		(32,817,422)		(11,541,210)
Net Cash Flow From Financing Activities		175,212,539		(13,981,838)
Net Increase in Cash and Cash Equivalents (A+B+C)		23,438,679		2,336,931
OPENING CASH AND CASH EQUIVALENTS		13,785,037		11,448,106
CLOSING CASH AND CASH EQUIVALENTS		37,223,716		13,785,037

Note: The Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard, AS-3 (Cash Flow Statements) issued by the Institute of Chartered Accountants of India.

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

PRADEEP DHAWAN
Director
DIN:00519455

Place : Surat
Date: May 30, 2015

HITESH LIMBANI
Company Secretary
ACS-31531

**Significant Accounting Policies & Notes on Financial Statement
for the year ended on 31st March, 2015**

Note `1` - SIGNIFICANT ACCOUNTING POLICIES**A. Basis of preparation of Financial Statements**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on an accrual basis. These financial statements have been prepared to comply in all material aspects with the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.

B. Revenue Recognition

Revenue is recognised on rendering of services and/or sales of goods, net of returns and trade discounts. Sales of goods are recognised on transfer of significant risks and rewards of the ownership to the buyer, which generally coincides with the delivery of the goods to the customers. Revenue excludes VAT, Luxury Tax, Service Tax, etc.

C. Use of Estimates

In preparing the financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities as at the date of financial statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period the same is determined.

D. Fixed Assets

- (i) Fixed assets are stated at acquisition cost net of recoverable taxes, less accumulated depreciation and impairment loss.
- (ii) All costs, including financing costs till commencement of commercial activity attributable to the fixed assets are capitalised.
- (iii) Assets which are not ready for use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.
- (iv) Pursuant to the enactment of Companies Act, 2013, the company has applied the estimated useful lives as specified in the Schedule II. Accordingly, the unamortised carrying value is being depreciated/amortised over the revised/remaining useful lives. The written down Value of Fixed assets whose lives have expired as at 1st April, 2014 have been adjusted in the opening balance of Profit and Loss account amounting to ₹ 1,04,69,810 as per provisions of the Companies Act, 2013.

E. Depreciation, Amortisation and Impairment

Depreciation on fixed assets is charged on Straight Line Method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Impairment is ascertained at each balance sheet date in respect of the Company's fixed assets. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

**Significant Accounting Policies & Notes on Financial Statement
for the year ended on 31st March, 2015**

F. Inventories

Stock of food, beverages, other supplies, wine and liquor are valued at cost (which is computed on first in first out basis) or net realisable value, whichever is lower.

G. Borrowing Costs

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalised as a part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Statement of Profit & Loss in the year in which they are incurred.

H. Investments

Long term Investments are stated at cost. Diminution in the value of investments is provided for by reducing the value of investments and charging the same to the Statement of Profit & Loss only if such diminution is other than temporary.

Current Investments are carried at the lower of cost and fair value determined on a category basis.

I. Accounting for Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when there is a present legal obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligations and when a reliable estimate of the amount of the obligation can be made. Contingent Liabilities are recognised only when there is a possible obligation arising from past events, due to occurrence or non- occurrence of one or more uncertain future events, not wholly within the control of the company, or where any present obligation can't be measured in term of future outflow of resources, or where a reliable estimate of the obligation can't be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resource are provided for. Contingent Assets are not recognised in the financial statements.

J. Employee's Benefits

- (i) Contributions to Provident Fund, Gratuity Fund and Family Pension Fund are charged to the Statement of Profit & Loss for the year in which related service is rendered.
- (ii) Gratuity is charged to revenue on actuarial valuation as provided by Life Insurance Corporation of India under the Employees Group Gratuity policy with them.
- (iii) Provision for Leave encashment is made on the basis of actual leave outstanding at the end of the year based on the present pay structure.

K. Foreign Exchange Transactions

Transactions denominated in foreign currency settled/negotiated during the year are recorded at exchange rate on the date of settlement/negotiation. Foreign currency transactions remaining not settled/negotiated at the end of the year are converted into rupees at the year end rates. All gains or losses on foreign exchange transaction including those related to Fixed Assets are recognised in the Statement of Profit & Loss.

