

T W E N T Y
S E V E N T H

*Annual
Report*

2015-16



HS INDIA LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Pushpendra Bansal	Chairman & Joint Managing Director
Mr. Ramesh Bansal	Managing Director / CFO
Mrs. Sangeeta Bansal	Director
Mr. Pradeep Dhawan	Director
Mr. Nilkanth Barot	Director
Mr. Dinesh Mistry	Additional Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Hitesh Limbani

AUDITORS

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

BANKERS

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

REGISTERED OFFICE

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

REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Pvt. Ltd.
E-2, Ansa Industrial Estate,
Saki-vihar Road,
Sakinaka, Andheri (E),
Mumbai – 400 072, Maharashtra

NOTICE

NOTICE is hereby given that the 27th **ANNUAL GENERAL MEETING** of **H S INDIA LIMITED** will be held at 'Kalash', Dhake Colony, J. P. Road, Andheri (W), Mumbai-400053, Maharashtra on Saturday, the 24th day of September, 2016 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, 2016 together with the Report of the Board of Directors and the Auditors thereon.

2. Appointment of Director:

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

3. Appointment of Auditor:

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

“RESOLVED THAT pursuant to the provisions of Section 139, 142 read with Companies (Audit and Auditors) Rules, 2014, M/s. Pary & Co., Chartered Accountants, Surat (F.R. No. 007288C), be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on a remuneration to be fixed by the Board of Directors to audit the accounts of the Company for the Financial Year 2016-17.”

SPECIAL BUSINESS:**4. Appointment of Mr. Dinesh Parasram Mistry as an Independent Director:**

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

“RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 read with relevant Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Dinesh Parasram Mistry (DIN-07411914), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 13th February, 2016 and who hold office upto 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 13th February, 2016 to 12th February, 2021 and shall not retire by rotation.”

5. Revise in Remuneration of Mr. Pushpendra Bansal, Chairman and Joint Managing Director of the Company:

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

“RESOLVED THAT in suppression of the earlier resolution passed in Board Meeting held on 13th August, 2015 and an ordinary resolution passed in Annual General Meeting held on 24th September, 2015 and pursuant to the provisions of Section 197, 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 for revision in the remuneration of Mr. Pushpendra Bansal (DIN-00086343), Chairman and Joint Managing Director of the Company, on the terms and conditions including remuneration as mentioned below w.e.f. 16th July, 2016 for his remaining period (i.e. upto 27th October, 2020):

- (a) Salary: ₹ 100,000 (Rupees One Lakh Only) per month as per Remuneration Policy of the Company.
- (b) 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.

RESOLVED FURTHER THAT the Board of Directors be and is hereby 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.

RESOLVED FURTHER 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.

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

6. Revise in Remuneration of Mr. Ramesh Bansal, Managing Director of the Company:

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

“RESOLVED THAT in suppression of the earlier resolution passed in Board Meeting held on 30th May, 2014 and an ordinary resolution passed in Annual General Meeting held on 11th September, 2014 and pursuant to the provisions of Section 197, 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 for revision in the remuneration of Mr. Ramesh Bansal (DIN- 00086256), Managing Director of the Company, on the terms and conditions including remuneration as mentioned below w.e.f. 16th July, 2016 for his remaining period (i.e. upto 31st July, 2019):

- (a) Salary: ₹ 120,000 (Rupees One Lakh Twenty Thousand Only) per month as per Remuneration Policy of the Company.
- (b) Perquisites and Allowances: In addition to the salary as outlined above, the 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.

RESOLVED FURTHER THAT the Board of Directors be and is hereby entitled to revise the remuneration payable to Mr. Ramesh Bansal as a Managing Director at any time, such that the aggregate of the salary (inclusive of annual increments, If any) in any financial year shall not exceed the overall ceiling laid down in Sections 197 of the Act read with the Schedule V of the Companies Act, 2013, including any statutory modification(s), re-enactment thereof or any amendment thereto.

RESOLVED FURTHER 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. Ramesh Bansal as a 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.

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

7. Approval of charges for service of documents to the shareholders:

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

“RESOLVED THAT pursuant to the provisions of Section 20 of the Companies Act, 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any shareholder by the Company by sending it to him by post or by registered post or by speed post or by courier or by electronic or other mode as may be prescribed, the consent of the shareholders be and is hereby accorded to charge from the member the fee in advance equivalent to the estimated actual expenses of delivery of such document to him, through a particular mode of services mentioned above provided such request along with requisite fee has been duly received by the Company at least in one week in advance of the dispatch of such document by the Company to the shareholder.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, director or key managerial personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution.”

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

- (b) 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 17th September, 2016 to 24th September, 2016 (both days inclusive).
- (e) Members are requested to:
 - (i) Intimate to the Company’s Registrar & Share Transfer Agent M/s. Bigshare Services Pvt. Ltd., E-2, Ansa Industrial Estate, Saki-vihar Road, Sakinaka, Andheri

- (E), Mumbai – 400 072, Maharashtra/their Depository Participant (“DP”), changes, if any, in their registered addresses and their E-mail ID at an early date.
- (ii) Quote their Registered Folio Numbers and/or DP Identity and Client Identity number in their correspondence.
- (iii) Bring their copy of Annual Report and the Attendance Slip with them at the 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.
- (f) 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.
- (g) The Members desirous of obtaining any information/ clarification concerning the accounts and operations of the Company are requested to address their questions in writing to the Company at least ten days before the Annual General Meeting, so that the information required may be made available at the Annual General Meeting.
- (h) Relevant documents referred to in the accompanying Notice and the statement pursuant to Section 102(1) of the Companies Act, 2013 are available for inspection at the Registered Office of the Company during working hours upto the date of the AGM.
- (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 / Bigshare Services 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, Bigshare Services Pvt. Ltd., E-2, Ansa Industrial Estate, Saki-vihar Road, Sakinaka, Andheri (E), Mumbai – 400 072, Maharashtra.
- (k) Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), 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 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations (including any statutory modification(s) and / or re-enactment(s) for the time being in force), the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 27th 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 Wednesday, 21st September, 2016 (9:00 am) and ends on Friday, 23rd September, 2016 (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 Saturday, 17th September, 2016, 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 27th 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, 2016.

- 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, 2016 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 along with 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. Dinesh Parasram Mistry (DIN-07411914) 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 13th February, 2016. 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. Dinesh Parasram Mistry 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 12th February, 2021 and shall not retire by rotation.

Mr. Dinesh Parasram Mistry 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. Dinesh Parasram Mistry that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) and Regulation 25 of the Listing Regulations. Mr. Dinesh Parasram Mistry possesses appropriate skills, experience and knowledge; inter alia, in Travel Business.

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

Copy of the draft letter for appointment of Mr. Dinesh Parasram Mistry 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 Ordinary Resolution as set out in item no. 4 of the Notice for approval of the members.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr. Dinesh Parasram Mistry 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 16th July, 2016 has, subject to the approval of members, revised in remuneration of Mr. Pushpendra Bansal (DIN – 00086343), Chairman and Joint Managing Director of the Company, from ₹ 1,50,000 to ₹ 1,00,000 w.e.f. 16th July, 2016 for his remaining period (i.e. upto 27th October, 2020).

The Board recommends the Ordinary Resolution as set out in item no. 5 of the Notice for approval of the members.

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 Board of Directors of the Company (the 'Board'), at its meeting held on 16th July, 2016 has, subject to the approval of members, revised in remuneration of Mr. Ramesh Bansal (DIN – 00086256), Managing Director, from ₹ 15,000 to ₹ 1,20,000 w.e.f. 16th July, 2016 for his remaining period (i.e. upto 31st July, 2019).

The Board recommends the Ordinary Resolution as set out in item no. 6 of the Notice for approval of the members.