Significant Accounting Policies & Notes on Financial Statement
for the year ended on 31st March, 2015

L. Taxes on Income

- (i) Tax expenses are accounted in the same period to which the revenue and expense relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions' determined in accordance with the prevailing tax laws. The differences between the taxable income and the net profit and loss before tax for the year as per the financial statements are identified and the tax effect of timing differences is recognised as a deferred tax asset or deferred tax liability. The tax effect is calculated on accumulated timing differences at the end of the accounting year, based on effective tax rates substantively enacted by the Balance Sheet date.
- (ii) Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

M. Cash and Cash Equivalents

Cash comprises of the cash on hand and demand deposits with banks. Cash equivalents are short term balances, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**Significant Accounting Policies & Notes on Financial Statement
for the year ended on 31st March, 2015**

NOTE '2'	As at 31/03/2015 ₹	As at 31/03/2014 ₹
SHARE CAPITAL		
- Authorised Share Capital 17,000,000 Equity Shares of ₹ 10/- each (Previous year 17,000,000 Equity Shares of ₹ 10/- each)	170,000,000	170,000,000
TOTAL	<u>170,000,000</u>	<u>170,000,000</u>
- Issued, Subscribed and Paid up Share Capital 16,238,400 Equity Shares of ₹ 10/- each fully paid up (Previous year 16,238,400 Equity Shares of ₹ 10/- each fully paid up)	162,384,000	162,384,000
TOTAL	<u>162,384,000</u>	<u>162,384,000</u>

Footnote:

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

Particulars	As at 31/03/2015		As at 31/03/2014	
	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	<u>16,238,400</u>	<u>162,384,000</u>	<u>16,238,400</u>	<u>162,384,000</u>

(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 31/03/2015		As at 31/03/2014	
	Number of shares	% of holding	Number of shares	% of holding
Pushendra Bansal	2,851,198	17.56%	2,851,198	17.56%
Sangeeta Bansal	2,838,000	17.48%	2,838,000	17.48%

NOTE '3'	As at 31/03/2015 ₹	As at 31/03/2014 ₹
RESERVES AND SURPLUS		
Securities Premium Reserve Opening and Closing Balance	21,752,000	21,752,000
General Reserve		
Opening Balance	32,500,000	30,000,000
Add : Transfer from Profit and Loss Account	-	2,500,000
Less : Appropriations	-	-
Closing Balance	<u>32,500,000</u>	<u>32,500,000</u>
Surplus in Statement of Profit and Loss		
Opening Balance	24,197,645	9,618,686
Add: Surplus during The Year	6,256,270	17,078,959
Add: Provision for Income Tax Written off	1,979,517	-
Add: Other Adjustments	284,233	-
	<u>32,717,665</u>	<u>26,697,645</u>
Less: Appropriation		
Adjustments relating to Fixed Assets (Refer footnote under Note No.11)	10,469,811	-
	<u>22,247,854</u>	<u>26,697,645</u>
Less: Appropriation		
Transfer to Reserves	-	2,500,000
Closing Balance	<u>22,247,854</u>	<u>24,197,645</u>
TOTAL	<u>76,499,854</u>	<u>78,449,645</u>

Significant Accounting Policies & Notes on Financial Statement
for the year ended on 31st March, 2015

NOTE '4' LONG-TERM BORROWINGS	As at 31/03/2015 ₹	As at 31/03/2014 ₹
Term Loan from Banks -Secured	255,000,000	-
TOTAL	255,000,000	-

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

	As at 31/03/2015 ₹		As at 31/03/2014 ₹	
	Non-Current	Current	Non-Current	Current
Secured				
Term Loan from banks	255,000,000	27,000,000	-	-
a) Term Loan from Bank	255,000,000	27,000,000		

(ii) Maturity Profile:

	(Amount in ₹)			
	2015-16	2016-17	2017-18	2018-22
a) Term Loan Bank	27,000,000	30,000,000	36,000,000	189,000,000

(iii) Term Loan from Bank is secured by 1st & 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 company. Further, it is also secured by way of personal guarantee from Director. The aforesaid term loan is obtained at the interest rate of 12.5% p.a.

NOTE '5' DEFERRED TAX LIABILITIES (NET)	As at 31/03/2015 ₹	As at 31/03/2014 ₹
Deferred Tax Liabilities On Depreciation of fixed assets (A)	32,060,000	30,020,000
Deferred Tax Assets On Disallowance under Income Tax Act, 1961 (B)	1,360,000	780,000
Net Deferred tax liabilities (A-B)	30,700,000	29,240,000

**NOTE '6'
OTHER LONG-TERM LIABILITIES**

Security Deposit -Unsecured	500,000	500,000
TOTAL	500,000	500,000

**NOTE '7'
SHORT-TERM BORROWINGS**

Other Short-term loans From Related Parties -Unsecured	-	46,970,039
TOTAL	-	46,970,039

**NOTE '8'
TRADE PAYABLES**

Micro Small & Medium Enterprise (Refer Footnote)	-	11,068,904
Others	8,995,380	11,068,904
TOTAL	8,995,380	11,068,904

Footnote:

The Company has initiated the process of obtaining details from Sundry Creditors who are registered under the Micro, Small and Medium Enterprises Development Act, 2006. To the extent that the company has received information, it has evaluated that there are no amounts due to the Creditors who are registered under the said Act beyond the period of 45 days.

Significant Accounting Policies & Notes on Financial Statement
for the year ended on 31st March, 2015

	As at 31/03/2015 ₹	As at 31/03/2014 ₹
NOTE '9'		
OTHER CURRENT LIABILITIES		
Other Current Liabilities	-	95,131
Current Maturities of Long-term borrowings (Refer Note - 4, Footnote i)	27,000,000	-
Interest Accrued but not due on borrowings	96,575	-
Advances from Customers	1,426,348	2,012,085
Statutory Dues	5,967,510	6,244,875
Director Remuneration	212,579	93,450
Payable to Employees	4,973,472	3,825,850
TOTAL	<u>39,676,484</u>	<u>12,271,391</u>
NOTE '10'		
SHORT-TERM PROVISIONS		
Provision for Employee Benefits	2,165,947	1,474,892
Other Provisions:		
Provision for Taxation	5,200,000	8,988,379
Provision for Others	101,498	101,498
TOTAL	<u>7,467,445</u>	<u>10,564,769</u>
NOTE '12'		
NON-CURRENT INVESTMENTS		
<i>Trade Investments</i>		
Investment in Equity Instruments		
Associate Companies		
Unquoted (fully paid up)		
Kesar Motels Pvt. Ltd. of ₹ 100/- each	35,100,000	35,100,000
87,750 Shares (Previous Year 87,750 Shares)		
Other Company		
Unquoted (fully paid up)		
Lords Oriental Resorts Developers Silvasa Pvt. Ltd. of ₹ 10/- each	31,500,000	-
65,625 Shares (Previous Year Nil Shares)		
Other Investments		
Investment in Equity Instruments		
Unquoted (fully paid up)		
Japan Market Co-operative Service Society Ltd. of ₹ 50/- each	39,260	39,260
260 Shares (Previous Year 260 Shares)		
TOTAL	<u>66,639,260</u>	<u>35,139,260</u>
NOTE '13'		
LONG-TERM LOANS AND ADVANCES		
<i>Unsecured, considered good:</i>		
Capital Advances	35,500,000	52,000,000
Security Deposits		
With Related Party	172,700,000	-
With Others	2,535,965	4,285,920
TOTAL	<u>210,735,965</u>	<u>56,285,920</u>
NOTE '14'		
INVENTORIES		
(At lower of cost and net realisable value, as verified, valued and certified by the management)		
Traded Goods		
Wine & Liquor	4,850,303	4,242,036
Stores & Spares		
Provision, Stores, Food and Beverages	479,728	401,129
Other Consumables and Operating Supplies	3,297,515	3,272,792
TOTAL	<u>8,627,546</u>	<u>7,915,957</u>

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Note: '11'
 Significant Accounting Policies & Notes on Financial Statement for the year ended on 31st March, 2015
 (Amount in ₹)

SR. NO.	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		AS ON 01.04.2014	ADDITIONS DURING THE YEAR	ADJUSTMENTS DURING THE YEAR	AS ON 31.03.2015	AS ON 01.04.2014	FOR THE YEAR	ADJUSTMENTS DURING THE YEAR	AS ON 31.03.2015	AS ON 31.03.2014
A	TANGIBLE ASSETS:									
1	Freehold Land	21,767,000	-	-	21,767,000	-	-	-	21,767,000	21,767,000
2	Borewell	74,330	-	-	74,330	23,468	47,146	70,614	3,716	50,862
3	Building	123,645,549	6,745,001	-	130,390,550	18,902,900	5,215,355	24,118,255	106,272,295	104,742,649
4	Plant & Machineries	102,806,230	16,044,612	-	118,850,842	49,570,171	5,022,962	63,842,001	55,008,841	53,236,059
5	Motor Car	4,125,908	-	-	4,125,908	2,333,217	374,055	3,171,502	954,406	1,792,691
6	Computer	983,555	2,773,921	-	3,757,476	466,602	485,483	1,282,120	2,475,356	516,953
7	Electrical Installations	33,915,772	10,242,321	-	44,158,093	15,453,118	3,573,364	19,026,482	25,131,611	18,462,654
8	Furniture & Fixtures	39,274,521	16,428,815	-	55,703,336	17,954,957	7,047,219	25,381,708	30,321,628	21,319,564
	TOTAL - A	326,592,865	52,234,670	-	378,827,535	104,704,433	21,718,438	10,469,811	241,934,853	221,888,432
	PREVIOUS YEAR	327,539,990	1,261,821	2,208,946	326,592,865	93,371,400	13,541,979	2,208,946	221,888,432	234,168,590
B	INTANGIBLE ASSETS:									
	TOTAL - B	-	-	-	-	-	-	-	-	-
	PREVIOUS YEAR	-	-	-	-	-	-	-	-	-
C	CONSTRUCTION WIP:									
	TOTAL - C	-	3,181,750	3,181,750	-	-	-	-	-	-
	PREVIOUS YEAR	-	1,035,365	1,035,365	-	-	-	-	-	-