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

ITEM NO. 7

As per the provision of Section 20 of Companies Act, 2013, a shareholder may request for any document through a particular mode, for which the shareholder shall pay such fees as may be determined by the company in its Annual General Meeting. Since the cost of providing documents may vary according to the mode of service, weight and its destination etc., therefore it is proposed that actual expense that may be borne by the company for such dispatch will be paid in advance by the shareholder to the company.

The Board recommends the Ordinary Resolution as set out in item no. 7 of the Notice for approval of the members.

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

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

Place: Mumbai
Date: August 13, 2016

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 REGULATION 36 (3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)									
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. Pushpendra Radheshyam Bansal	15/09/1960	28/10/2005	Construction and Hospitality business	Civil Engineer	1. Srijan Holdings Ltd. 2. Lords Inn Hotels and Developers Limited 3. Lords Ishwar Hotels Limited	—	Chairman and Joint Managing Director	—	
							Shares held : 2851198		
							Relative of Mr. Ramesh Bansal & Mrs. Sangeta 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 Relative of Mr. Pushpendra Bansal & Mrs. Sangeta Bansal		
Mr. Pradeep Om Dhawan	27/01/1955	02/07/2001	Hospitality business	Graduate from catering college	—	—	Non-Executive Independent Director Shares held : 8615	—	
Mr. Bapi Datta	24/10/1958	31/07/2009	Construction business	B.Sc. (Hons.) and B.E. (Civil)	—	—	Non-Executive Independent Director Shares held : Nil	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)	—	—	Non-Executive Independent Director Shares held : Nil	Resigned w.e.f 09.11.2015	
Mrs. Sangeta Pushpendra Bansal	13/12/1963	11/09/2014	Hospitality business	M.Phil.	1. Srijan Holdings Ltd. 2. Lords Inn Hotels and Developers Limited 3. Lords Ishwar Hotels Limited	—	Non-Executive Promoter Director	Retiring by rotation at the forthcoming Annual General Meeting	
							Shares held : 2838000		
							Relative of Mr. Pushpendra Bansal & Mr. Ramesh Bansal		
Mr. Nilkanth Barot	08/09/1972	30/05/2015	Advocate	L.L.B.	—	—	Non-Executive Independent Director Shares held : Nil	—	
Mr. Dinesh Parasram Mistry	22/11/1972	13/02/2016	Travel Business	H.S.C.	—	—	Non-Executive Independent Director Shares held : Nil	Appointed as an Additional Director w.e.f. 13.02.2016	

DIRECTORS' REPORT

To,
The Members,

Your Directors are pleased to present the 27th Annual Report of your Company together with the Audited Financial Statements and Auditors' Report for the year ended 31st March, 2016.

FINANCIAL RESULTS:**(₹ in Lakh)**

Particulars	For the year ended 31-03-2016	For the year ended 31-03-2015
Total Revenue	2288.68	2132.32
Net Operating Profit	734.38	674.52
Less: Interest & Finance Charges	330.53	328.18
Less: Depreciation	250.98	217.18
Net Profit Before Tax & Exceptional Items	152.87	129.16
Add: Exceptional Items	(8.20)	--
Net Profit Before Tax	144.67	129.16
Less : Provision for Taxation		
- Net Current Tax	72.00	52.00
- Deferred Tax	(38.16)	14.60
Net Profit After Tax	110.83	62.56

OPERATIONS:

The total revenue of your Company for the year 2015-16 was increased to ₹ 2288.68 lakh as against ₹ 2132.32 lakh of the previous year. Net profit after tax of the Company was increased to ₹ 110.83 lakh as against ₹ 62.56 lakh of the previous year.

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

DIVIDEND:

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

PUBLIC DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the year ended 31st March, 2016.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Mr. Nilkanth Barot was appointed as an Independent Director of the Company for a period of 5(five) consecutive years with effect from the date of 30th May, 2015 and shall not retire by rotation.

Mr. Bapi Datta and Mr. Nimish Shah had resigned from the Directorship of the Company with effect from 30th May, 2015 and 9th November, 2015 respectively. The Board of Directors places on record its feeling of appreciation for the valuable contribution made by them during their tenure.

Mr. Pushendra Bansal has been reappointed by the Board in their meeting held on 13th August, 2015 and confirmed in 26th Annual General Meeting held on 24th September, 2015 as a Chairman and Joint Managing Director of the Company for a further period of 5 years w.e.f. 28th October, 2015.

Mr. Dinesh Mistry was appointed as an Additional Director of the Company w.e.f. 13th February, 2016 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. Dinesh Mistry 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. 13th February, 2016 upto the date 12th February, 2021 and shall not retire by rotation.

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

MANAGEMENT DISCUSSION AND ANALYSIS:

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

CORPORATE GOVERNANCE:

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

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

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

FAMILIARISATION PROGRAM TO INDEPENDENT DIRECTORS:

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

LISTING ON STOCK EXCHANGE:

The Company's shares are listed with the BSE Limited and the Company has paid the necessary listing fees for the Financial Year 2016-17.

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-4**.

BOARD MEETINGS:

During the year under review, 5 (Five) 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 2015-16, the details of which are given in the Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- (i) in the preparation of the annual accounts for the financial year ended 31st March, 2016, 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, 2016 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, 2016, 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.

DECLARATION BY INDEPENDENT DIRECTORS:

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

REMUNERATION POLICY:

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

STATUTORY AUDITORS:

M/s. PARY & Co., Chartered Accountants (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 2015-16. The Secretarial Audit Report is annexed herewith as **Annexure-5**. The report does not contain any qualifications, reservation or adverse remarks.

SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANIES:

During the year, Kesar Motels Pvt. Ltd. has ceased as an associate Company. As on 31st March, 2016, your Company does not have any Subsidiaries, Joint Ventures or Associate Companies.

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.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY:

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

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

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. Your Company is also using DG set for utilising alternate sources of energy. During the year, your company does not have any capital investment on energy conservation equipment.

B. Technology Absorption:

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

C. Total Foreign Exchange Earning and Outgo:

Particulars	2015-16 Amount (₹)	2014-15 Amount (₹)
Total Foreign Exchange used	202,606	1,848,872
Total Foreign Exchange earned	5,946,004	8,869,304

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

BOARD EVALUATION:

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

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

AUDIT COMMITTEE:

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

INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:

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

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

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

PARTICULARS OF EMPLOYEES:

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

APPOINTMENT OF M/S. BIGSHARE SERVICES PVT. LTD.:

Pursuant to the direction given by SEBI vide its order no. WTM/RKA/MIRSD2/41/2016 dated 22.03.2016, your Company has appointed M/s. Bigshare Services Pvt. Ltd. as a Registrar & Share Transfer Agent in place of M/s. Sharepro Services (India) Pvt. Ltd., in its board meeting held on 30th May, 2016.

Further, in compliance with the SEBI Order dated 22.03.2016, the Company has appointed Mr. Manish R Patel, Company Secretary in Practice, Surat to conduct the audit of share transfers and dividend for the last ten years and the Company has submitted the audit report to SEBI.

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

During the year, no written complaints have been received by the Company pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

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

INDUSTRIAL RELATIONS:

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

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: Mumbai
Date : August 13, 2016

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

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

The Indian hospitality industry has emerged as one of the key industries driving growth of the services sector in India. It has evolved into an industry that is sensitive to the needs and desires of people. The fortunes of the hospitality industry have always been linked to the prospects of the tourism industry and tourism is the foremost demand driver of the industry. The Indian hospitality industry has recorded healthy growth fuelled by robust inflow of foreign tourists as well as increased tourist movement within the country and it has become one of the leading players in the global industry.

Hotels are an important component of the tourism sector. They contribute in the overall tourism experience through the standards of facilities and services offered by them. The constant transformation has made the Indian hotel industry more functional and practical and has gained a level of acceptance world over. The standards of facilities and services offered have evolved over the last decade towards the extensive use of technology, environment friendly services, pricing, market segmentation, regional preferences, etc. The Indian hotel industry has seen a significant growth in room inventory across categories from upscale luxury to limited services and boutique and budget hotels. The occupancy has seen continued gains both from the domestic and the international traveller in both the business and leisure segment. However, because of increase in inventory as well as current economic position, there is pressure on room rates. With the continued growth in India's GDP, improvement in the per capita income and increased inspirational spending, the Indian hospitality sector is expected to grow much faster than most countries around the world.

2. OPPORTUNITIES, THREATS, RISK AND CONCERNS:

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

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

In India, the prospects of the hotel industry drives with the change in the spending pattern and perception of the individual towards the hoteling. The foreign tourists as well as the local visitors are now a days becomes more demanding due to the increase in the income level and status. Way back before 30 years there were no such requirements about the hoteling. But as the time changes, there are frequent changes in the perception of the individual customers towards hoteling. Hence due to the frequent changes in the demand of the customers, the hotel industry also shown the progress in the innovativeness in their area. As said earlier, in way back, customers of hotels generally prefer for the snacks, lunch dining or stay as tourist. But now days, peoples are shown the interest in hotels as a span for freshness, relaxation of the physic, official work etc.

3. FINANCIAL AND OPERATIONAL PERFORMANCE:

The total revenue of your Company for the year 2015-16 was increased to ₹ 2288.68 lakh as against ₹ 2132.32 lakh of the previous year. Net profit after tax of the Company was increased to ₹ 110.83 lakh as against ₹ 62.56 lakh of the previous year.

4. FUTURE PROSPECTS:

In the long term, the demand-supply gap in India is very real and that there is a need for more hotels in most cities. The shortage is especially true within the budget and the mid-market segment. Various domestic and international brands have made significant inroads into this space and more are expected to follow as the potential for this segment of hotels becomes more obvious.

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

5. 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.

6. HUMAN RESOURCE DEVELOPMENT:

The manpower employed in your Company for 2015-16 was 209 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.

7. CAUTIONARY STATEMENT:

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

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

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

- (i) that the Board and top management of the company are fully apprised 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 Promoter Directors, 1 is Non-executive Promoter Director and 3 Directors are Non-executive Independent Directors, with the Chairman as an Executive Promoter Director. The half of the Board has Non Executive Independent Directors.

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

5 (Five) Board Meetings were held during the financial year 2015-16. The dates on which the said meetings were held are as follows:

1.	May 30, 2015	2.	August 13, 2015	3.	October 10, 2015
4.	November 09, 2015	5.	February 13, 2016		

The last Annual General Meeting of the Company was held on September 24, 2015.

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	4	Yes	2851198
Mr. Ramesh Bansal	Managing Director /CFO	ED	4	Yes	Nil
Mrs. Sangeeta Bansal	Director	NED	3	Yes	2838000
Mr. Pradeep Dhawan	Director	NED (I)	5	Yes	8615
Mr. Bapi Datta@	Director	NED (I)	-	N.A.	Nil
Mr. Nilkanth Barot\$	Director	NED (I)	5	Yes	Nil
Mr. Nimish Shah *	Director	NED (I)	2	No	Nil
Mr. Dinesh Mistry#	Additional Director	NED (I)	1	N.A.	Nil

ED – Executive Director / NED – Non-Executive Director / NED(I) – Non Executive Director 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 Companies in which Director \$\$	No. of Committees in which Member \$\$	No. of Committees in which Chairman \$\$
Mr. Pushpendra Bansal	3	--	--
Mr. Ramesh Bansal	1	--	--
Mrs. Sangeeta Bansal	3	--	--
Mr. Pradeep Dhawan	--	--	--
Mr. Bapi Datta@	--	--	--
Mr. Nilkanth Barot\$	--	--	--
Mr. Nimish Shah*	--	--	--
Mr. Dinesh Mistry#	--	--	--

@Ceased w.e.f. 30.05.2015.

\$ Appointed w.e.f. 30.05.2015.

* Ceased w.e.f. 09.11.2015.

Appointed w.e.f. 13.02.2016.

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

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 Schedule II to Regulation 17(7) of the Listing Regulations pertaining to Corporate Governance.

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

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

Meeting of Independent Directors:

During the year 2015-16, the separate meeting of the Independent Directors was held on 13.02.2016, as required under Schedule IV of the Companies Act, 2013 and Regulation 25 (3) of the Listing Regulations without the presence of non-independent directors and other members of the management.

Familiarisation Program to Independent Directors:

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

Note on Directors seeking appointment/re-appointment:

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

Mr. Nilkanth Barot was appointed as an Independent Director of the Company for a period of 5(five) consecutive years with effect from the date of 30th May, 2015 and shall not retire by rotation.

Mr. Bapi Datta and Mr. Nimish Shah had resigned from the Directorship of the Company with effect from 30th May, 2015 and 9th November, 2015 respectively. The Board of Directors places on record its feeling of appreciation for the valuable contribution made by them during their tenure.

Mr. Pushpendra Bansal has been reappointed by the Board in their meeting held on 13th August, 2015 and confirmed in 26th Annual General Meeting held on 24th September, 2015 as a Chairman and Joint Managing Director of the Company for a further period of 5 years w.e.f. 28th October, 2015.

Mr. Dinesh Mistry was appointed as an Additional Director of the Company w.e.f. 13th February, 2016 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. Dinesh Mistry 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. 13th February, 2016 upto the date 12th February, 2021 and shall not retire by rotation.

Their particulars are enclosed as an Appendix to the Notice convening the Twenty Seventh 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 2015-16, the Audit Committee met 4 (Four) times on May 30, 2015, August 13, 2015, November 9, 2015 and February 13, 2016. 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 Meetings attended
Mr. Pradeep Dhawan	Chairman	NED (I)	4
Mr. Nimish Shah*	Member	NED (I)	3
Mr. Nilkanth Barot#	Member	NED (I)	1
Mr. Ramesh Bansal	Member	ED	4

* Ceased w.e.f. 09.11.2015.

Appointed w.e.f. 09.11.2015.

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 2015-16, the Nomination and Remuneration Committee met 4 (Four) times on May 30, 2015, August 13, 2015 and November 9, 2015 and February 13, 2016.

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

Name	Designation	Category	No. of Meetings attended
Mr. Pradeep Dhawan	Chairman	NED (I)	4
Mr. Bapi Datta @	Member	NED (I)	-
Mr. Nilkanth Barot \$	Member	NED (I)	3
Mr. Nimish Shah*	Member	NED (I)	2
Mr. Dinesh Mistry#	Member	NED (I)	N.A.

@Ceased w.e.f. 30.05.2015.

\$ Appointed w.e.f. 30.05.2015.

* Ceased w.e.f. 09.11.2015.

Appointed w.e.f. 13.02.2016.

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, 2016, your Company has paid remuneration to its Executive Directors as under:

Name & Designation of Director	Tenure upto	Salary (in ₹)	Perquisites (in ₹)
Mr. Pushendra Bansal, Chairman & Jt. Managing Director	27.10.2020	18,00,000	Nil
Mr. Ramesh Bansal, Managing Director/CFO	31.07.2019	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.

The Nomination and Remuneration Policy is uploaded on the Company's website www.hsindia.in.

➤ **Performance Evaluation:**

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

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

5. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Stakeholders Relationship Committee was constituted for redressal of stakeholders' complaints like transfer of shares, non-receipt of annual report, non-receipt of dividend, etc. During the year, 2 (Two) Stakeholders Relationship Committee meetings were held on August 13, 2015 and February 13, 2016.