Foot Note: Adjustment to the block of depreciation represents the the WDV of the fixed assets whose lives has expired as at 1st April, 2014 as per provision of the Companies Act, 2013 (Refer Note No. 3)

Significant Accounting Policies & Notes on Financial Statement
for the year ended on 31st March, 2015

	As at 31/03/2015 ₹	As at 31/03/2014 ₹
NOTE '15'		
TRADE RECEIVABLES		
<i>Unsecured, considered good:</i>		
More than six months	111,431	499,326
Others	5,497,033	5,163,586
TOTAL	<u>5,608,464</u>	<u>5,662,912</u>
NOTE '16'		
CASH AND CASH EQUIVALENTS		
Cash on Hand	3,262,860	3,316,270
Balance with Banks - In Current Accounts	31,915,450	6,720,363
Other Bank Balances	<u>2,045,406</u>	<u>3,748,404</u>
Bank Deposits with more than three months maturity	37,223,716	13,785,037
TOTAL	<u>37,223,716</u>	<u>13,785,037</u>
NOTE '17'		
SHORT TERM LOANS AND ADVANCES		
<i>Unsecured, considered good:</i>		
Advance to Related parties	277,899	2,100,306
Advance to Others	1,857,277	32,078
Advances to Suppliers	448,767	1,307,984
Prepaid Expenses	253,852	72,378
Advances to Employees	966,285	904,944
Balance with Statutory Authorities	6,649,279	6,353,540
TOTAL	<u>10,453,359</u>	<u>10,771,230</u>
NOTE '18'		
REVENUE FROM OPERATION		
Revenue From Operations		
Room Sale	95,667,599	91,462,100
Food & Beverage Sale	39,784,778	34,658,362
Wine & Liquor Sale	66,911,306	70,284,258
Other Services	6,897,009	3,364,019
TOTAL	<u>209,260,692</u>	<u>199,768,739</u>
NOTE '19'		
OTHER INCOME		
Interest Income	405,349	745,601
- From Bank	314,845	-
- From Others	3,250,911	1,561,337
Other non-operating income	3,971,105	2,306,938
TOTAL	<u>3,971,105</u>	<u>2,306,938</u>
Footnote:		
Interest from others includes interest received on short term loans and advances to related party.		
NOTE '20'		
FOOD AND BEVERAGES CONSUMED		
Stock at Commencement	401,129	410,567
Add: Purchases	10,317,069	10,892,674
	10,718,198	11,303,241
	479,728	401,129
Less : Stock at Close	10,238,470	10,902,112
TOTAL	<u>10,238,470</u>	<u>10,902,112</u>
NOTE '21'		
PURCHASE OF STOCK IN TRADE		
Purchase of Wine & Liquor	31,707,708	34,910,541
Add: Excise Duty/Import Fee	1,440,233	3,204,422
TOTAL	<u>33,147,941</u>	<u>38,114,963</u>
NOTE '22'		
CHANGES IN INVENTORIES OF STOCK IN TRADE		
Opening Stock	4,242,036	4,696,557
Less: Closing Stock	4,850,303	4,242,036
TOTAL	<u>(608,267)</u>	<u>454,521</u>

Significant Accounting Policies & Notes on Financial Statement
for the year ended on 31st March, 2015

	As at 31/03/2015 ₹	As at 31/03/2014 ₹
NOTE '23'		
EMPLOYEE BENEFIT EXPENSE		
Salaries, Wages, Bonus etc.	23,916,470	22,311,670
Contribution to P.F., E.S.I.C. and Other Statutory Funds	1,862,037	1,887,348
Workmen and Staff Welfare Expenses	4,130,488	4,199,240
TOTAL	29,908,995	28,398,258

	As at 31/03/2015 ₹	As at 31/03/2014 ₹
NOTE '24'		
FINANCE COSTS		
Interest Expense		
Interest on Term Loan	24,761,695	9,232,124
Interest on Working Capital	-	95,489
Interest - Other (Refer Footnote i)	971,811	2,213,597
Other borrowing Costs (Refer Footnote ii)	7,083,916	-
TOTAL	32,817,422	11,541,210

Footnotes:

(i) interest-Other includes interest paid on short term unsecured loan from related party.