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

Name	Designation	Category	No. of Meetings attended
Mr. Pradeep Dhawan	Chairman	NED (I)	2
Mr. Bapi Datta @	Member	NED (I)	-
Mr. Nilkanth Barot §	Member	NED (I)	2
Mr. Nimish shah *	Member	NED (I)	1
Mr. Dinesh Mistry#	Member	NED (I)	N.A

@Ceased w.e.f. 30.05.2015.

§ Appointed w.e.f. 30.05.2015.

* Ceased w.e.f. 09.11.2015.

Appointed w.e.f. 13.02.2016.

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, 2016.

6. RISK MANAGEMENT COMMITTEE:

The Risk Management Committee was constituted for risk assessment and risk minimization in the Company. During the year, one Risk Management Committee meeting was held on 13th February, 2016. All the members were present in the meeting.

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

Name	Designation	Category	No. of Meeting attended
Mr. Pushpendra Bansal	Chairman	ED	1
Mrs. Sangeeta Bansal	Member	NED	1
Mr. Nimish shah *	Member	NED (I)	N.A
Mr. Dinesh Mistry#	Member	NED (I)	N.A

*Ceased w.e.f. 09.11.2015.

#Appointed w.e.f. 13.02.2016.

7. GENERAL BODY MEETINGS

(A) General Meeting

(i) Annual General Meeting:

Details	Date	Time	Venue
Annual General Meeting 2014-15	September 24, 2015	9.30 A.M.	'Kalash', Dhake Colony, J. P. Road, Andheri (W), Mumbai - 400 053, Maharashtra.
Annual General Meeting 2013-14	September 11, 2014	9.30 A.M.	
Annual General Meeting 2012-13	August 30, 2013	10.00 A.M.	

(ii) Extraordinary General Meeting:

During the year, No Extraordinary General Meeting was held.

(B) Special Resolution

A. 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.

B. 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. At the 26th Annual General Meeting of the Company held on September 24, 2015, one Special Resolution were passed –

(i) For Approval of Related Party Transactions under provisions of Section 188 of the Companies Act, 2013.

(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 Regulations 34 of the Listing Regulations.
- (v) Policy on dealing with related party transactions is uploaded on the Company's website www.hsindia.in.
- (vi) Pursuant to Regulation 17 (8) of the Listing Regulations, the Board has received Chairman and Joint Managing Director and CFO certificate for the Financial Year ended March 31, 2016.

9. MEANS OF COMMUNICATION

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

10. GENERAL SHAREHOLDER INFORMATION

1.	Annual General Meeting		
	Date and Time	:	September 24, 2016 at 9:30 a.m.
	Venue	:	'Kalash', Dhake Colony, J. P. Road, Andheri (West), Mumbai-400053
2.	Financial Year	:	1 st April, 2015 to 31 st March, 2016
3.	Dividend Payment Date	:	No Dividend has been recommended
4.	Registered Office of the company	:	A-1, Manish Kaveri, Building No. 18, Manish Nagar, J. P. Road, Andheri (West), Mumbai – 400 053, Maharashtra. E-mail: hsindialimited@gmail.com Website: www.hsindia.in
5.	Listing on Stock Exchanges	:	BSE Limited, Mumbai
6.	Annual listing fees	:	Duly paid for the year 2015-16 and 2016-17
7.	Stock Code		
	(a) Trading Symbol at	:	BSE Limited, Mumbai
	(b) Demat ISIN Numbers in NSDL & CDSL	:	Equity Shares INE731B01010
			532145/HOTLSILV
8.	Stock Market Data	:	BSE Ltd.
			High (₹)
	April, 2015		4.89
	May, 2015		4.88
	June, 2015		4.30
	July, 2015		4.94
	August, 2015		5.43
	September, 2015		5.13
	October, 2015		5.38
	November, 2015		5.20
	December, 2015		5.21
	January, 2016		5.44
	February, 2016		5.15
	March, 2016		4.97
			Low (₹)
			3.84
			4.19
			3.70
			4.00
			4.00
			4.04
			4.34
			4.20
			4.59
			4.46
			4.38
			4.16

9.	Share Price Performance compared with broad based indices				
		H S India Limited		BSE	
	As on 1 st April, 2015	3.84		28260.14	
	As on 31 st March, 2016	4.97		25341.86	
	Change (%)	29.43%		(10.33%)	
10.	A. Distribution of Shareholding as on 31st March, 2016:				
	No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
	1 – 500	1750	65.18	369009	2.27
	501-1000	400	14.90	354168	2.18
	1001-2000	209	7.78	342675	2.11
	2001-3000	77	2.87	198298	1.22
	3001-4000	42	1.56	145343	0.90
	4001-5000	39	1.45	184885	1.14
	5001-10000	74	2.76	527778	3.25
	10001 & above	94	3.50	14116244	86.93
	GRAND TOTAL	2685	100.00	16238400	100.00
	Physical Mode	225	8.38	826989	5.09
	Electronic Mode	2460	91.62	15411411	94.91
	B. Category of Shareholders as on 31st March, 2016:				
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	0	0	0.00	
(2)	Non-Institutions				
	- Bodies Corporate	74	541411	3.34	
	- Individuals	2594	9328890	57.46	
	- Independent Director	2	8615	0.05	
	- NRI's/OBC's/Foreign National	7	25632	0.15	
	- Any Other (Trust)	1	100	0.00	
	Sub-Total (B)	2678	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)	2685	16238400	100.00	

11.	Dematerialization of Shares	: As on March 31, 2016, 15,411,411 equity shares constituting 94.91% of the Equity Share Capital of the Company stand dematerialized.
12.	Outstanding GDRs/ ADRs/Warrants or any Convertible Instruments	: The Company has not issued GDRs/ADRs. As on March 31, 2016, no Warrants/Convertible Instruments outstanding for conversion.
13.	Hotel Location	: Lords Plaza Opp. Linear Bus Stand, Ring Road, Surat – 395 003. E-mail : hsindialimited@gmail.com
14.	Address for Correspondence	: M/s. Bigshare Services Private Limited Unit: (H S India Limited) <u>Registered Office:-</u> E-2, Ansa Industrial Estate, Saki-vihar Road, Sakinaka, Andheri (E), Mumbai – 400 072 E-mail : investor@bigshareonline.com Tel. No. (022) 40430200, Fax No. (022) 28475207

Bigshare Services Pvt. Ltd. appointed as a Registrar and share transfer agent of the Company in place of Sharepro Services (India) Pvt. Ltd. w.e.f. 30.05.2016.

11. RECONCILIATION OF SHARE CAPITAL AUDIT:

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

12. NON-MANDATORY REQUIREMENTS:

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

ANNEXURE-3

**RATIO OF DIRECTORS' REMUNERATION TO MEDIAN EMPLOYEES'
REMUNERATION AND OTHER DISCLOSURE**
[PURSUANT TO SUB-SECTION (12) OF SECTION 197 OF THE COMPANIES ACT, 2013 AND RULE
5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL
PERSONNEL) RULES, 2014]

- (i) The percentage increase in remuneration of each Director and Company Secretary during the financial year 2015-16 and ratio of each director to the median remuneration of the employees of the Company for the financial year 2015-16 are as under:

(₹ In Lakh)

Sr. No.	Name of Director / KMP and Designation	Remuneration of Director/KMP for financial year 2015-16	% increase in Remuneration in the financial year 2015-16	Ratio of remuneration of each Director to median remuneration of employees
1	Mr. Pushpendra Bansal Chairman and Joint Managing Director	18.00	Nil	21.43
2	Mr. Ramesh Bansal Managing Director/CFO	1.80	Nil	2.14
3	Mr. Hitesh Limbani Company Secretary	4.67	35.25%	N.A.

- (ii) The Median Remuneration of employees of the Company during the financial year was ₹ 0.84 Lakh.
- (iii) In the financial year 2015-16, there was an increase of 4.87 % in the median of remuneration of employees.
- (iv) As on 31.03.2016, there were 209 permanent employees on the rolls of the Company.
- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and points out if there are any exceptional circumstances for increase in the managerial remuneration: Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year 2015-16 was 5.92 %.
- (vi) Affirmation that the remuneration is as per the Remuneration policy of the Company: It is hereby affirmed that the remuneration is as per the remuneration policy for Directors, Key Managerial Personnel and other employees.

FORM NO. MGT 9

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

EXTRACT OF ANNUAL RETURN
As on the financial year ended on 31/03/2016

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 Kaveri, Buliding No. 18, Manish Nagar, J. P. Road, Andheri (W),
	Town / City:	Mumbai
	State:	Maharashtra
	Pin Code:	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:	13AB, Samhita Warehousing Complex, 2 nd Floor, Sakinaka Telephone Exchange Lane, off Andheri- Kurla Road, Sakinaka, Andheri (E),
	Town / City:	Mumbai
	State:	Maharashtra
	Pin Code:	400072
	Telephone:	(022) 67720300/400
	Fax Number:	(022) 28591568
	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	47.14
2	Restaurants	56101	8.10
3	Wine and Liquor	47221	32.91
4	Banquets and others	56210	11.85

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

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
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	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-	0	0	0	0.00	0	0	0	0.00	0.00
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	606072	800	606872	3.74	540611	800	541411	3.34	-0.40
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	1875225	121320	1996545	12.30	1891984	119620	2011604	12.39	0.09

ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	6575615	695869	7271484	44.78	6610717	706569	7317286	45.07	0.29
c) Others Specify									
(c-i) Independent Directors	4115	0	4115	0.03	8615	0	8615	0.05	0.02
(c-ii) Non-Residence (Non-Rep)	2156	0	2156	0.01	2156	0	2156	0.01	0.00
(c-iii) Non-Residence(Rep)	23476	0	23476	0.14	23476	0	23476	0.14	0.00
(c-iv) Trust	0	0	0	0.00	100	0	100	0.00	0.00
Sub-total B(2):-	9086659	817989	9904648	61.00	9077659	826989	9904648	61.00	0.00
Total Public Shareholding (B)=(B(1)+ (B(2)	9086659	817989	9904648	61.00	9077659	826989	9904648	61.00	0.00
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	15420411	817989	16238400	100.00	15411411	826989	16238400	100.00	0.00

ii. Shareholding of Promoters

Sl. No.	Name of the Promoter	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Pushpendra R Bansal	2851198	17.56	15.40	2851198	17.56	15.40	0.00
2	Sangeeta P Bansal	2838000	17.48	0.00	2838000	17.48	0.00	0.00
3	Srijan Holdings Ltd.	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	15.40	6333752	39.00	15.40	0.00

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

Sl. No.	Name of the Promoter	Shareholding at the beginning of the year (01-04-2015)		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)	
		No. of Shares	% of Total Shares of the Company				No. of Shares	% of Total Shares of the Company
No changes during the year								

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

Sl. No.	Name of the Shareholder (For Each of the Top 10 Share holders)	Shareholding at the beginning of the year (01-04-2015)		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)	
		No. of Shares	% of Total Shares of the Company				No. of Shares	% of Total Shares of the Company
1	Mchinder Sharma	650000	4.00	-	Nil	No change	650000	4.00
2	Poonam Sharma	650000	4.00	-	Nil	No change	650000	4.00
3	Vinod Dalvi	650000	4.00	-	Nil	No change	650000	4.00
4	Vikash Suri	650000	4.00	-	Nil	No change	650000	4.00
5	Ajay Sahoo	231500	1.43	22/01/2016	64996	Market Purchase	296496	1.83
6	Anil Dhimmar	278800	1.72	-	Nil	No change	278800	1.72
7	Shrirang Jadhav	271289	1.67	-	Nil	No change	271289	1.67
8	Virendra Mistry	250000	1.54	-	Nil	No change	250000	1.54
9	Uma Gupta	234300	1.44	-	Nil	No change	234300	1.44
10	Rich Udhyog Network Ltd.	248830	1.53	28/08/2015	-23763	Market Sale	225067	1.39

v. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding of Directors and KMPs	Shareholding at the beginning of the year (01-04-2015)		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2015 to 31-03-2016)	
		No. of Shares	% of Total Shares of the Company				No. of Shares	% of Total Shares of the Company
1	Mr. Pushpendra Bansal (Chairman & Jt. MD)	2851198	17.56	-	Nil	No change	2851198	17.56
2	Mr. Ramesh Bansal (Managing Director/CFO)	0	0.00	-	Nil	No change	0	0.00
3	Mrs. Sangeeta Bansal (Director)	2838000	17.48	-	Nil	No change	2838000	17.48
4	Mr. Pradeep Dhawan (Director)	4115	0.03	09/10/2015	1000	Market Purchase	5115	0.03
				23/10/2015	1000	Market Purchase	6115	0.04
				26/02/2016	2500	Market Purchase	8615	0.05
5	Mr. Bapi Datta@ (Director)	0	0.00	-	Nil	No change	0	0.00
6	Mr. Nilkanth Barot\$ (Director)	0	0.00	-	Nil	No change	0	0.00
7	Mr. Nimish Shah* (Director)	0	0.00	-	Nil	No change	0	0.00
8	Mr. Dinesh Mistry# (Additional Director)	0	0.00	-	Nil	No change	0	0.00
9	Mr. Hitesh Limbani (Company Secretary)	0	0.00	-	Nil	No change	0	0.00

@Ceased w.e.f. 30.05.2015.

\$ Appointed w.e.f. 30.05.2015.

* Ceased w.e.f. 09.11.2015.

Appointed w.e.f. 13.02.2016.

V. INDEBTEDNESS

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

Indebtedness at the beginning of the financial year (As on 01.04.2015)	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
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
Change in Indebtedness during the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
* Addition	0	0	0	0
* Reduction	-27096575	0	0	-27096575
Net Change	-27096575	0	0	-27096575
Indebtedness at the end of the financial year (As on 31.03.2016)	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	255000000	0	0	255000000
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	255000000	0	0	255000000

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 under Section 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	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 remuneration to other Directors:

Sl. no.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Pradeep Dhawan	Mr. Bapi Datta @	Mr. Nilkanth Barot §	Mr. Nimish Shah *	Mr. Dinesh Mistry#	
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)	-	-	-	-	-	19,80,000

@Ceased w.e.f. 30.05.2015.

§ Appointed w.e.f. 30.05.2015.

* Ceased w.e.f. 09.11.2015.

Appointed w.e.f. 13.02.2016.

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	-	467,100	-	467,100
	(b) Value of perquisites under Section 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	467,100	-	467,100

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

For and on behalf of the Board of Directors

Place: Mumbai
Date : August 13, 2016

PUSHPENDRA BANSAL
Chairman & Jt. Managing Director
DIN-00086343

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016
[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, 2016**, complied with the statutory provisions of the applicable acts listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2016** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14th May, 2015) and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from 15th May, 2015);

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2009 (Not applicable as the Company has not issued any securities);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable as the Company has not formulated any Employee Stock Option Scheme and Employee Stock Purchase Scheme);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable as the Company has not issued any debts securities which were listed);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client (Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent);
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable as the Company has not opted for delisting); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable as the Company has not done any Buyback of Securities).
- (vi) Other laws as applicable specifically to the Company:
- (a) Food Safety and Standards Act, 2006.
 - (b) The Gujarat Tax on Luxuries (Hotels and Lodging Houses), Act, 1977 read with applicable rules.