(ii) The following expenses have been capitalised in proportion to it relates to the renovation of hotels buildings, furniture and plant and machinery:

Particulars	₹	₹
Other Borrowing Cost	908,113	-
	908,113	-

	As at 31/03/2015 ₹	As at 31/03/2014 ₹
NOTE '25'		
OTHER OPERATING AND GENERAL EXPENSES		
Power and Fuel	19,031,857	17,842,207
Repairs To - Building	8,745,356	13,271,073
- Machinery	3,049,156	3,680,512
- Others	4,291,258	3,033,226
Renewal & Replacements	737,247	946,539
Insurance	267,330	622,897
Rates and Taxes	6,729,917	6,408,706
Linen, Uniform & Washing	3,914,400	3,608,300
Housekeeping Expenses	5,549,041	6,306,539
Advt., Publicity & Promotional Expenses	1,191,333	3,751,973
Commission Expense	2,085,765	1,558,467
Travelling & Conveyance	1,766,383	1,761,904
Freight, Cartage & Transportation	3,063,679	3,635,811
Management & Franchise Fees	3,000,000	2,400,000
Legal & Professional Fees (Refer footnote ii)	2,776,620	3,195,369
Payment to Auditor (Refer Footnote i)	112,360	112,360
Director Remuneration	1,980,000	1,980,000
Miscellaneous Expense	4,800,826	3,647,792
TOTAL	73,092,528	77,763,675

Footnote:

(i) Payment to Auditors:

	As at 31/03/2015 ₹	As at 31/03/2014 ₹
As auditors - statutory audit	44,944	44,944
For taxation matters	33,708	33,708
For other services	33,708	33,708
TOTAL	112,360	112,360

(ii) ₹ 5,35,649 have been capitalised out of the total Legal and Professional Expense in proportion to the expenditure directly attributable to the renovation of Hotel Building, Furniture and Plant and Machinery.

NOTE '26'**ADDITIONAL INFORMATION**

Imported and Indigenous Goods:	As at 31/03/2015	% to total Consumption	As at 31/03/2014	% to total Consumption
Food and Beverages Consumed:				
Imported	-	-	-	-
Indigenous	10,238,470	100%	10,902,112	100%
TOTAL	10,238,470	100%	10,902,112	100%

Expenditure in Foreign Currency:

Commission	20,895	-
TOTAL	20,895	-

Earnings in Foreign Exchange:

Payment Received from Foreign Customers	8,869,304	7,519,555
TOTAL	8,869,304	7,519,555

**Significant Accounting Policies & Notes on Financial Statement
for the year ended on 31st March, 2015**

Note '27' - The break-up of Consumption of Provisions, Stores, Food, Beverages, Wine & Liquor and other consumables are as follows:

	Provisions, Stores, Food & Beverages (₹)	Wine & Liquor (₹)	Total (₹)	Other Consumables (₹)	Total (₹)
Opening Stock	4,01,129 (4,10,567)	42,42,036 (46,96,557)	46,43,165 (51,07,124)	32,72,792 (45,09,313)	79,15,957 (96,16,437)
Add:- Purchases	1,03,17,069 (1,08,92,674)	3,31,47,942 (3,81,14,963)	4,34,65,011 (4,90,07,637)	59,75,407 (14,71,496)	4,94,40,418 (5,04,79,133)
Total	1,07,18,198 (1,13,03,241)	3,73,89,978 (4,28,11,520)	4,81,08,176 (5,41,14,761)	92,48,199 (59,80,809)	5,73,56,375 (6,00,95,570)
Less:- Closing Stock	4,79,728 (4,01,129)	48,50,303 (42,42,036)	53,30,031 (46,43,165)	32,97,515 (32,72,792)	86,27,546 (79,15,957)
Consumption during the year	1,02,38,470 (1,09,02,112)	3,25,39,675 (3,85,69,484)	4,27,78,145 (4,94,71,596)	59,50,684 (27,08,017)	4,87,28,829 (5,21,79,613)

(Figures in brackets represent figures for the year 2013-14)

	2014-15 ₹	2013-14 ₹
Note'28' - Estimated amount of Contracts remaining to be executed On capital account (Net of Advances)	2,00,00,000	3,00,00,000

Note'29'- There are no Contingent Liabilities and Commitments occurred after the balance sheet date which require disclosure in the books of accounts.

Note '30'- There is no amount due and outstanding to "Investors Education and Protection Fund."

Note'31'- Income from operations represents invoiced value of goods sold and services rendered exclusive of applicable taxes.

Note'32'- In the opinion of Board of Directors of the Company, all the current assets, loans and advances have value on realisation of an amount at least equal to the amount at which they are stated in the Balance Sheet.