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

- (i) Secretarial Standards (with respect to Board and General Meetings) issued by The Institute of Company Secretaries of India as notified by MCA w.e.f. 1st July, 2015.
- (ii) The Listing Agreement entered into by the Company with Stock Exchanges (upto 30th November, 2015) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (effective from 1st December, 2015).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through 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 not taken specific actions/decisions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc. referred to above.

Date: August 13, 2016
Place: Mumbai

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

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. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. 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.

Date: August 13, 2016
Place: Mumbai

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

COMPLIANCE CERTIFICATE

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

To,

The Board of Directors
H S India Limited
A-1, Manish Kaveri, 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, 2016 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: Mumbai
Date : August 13, 2016

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 all Board members and Senior Management Personnel of the Company have affirmed compliance for the financial year ended March 31, 2016 with the Code of Conduct of the Company. The code is posted on the Company's website www.hsindia.in.

FOR H S INDIA LIMITED

Place: Mumbai
Date: August 13, 2016

PUSHPENDRA BANSAL
Chairman and Jt. Managing Director
DIN – 00086343

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

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

To,
The Members of
H S INDIA LIMITED

1. We have examined the compliance of conditions of Corporate Governance by H S INDIA LIMITED for the period ended March 31, 2016, as stipulated in Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For PARY & CO.
Chartered Accountants
FRN: 007288C

AKASH GAGLANI
Partner
Membership No.: 114255
9005, World Trade Centre,
Ring Road, Surat – 395002 (Gujarat)

Place : Mumbai
Date : August 13, 2016

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, 2016**, 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. 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, 2016**;
- 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, 2016 (the "Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" 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, 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
 - g) 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

Place : Mumbai
Date : May 30, 2016

AKASH GAGLANI
Partner
Membership No.: 114255

Annexure A to the Independent Auditor's Report to the Members of the H S India Limited dated 30th May, 2016

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on other Legal and Regulatory Requirement' section. We report that:

- I. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
(c) The title deeds of Immovable properties are held in the name of the company.
- II. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals and no material discrepancies have been noticed on such verification.
- III. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- IV. According to the Information and Explanation given to us and on the basis of our examination of the books of accounts, the Company has duly complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities.
- V. Based on the audit procedures applied by us and according to the information and explanations provided by the management, the Company has not accepted deposits from public within the meaning of directives issued by the Reserve Bank of India and provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder are not applicable.
- VI. As per information and explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 for the Company's activities. Hence, the provisions of clause 3(vi) of the Order are not applicable to the company.
- VII. (a) According to the records of the Company, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-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, 2016 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, sales tax, service tax, duty of customs, duty of excise or value added tax on account of any dispute.
- VIII. Based on our audit procedures and on the basis of information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank, government or debenture holders.
- IX. According to the information and explanation given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year under consideration. The Company has not availed any fresh term loan facility during the year under consideration.
- X. Based on our audit procedures and on the basis of information and explanation given by the management, we are of the opinion that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- XI. According to the information and explanation given to us, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

- XII.** In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and therefore the provisions of clause 3(xii) of the Order are not applicable to the company.
- XIII.** Based on the information and explanations given to us, the Company has complied with Section 177 and 188 of the Companies Act, 2013 wherever applicable and the details have been disclosed in the financial statement etc. as required by the applicable accounting standards.
- XIV.** In our opinion and according to the information and explanations given to us, the Company has not made any preferential Allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- XV.** Based on the information and explanations given to us, the Company has not entered in to any non-cash transaction with directors or persons connected with him as per Section 192 of the Companies Act, 2013.
- XVI.** According information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For PARY & CO.
Chartered Accountants
FRN: 007288C

Place : Mumbai
Date : May 30, 2016

AKASH GAGLANI
Partner
Membership No.: 114255

Annexure B to the Independent Auditor's Report to the Members of H S India Limited**Report on the Internal Financial Controls under Clause (i) of Sub Section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of "Report on Other Legal and Regulatory Requirement" section.**

We have audited the internal financial controls over Financial Reporting of H S India Limited ("the Company") as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal controls over financial reporting based on our audit.

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

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- a) Pertain to the maintenance of records that, in reasonable details, accurately and fairly reflect the transactions and dispositions of the assets of the Company.
- b) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditure of the Company are being made only in accordance with authorization of management and directors of the company; and
- c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the company has in all material respects, an adequate internal financial controls systems over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India".

For PARY & CO.
Chartered Accountants
FRN: 007288C

Place: Mumbai
Date: May 30, 2016

AKASH GAGLANI
Partner
Membership No.: 114255

BALANCE SHEET AS AT 31st MARCH, 2016

PARTICULARS	Note No.	As at 31/03/2016		As at 31/03/2015	
		₹	₹	₹	₹
I. EQUITY AND LIABILITIES					
1. Shareholders' funds					
(a) Share Capital	2	162,384,000		162,384,000	
(b) Reserves and Surplus	3	87,350,010		76,499,854	
			249,734,010		238,883,854
2 Non- Current Liabilities					
(a) Long-term borrowings	4	225,000,000		255,000,000	
(b) Deferred tax liabilities (Net)	5	26,884,000		30,700,000	
(c) Other long-term liabilities	6	551,400		500,000	
			252,435,400		286,200,000
3 Current Liabilities					
(a) Short-term borrowings		-		-	
(b) Trade payables	7				
- Dues to Micro and Small Enterprises		-		-	
- Dues to Others		12,606,811		8,995,380	
(c) Other current liabilities	8	41,954,569		39,676,484	
(d) Short-term provisions	9	7,935,426		7,467,445	
			62,496,806		56,139,309
TOTAL			564,666,216		581,223,163
II ASSETS					
1. Non-Current Assets					
(a) Fixed assets					
(i) Tangible assets	10	221,446,032		241,934,853	
(ii) Intangible assets		-		-	
(iii) Capital work-in-progress		-		-	
(b) Non-current investments	11	58,439,260		66,639,260	
(c) Long-term loans and advances	12	211,745,666		210,735,965	
			491,630,958		519,310,078
2. Current assets					
(a) Inventories	13	11,323,767		8,627,546	
(b) Trade receivables	14	12,827,308		5,608,464	
(c) Cash and cash equivalents	15	40,589,402		37,223,716	
(d) Short-term loans and advances	16	8,294,781		10,453,359	
			73,035,258		61,913,085
TOTAL			564,666,216		581,223,163
III The significant accounting policies and accompanying notes forming an integral part of the financial statements	1-38				

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

PUSHPENDRA BANSAL
Chairman and Jt. Managing Director
DIN: 00086343

RAMESH BANSAL
Managing Director/CFO
DIN:00086256

Place: Mumbai
Date: May 30, 2016

HITESH LIMBANI
Company Secretary
ACS-31531

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2016

	PARTICULARS	Note No.	2015-16	2014-15
			₹	₹
I	Revenue from operations	17	222,581,222	209,260,692
II	Other Income	18	6,286,783	3,971,105
III	Total Revenue (I + II)		228,868,005	213,231,797
IV	Expenses			
	Food and Beverages Consumed	19	11,799,146	10,238,470
	Purchase of Stock in Trade	20	43,126,624	33,147,941
	Changes in Inventories of Stock In Trade	21	(2,656,249)	(608,267)
	Employee benefit expense	22	31,026,119	29,908,995
	Finance Costs	23	33,053,386	32,817,422
	Depreciation and amortization expense		25,097,596	21,718,438
	Other operating and general expenses	24	72,134,139	73,092,528
	Total Expenses		213,580,761	200,315,527
V	Profit before exceptional and extraordinary items and tax (III-IV)		15,287,244	12,916,270
VI	Exceptional Items	25	(820,000)	-
VII	Profit before extraordinary items and tax (V-VI)		14,467,244	12,916,270
VIII	Extraordinary items		-	-
IX	Profit before tax (VII-VIII)		14,467,244	12,916,270
X	Tax expense:			
	(a) Current tax expense		7,200,000	5,200,000
	(b) Less: MAT credit		-	-
	(c) Net current tax expense		7,200,000	5,200,000
	(d) Deferred tax		(3,816,000)	1,460,000
XI	Profit/(Loss) for the period from continuing operations after tax (IX - X)		11,083,244	6,256,270
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)		11,083,244	6,256,270
XVI	Earnings per equity share:			
	(1) Basic		0.68	0.39
	(2) Diluted		0.68	0.39
XVII	The significant accounting policies and accompanying notes forming an integral part of the financial statements	1-38		

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

PUSHPENDRA BANSAL
Chairman and Jt. Managing Director
DIN: 00086343

RAMESH BANSAL
Managing Director/CFO
DIN:00086256

Place: Mumbai
Date: May 30, 2016

HITESH LIMBANI
Company Secretary
ACS-31531

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

	31/03/2016		31/03/2015	
	₹	₹	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit as per Statement of Profit & Loss before tax		14,467,244		12,916,270
Adjustments for:				
Depreciation	25,097,596		21,718,438	
(Profit)/ Loss on sale of Investments	820,000		-	
Interest paid	33,053,386		32,817,422	
Operating Profit Before Working Capital Changes		58,970,982		54,535,860
Working Capital Changes:		73,438,226		67,452,130
(Increase)/Decrease in inventories	(2,696,221)		(711,589)	
Increase/(Decrease) in Short Term Provisions	(1,532,019)		691,055	
Increase/(Decrease) in other Long term liabilities	51,400		-	
(Increase)/Decrease in trade receivables	(7,218,844)		54,448	
(Increase)/Decrease in short term loans & advances	2,116,464		110,719	
Increase/(Decrease) in trade payables	3,611,431		(2,073,524)	
Increase/(Decrease) in other current liabilities	2,278,085		27,405,093	
Cash Generated from Operations		(3,389,704)		25,476,202
Taxes Paid (Net)		70,048,522		92,928,332
Net Cash Flow from Operating Activities		(5,390,974)		(6,517,477)
		64,657,548		86,410,855
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets / capital work-in-progress		(4,608,775)		(52,234,670)
(Increase)/Decrease in Long Term Loans and Advances		(1,009,701)		(154,450,045)
Sale of Non Current Investments		7,380,000		(31,500,000)
Net Cash Flow From Investing Activities		1,761,524		(238,184,715)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds/(Repayments) from/of long-term borrowings		(30,000,000)		255,000,000
Increase/(Decrease) in Short Term Borrowings (Net)		-		(46,970,039)
Interest paid		(33,053,386)		(32,817,422)
Net Cash Flow From Financing Activities		(63,053,386)		175,212,539
Net Increase in Cash and Cash Equivalents (A+B+C)		3,365,686		23,438,679
CASH AND CASH EQUIVALENTS (BEGINNING OF THE YEAR)		37,223,716		13,785,037
CASH AND CASH EQUIVALENTS (END OF THE YEAR)		40,589,402		37,223,716

Notes:

- 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.
- Previous Year's Figures have been regrouped/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

PUSHPENDRA BANSAL
Chairman and Jt. Managing Director
DIN: 00086343

RAMESH BANSAL
Managing Director/CFO
DIN:00086256

Place: Mumbai
Date: May 30, 2016

HITESH LIMBANI
Company Secretary
ACS-31531

**Significant Accounting Policies & Notes on Financial Statement
for the year ended on 31st March, 2016**

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.

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, 2016**

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, 2016**

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, 2016**

NOTE '2'	As at 31/03/2016 ₹	As at 31/03/2015 ₹
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 31/03/2016		As at 31/03/2015	
	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	-	-	-	-
As at the end of the year	16,238,400	162,384,000	16,238,400	162,384,000

(ii) Terms & Rights of Shareholders:

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

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

Name of Shareholders	As at 31/03/2016		As at 31/03/2015	
	Number of shares	% of holding	Number of shares	% of holding
Pushpendra 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 31/03/2016 ₹	As at 31/03/2015 ₹
RESERVES AND SURPLUS		
Securities Premium Reserve		
Opening and Closing Balance	21,752,000	21,752,000
General Reserve		
Opening and Closing Balance	32,500,000	32,500,000
Surplus in Statement of Profit and Loss		
Opening Balance	22,247,854	24,197,645
Add: Surplus during The Year	11,083,244	6,256,270
Less: Short Provision of Income Tax	(222,299)	1,979,517
Less: Other Adjustments	(10,789)	284,233
	<u>33,098,010</u>	<u>32,717,665</u>
Less: Appropriation		
Adjustments relating to Fixed Assets as per Companies Act, 2013	-	10,469,811
	<u>33,098,010</u>	<u>22,247,854</u>
TOTAL	<u>87,350,010</u>	<u>76,499,854</u>

**Significant Accounting Policies & Notes on Financial Statement
for the year ended on 31st March, 2016**

NOTE '4' LONG-TERM BORROWINGS	As at 31/03/2016 ₹	As at 31/03/2015 ₹
Term Loan from Banks		
-Secured	225,000,000	255,000,000
TOTAL	225,000,000	255,000,000

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

	As at 31/03/2016 ₹		As at 31/03/2015 ₹	
	Non-Current	Current	Non-Current	Current
Secured				
Term Loan from banks				
a) Term Loan from Bank	225,000,000	30,000,000	255,000,000	27,000,000
	225,000,000	30,000,000	255,000,000	27,000,000

(ii) Maturity Profile:

	(Amount in ₹)			
	2016-17	2017-18	2018-19	2019-22
a) Term Loan Bank	30,000,000	36,000,000	42,000,000	147,000,000

(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 carries interest rate of 11.95% p.a.

NOTE '5' DEFERRED TAX LIABILITIES (NET)	As at 31/03/2016 ₹	As at 31/03/2015 ₹
Deferred Tax Liabilities		
On Depreciation of fixed assets (A)	30,910,000	32,060,000
Deferred Tax Assets		
On Disallowance under Income Tax Act, 1961 (B)	4,026,000	1,360,000
Net Deferred tax liabilities (A-B)	26,884,000	30,700,000

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

Security Deposit		
-Unsecured	551,400	500,000
TOTAL	551,400	500,000

NOTE '7'**TRADE PAYABLES**

Micro Small & Medium Enterprise (Refer Note-37)	-	-
Others	12,606,811	8,995,380
TOTAL	12,606,811	8,995,380