Note'33'- As per Accounting Standard -15 – Accounting for Employees benefits as defined in the accounting standard, the summarised components of net benefit expense recognised in the Statement of profit and loss and the funded status and the amount recognised in the balance sheet are given herein below:

I. Change in Benefit Obligation	2014-15 ₹	2013-14 ₹
Liability at the beginning of the year	23,85,393	20,84,587
Interest Cost	1,90,831	1,66,767

**Significant Accounting Policies & Notes on Financial Statement
for the year ended on 31st March, 2015**

	Current Service Cost	3,85,424	3,56,181
	Past Service Cost (Non Vested Benefit)	-	-
	Past Service Cost (Vested Benefit)	-	-
	Benefit Paid	(1,71,058)	(3,46,306)
	Actuarial (gain)/loss on obligation	9,43,400	1,24,164
	Curtailments and Settlements	-	-
	Liability at the end of the year	37,33,990	23,85,393
II.	Fair Value of Plan Assets		
	Fair Value of Plan Assets at the beginning of the year	28,25,520	26,19,798
	Expected Return on Plan Assets	2,40,500	2,24,320
	Contribution	5,98,831	3,27,708
	Benefit Paid	(1,71,058)	(3,46,306)
	Actuarial gain/(loss) on Plan Assets	-	-
	Fair Value of Plan Assets at the end of the year	34,93,793	28,25,520
	Excess of Obligation over Plan Assets	2,40,197	(4,40,127)
III.	Actual Return on Plan Assets		
	Expected Return on Plan Assets	2,40,500	2,24,320
	Actuarial gain/(loss) on Plan Assets	-	-
	Actual Return on Plan Assets	2,40,500	2,24,320
IV.	Amount Recognized in the Balance Sheet		
	Liability at the end of the year	37,33,990	23,85,393
	Fair Value of Plan Assets at the end of the year	34,93,793	28,25,520
	Difference	2,40,197	(4,40,127)
	Unrecognised Past Service Cost	-	-
	Amount Recognised in the Balance Sheet	2,40,197	(4,40,127)
V.	Expenses Recognized in the Income Statement		
	Current Service Cost	3,85,424	3,56,181
	Interest Cost	1,90,831	1,66,767
	Expected Return on Plan Assets	(2,40,500)	(2,24,320)
	Net Actuarial (gain)/loss to be Recognised	9,43,400	1,24,164
	Past Service Cost (Non Vested Benefit) Recognised	-	-
	Past Service Cost (Vested Benefit) Recognised	-	-
	Effect of Curtailments and Settlements	-	-
	Expenses Recognised in Statement of Profit and Loss	12,79,155	4,22,792
VI.	Balance Sheet Reconciliation		
	Opening Net Liability	(2,71,160)	(5,35,211)
	Expenses as above	12,79,155	4,22,792
	Employers Contribution	(5,98,831)	(3,27,708)
	Effect of Curtailments and Settlements	-	-
	Amount Recognised in Balance Sheet	4,09,164	(4,40,127)

**Significant Accounting Policies & Notes on Financial Statement
for the year ended on 31st March, 2015**

VII. Actuarial Assumptions		
Discount Rate Current	8%	8%
Salary Escalation	7%	7%

Note:

- I. Employer's contribution, Benefits Paid and Past Service Cost includes payments made by the Company directly to its past employees.
- II. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- III. The Company's Gratuity fund is managed by Life Insurance Corporation of India. The plan assets under the fund are deposited under approved securities.

Note '34' - Earning per Share:

Earning per Share is calculated in accordance with Accounting Standard 20 – 'Earning per Share' – (AS - 20), as specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Company (Accounts) Rules, 2014:

Particulars	2014-15 ₹	2013-14 ₹
a. Profit after Tax	62,56,270	1,70,78,959
b. Average No. of Equity Shares Basic & Diluted	1,62,38,400	1,62,38,400
c. Earning Per Share Basic & Diluted	0.39	1.05

Note'35'- The Company's only business being hoteliering and since all the operations are undertaken in India only, segment-wise information is not applicable under Accounting Standard 17- 'Segmental Information' (AS-17) specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

Note'36'- Related Party Disclosure as required by Accounting Standard – 18 issued by the Institute of Chartered Accountants of India:

(A) Nature of Relationship

- (I) Enterprises in which Key Management Personnel have significant influence, with whom the company had transactions:

Kesar Motels Pvt. Ltd.
Lords Inn Hotels and Developers Ltd.
Sai Ram Krupa Hotels Pvt. Ltd.
Lords Oriental Resorts Developers (Silvassa) Pvt. Ltd.
Lords Sai Ma Hotels Pvt. Ltd.
Lords Institute of Management Pvt. Ltd.
Sahyaadri Health Tourism Pvt. Ltd.

- (II) Key Management Personnel:

Pushpendra Bansal
Ramesh Bansal

**Significant Accounting Policies & Notes on Financial Statement
for the year ended on 31st March, 2015**

(B) Transactions with Related Parties

(Amount in ₹)

Sr. No.	Nature of Transaction (Excluding Reimbursement)	Associates	Key Management Personnel	Total
1	Interest Paid	9,71,811 (22,13,597)	Nil (Nil)	9,71,811 (22,13,597)
2	Interest Received	2,19,100 (Nil)	Nil (Nil)	2,19,100 (Nil)
3	Receiving of services	30,00,000 (26,96,640)	19,80,000 (19,80,000)	49,80,000 (46,76,640)
4	Investment	3,15,00,000 (Nil)	Nil (Nil)	3,15,00,000 (Nil)
5	Rendering of Services	15,73,040 (27,86,940)	Nil (Nil)	15,73,040 (27,86,940)
6	Amount Received on Current A/c (Net)	1,60,00,000 (4,69,70,039)	Nil (Nil)	1,60,00,000 (4,69,70,039)
7	Amount Given on Current A/c (Net)	9,53,69,677 (Nil)	Nil (Nil)	9,53,69,677 (Nil)
8	Security Deposit Given	17,27,00,000 (Nil)	Nil (Nil)	17,27,00,000 (Nil)

(C) Balance as at 31.03.2015

9	Investment	6,66,00,000 (3,51,00,000)	Nil (Nil)	6,66,00,000 (3,51,00,000)
10	Trade & Other Receivable	11,77,140 (83,731)	Nil (Nil)	11,77,140 (83,731)
11	Due from/(to) on Current A/c	Nil (4,69,70,039)	Nil (Nil)	Nil (4,69,70,039)
12	Trade & Other Payables	3,14,900 (5,53,773)	2,12,579 (93,450)	5,27,479 (6,47,223)
13	Security Deposit	17,27,00,000 (Nil)	Nil (Nil)	17,27,00,000 (Nil)

(Figures in brackets are for previous year)

Note*37*- The previous year's figures have been regrouped and/or rearranged wherever necessary.

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

PRADEEP DHAWAN
Director
DIN - 00519455

Place : Surat
Date : May 30, 2015

HITESH LIMBANI
Company secretary
ACS-31531

H S INDIA LIMITED

CIN: L55100MH1989PLC053417

Reg. Off.: A-1, Manish Kaveri, Building No.18, Manish Nagar, J. P. Road, Andheri (W), Mumbai – 400 053, Maharashtra
Tel: 022-26396768, Fax: 022-26396768, Email: hsindialimited@gmail.com, Website: 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:

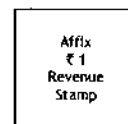
1. Name:-----
Address:-----
E-mail Id:-----
Signature:----- or failing him/her
2. Name:-----
Address:-----
E-mail Id:-----
Signature:----- or failing him/her
3. Name:-----
Address:-----
E-mail Id:-----
Signature:----- or failing him/her

as my/our proxy to attend and vote for me/us and on my/our behalf at the 26th Annual General Meeting of the Company to be held on Thursday, the 24th September, 2015 at 9.30 a.m. and any adjournment thereof in respect of such resolutions as are indicated below.

Resolution No.	Resolution
Ordinary Business	
1	Adoption of financial statement
2	Appointment of Director
3	Appointment of auditor
Special Business	
4	Appointment of Mr. Nilkanth Barot as an Independent Director
5	Re-appointment of Mr. Pushpendra Bansal as Chairman and Joint Managing Director for a further period of 5 years
6	Approval of Related Party Transactions

As witness my / our hand(s) this _____ day of _____ 2015

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.: A-1, Manish Kaveri, Building No.18, Manish Nagar, J. P. Road, Andheri (W), Mumbai – 400 053, Maharashtra
Tel: 022-26396768, Fax: 022-26396768, Email: hsindialimited@gmail.com, Website: www.hsindia.in

ATTENDANCE SLIP

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

DPTD _____
Regd. Folio No. _____

CLIENT ID _____

I hereby record my presence at the 26th ANNUAL GENERAL MEETING of the Company held on Thursday, 24th September, 2015 at 9.30 a.m. at 'Kalash', 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

-----Cut here-----

H S INDIA LIMITED

CIN: L55100MH1989PLC053417

Reg. Off.: A-1, Manish Kaveri, Building No.18, Manish Nagar, J. P. Road, Andheri (W), Mumbai – 400 053, Maharashtra
Tel: 022-26396768, Fax: 022-26396768, Email: hsindialimited@gmail.com, Website: www.hsindia.in

20% DISCOUNT COUPON

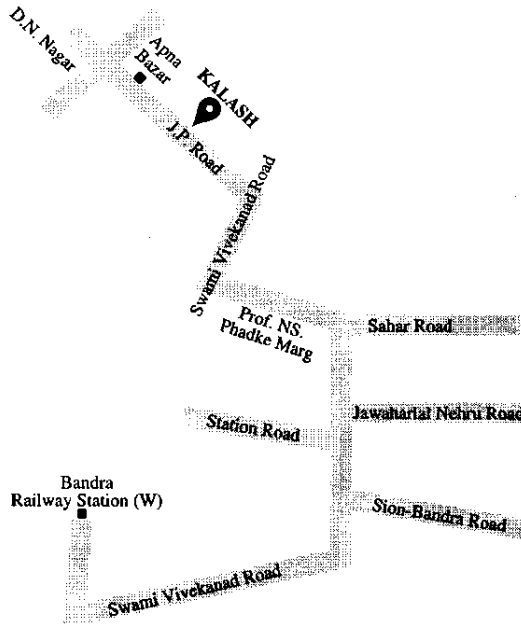
Dear Shareholders,

The Company is pleased to issue this coupon, which will entitle you to avail of discount on rooms and at the restaurant located in the hotel. The Company will not make cash refunds against any coupon or part use thereof and will not be able to extend the validity of the coupon nor issue duplicate coupon in case of lost / defaced coupon. This coupon is not valid for consumption of cigarettes and for the purpose of banquets.

Please detach the coupon for the part used & submit while your bill is being prepared.

Lords Plaza SURAT Bill Value up to ₹ 500 Discount – 20% On published tariff Valid up to 31-03-16	Lords Plaza SURAT Bill Value up to ₹ 500 Discount – 20% On published tariff Valid up to 31-03-16	Lords Plaza SURAT Bill Value up to ₹ 500 Discount – 20% On published tariff Valid up to 31-03-16	Lords Plaza SURAT Bill Value up to ₹ 500 Discount – 20% On published tariff Valid up to 31-03-16	Lords Plaza SURAT Bill Value up to ₹ 500 Discount – 20% On published tariff Valid up to 31-03-16	Lords Plaza SURAT Bill Value up to ₹ 500 Discount – 20% On published tariff Valid up to 31-03-16
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ROUTE MAP



NOTE : MAP NOT TO SCALE

BALLOT FORM

(To be returned to Scrutinizer appointed by the Company)

Name(s) of the First Named Shareholder (In Block Letters).....
 Postal Address:.....
 Registered Folio No. /D.P ID No. and Client ID* :

I/ We hereby exercise my/our vote in respect of the following resolution(s) to be passed at the 26th Annual General Meeting of the Company, to be held on Thursday, 24th September, 2015 at 9.30 a.m at 'Kalash', Dhake Colony, J. P. Road, Andheri (W), Mumbai- 400 053, Maharashtra in respect of businesses as stated in the Notice dated 13th August, 2015 by conveying my/our assent/dissent to the said resolutions(s) by placing the tick (✓) mark at the box against the respective matters:

Item No.	Description of Resolutions	No. of Eq. Shares Held	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1	Adoption of financial statement			
2	Appointment of Director			
3	Appointment of auditor			
4	Appointment of Mr. Nilkanth Barot as an Independent Director			
5	Re-appointment of Mr. Pushpendra Bansal as Chairman and Joint Managing Director for a further period of 5 years			
6	Approval of Related Party Transactions			

*Applicable to investors holding shares in Electronic Form.

Place :
 Date :

Signature of the Member/ Beneficial Owner

INSTRUCTIONS FOR FILLING THE BALLOT FORM

1. A member desiring to vote by ballot form may complete this ballot form and send it to the Scrutinizer, appointed by the Company viz: Mr. Manish R. Patel, Practising Company Secretary, C/o. H S India Limited, A-1, Manish Kaveri, Building No.18, Manish Nagar, J. P. Road, Andheri (W), Mumbai-400 053, Maharashtra.
2. In case of companies, trusts, societies etc the duly completed ballot form should be accompanied by a certified true copy of Board Resolution/ Authority.
3. Unsigned Ballot Forms will be rejected.
4. A Member need not cast all the votes in the same way.
5. Duly completed Ballot Form should reach the Scrutinizer not later than 5.00 p.m on wednesday, the 23rd September, 2015 at the address mentioned in point no. 1 above.
6. The Scrutinizer's decision on the validity of Ballot Form will be final.

If undelivered, please return to :
H S INDIA LIMITED
CIN: L55100MH1989PLC053417
A-1, Manish Kaveri, Building No. 16,
Manish Nagar, J. P. Road, Andheri (West),
Mumbai - 400 053, Maharashtra.