**Significant Accounting Policies & Notes on Financial Statement
for the year ended on 31st March, 2016**

	As at 31/03/2016 ₹	As at 31/03/2015 ₹
NOTE '8'		
OTHER CURRENT LIABILITIES		
Current Maturities of Long-term borrowings (Refer Note - 4)	30,000,000	27,000,000
Interest Accrued but not due on borrowings	-	96,575
Advances from Customers	1,194,607	1,426,348
Statutory Dues	6,073,653	5,967,510
Directors' Remuneration	-	212,579
Payable to Employees	4,686,309	4,973,472
TOTAL	41,954,569	39,676,484
NOTE '9'		
SHORT-TERM PROVISIONS		
Provision for Employee Benefits	683,627	2,165,947
Other Provisions:		
Provision for Taxation	7,200,000	5,200,000
Provision for Others	51,799	101,498
TOTAL	7,935,426	7,467,445
NOTE '11'		
NON-CURRENT INVESTMENTS		
<i>Trade Investments</i>		
Investment in Equity Instruments		
Other Company		
Unquoted (fully paid up)		
Kesar Motels Pvt. Ltd. of ₹ 100/- each 67, 250 Shares, (Previous Year 87,750 Shares)	26,900,000	35,100,000
Unquoted (fully paid up)		
Lords Oriental Resorts Developers (Silvassa) Pvt. Ltd. of ₹ 10/- each 65,625 Shares (Previous Year 65,625 Shares)	31,500,000	31,500,000
Other Investments		
Investment in Equity Instruments		
Unquoted (fully paid up)		
Japan Market Co-operative Service Society Ltd. of ₹ 50/- each 260 Shares, (Previous Year 260 Shares)	39,260	39,260
TOTAL	58,439,260	66,639,260
NOTE '12'		
LONG-TERM LOANS AND ADVANCES		
<i>Unsecured, considered good:</i>		
Capital Advances	36,500,000	35,500,000
Security Deposits		
With Related Party	172,700,000	172,700,000
With Others	2,545,666	2,535,965
TOTAL	211,745,666	210,735,965
NOTE '13'		
INVENTORIES		
(At lower of cost and net realisable value, as verified, valued and certified by the management)		
Traded Goods		
Wine & Liquor	7,506,552	4,850,303
Stores & Spares		
Provision, Stores, Food and Beverages	444,482	479,728
Other Consumables and Operating Supplies	3,372,733	3,297,515
TOTAL	11,323,767	8,627,546

Significant Accounting Policies & Notes on Financial Statement for the year ended on 31st March, 2016

Note- '10'
FIXED ASSETS

SR. NO.	PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
		AS ON 01.04.2015	ADDITIONS DURING THE YEAR	ADJUSTMENTS DURING THE YEAR	AS ON 31.03.2016	AS ON 01.04.2015	FOR THE YEAR	ADJUSTMENTS DURING THE YEAR	AS ON 31.03.2016	AS ON 31.03.2015
A	TANGIBLE ASSETS:									
1	Freehold Land	21,767,000	-	-	21,767,000	-	-	-	21,767,000	21,767,000
2	Borewell	74,330	-	-	74,330	70,614	-	70,614	3,716	3,716
3	Building	130,390,550	901,583	-	131,292,133	24,118,255	5,380,849	29,499,104	101,793,029	106,272,295
4	Plant & Machineries	118,850,842	1,297,364	(34,616)	120,113,590	63,842,001	5,584,845	69,426,846	50,686,744	55,008,841
5	Motor Car	4,125,908	-	-	4,125,908	3,171,502	374,055	3,545,557	580,351	954,406
6	Computer	3,757,476	394,657	-	4,152,133	1,282,120	1,203,621	2,485,741	1,666,392	2,475,356
7	Electrical Installations	44,158,093	-	-	44,158,093	19,026,482	4,155,494	23,181,976	20,976,117	25,131,611
8	Furniture & Fixtures	55,703,336	2,049,787	-	57,753,123	25,381,708	8,398,732	33,780,440	23,972,683	30,321,628
	TOTAL - A	378,827,535	4,643,391	(34,616)	383,436,310	136,892,682	25,097,596	161,990,278	221,446,032	241,934,853
	PREVIOUS YEAR	326,592,865	52,234,670	-	378,827,535	104,704,433	21,718,438	10,469,811	136,892,682	221,888,432
B	INTANGIBLE ASSETS:									
	TOTAL - B	-	-	-	-	-	-	-	-	-
	PREVIOUS YEAR	-	-	-	-	-	-	-	-	-
C	CONSTRUCTION WIP:									
	TOTAL - C	-	-	-	-	-	-	-	-	-
	PREVIOUS YEAR	-	3,181,750	3,181,750	-	-	-	-	-	-

**Significant Accounting Policies & Notes on Financial Statement
for the year ended on 31st March, 2016**

	As at 31/03/2016 ₹	As at 31/03/2015 ₹
NOTE `14'		
TRADE RECEIVABLES		
<i>Unsecured, considered good:</i>		
More than six months	447,115	111,431
Others	12,380,193	5,497,033
TOTAL	<u>12,827,308</u>	<u>5,608,464</u>
NOTE `15'		
CASH AND CASH EQUIVALENTS		
Cash on Hand	1,021,663	3,262,860
Balance with Banks		
<i>-In Current Accounts</i>	37,357,960	31,915,450
Other Bank Balances		
Bank Deposits with more than three months maturity	2,209,779	2,045,406
TOTAL	<u>40,589,402</u>	<u>37,223,716</u>
NOTE `16'		
SHORT TERM LOANS AND ADVANCES		
<i>Unsecured, considered good:</i>		
Advance to Related parties	-	277,899
Advance to Others	-	1,857,277
Advances to Suppliers	600,631	448,767
Prepaid Expenses	106,872	253,852
Advances to Employees	421,282	966,285
Balance with Statutory Authorities	7,165,996	6,649,279
TOTAL	<u>8,294,781</u>	<u>10,453,359</u>
	<u>2015-16</u> ₹	<u>2014-15</u> ₹
NOTE `17'		
REVENUE FROM OPERATION		
Sale of Services:		
Room Sale	104,925,376	98,709,814
Food & Beverage Sale	40,603,471	39,784,778
Wine & Liquor Sale	73,252,762	66,911,306
Other Services	3,799,613	3,854,794
TOTAL	<u>222,581,222</u>	<u>209,260,692</u>
NOTE `18'		
OTHER INCOME		
Interest Income		
- From Bank	200,524	405,349
- From Others	101,614	314,845
Other non-operating income	5,984,645	3,250,911
TOTAL	<u>6,286,783</u>	<u>3,971,105</u>
NOTE `19'		
FOOD AND BEVERAGES CONSUMED		
Stock at Commencement	479,728	401,129
Add: Purchases	11,763,900	10,317,069
	12,243,628	10,718,198
Less : Stock at Close	444,482	479,728
TOTAL	<u>11,799,146</u>	<u>10,238,470</u>
NOTE `20'		
PURCHASE OF STOCK IN TRADE		
Purchase of Wine & Liquor	41,201,371	31,707,708
Add: Excise Duty/Import Fee	1,925,253	1,440,233
TOTAL	<u>43,126,624</u>	<u>33,147,941</u>

**Significant Accounting Policies & Notes on Financial Statement
for the year ended on 31st March, 2016**

	2015-16 ₹	2014-15 ₹		
NOTE '21'				
CHANGES IN INVENTORIES OF STOCK IN TRADE				
Opening Stock	4,850,303	4,242,036		
Less: Closing Stock	7,506,552	4,850,303		
TOTAL	(2,656,249)	(608,267)		
NOTE '22'				
EMPLOYEE BENEFIT EXPENSE				
Salaries, Wages, Bonus etc.	23,832,305	23,916,470		
Contribution to P.F., E.S.I.C. and Other Statutory Funds	1,994,700	1,862,037		
Workmen and Staff Welfare Expenses	5,199,114	4,130,488		
TOTAL	31,026,119	29,908,995		
NOTE '23'				
FINANCE COSTS				
Interest Expense				
Interest on Term Loan	33,053,386	24,761,695		
Interest - Other	-	971,811		
Other borrowing Costs	-	7,083,916		
TOTAL	33,053,386	32,817,422		
NOTE '24'				
OTHER OPERATING AND GENERAL EXPENSES				
Power and Fuel	17,550,136	19,031,857		
Repairs To - Building	8,966,949	8,745,356		
- Machinery	3,038,710	3,049,156		
- Others	4,346,590	4,291,258		
Renewal & Replacements	670,633	737,247		
Insurance	399,218	267,330		
Rates and Taxes	6,584,867	6,729,917		
Linen, Uniform & Washing	5,422,586	3,914,400		
Housekeeping Expenses	6,179,323	5,549,041		
Advt., Publicity & Promotional Expenses	879,522	1,191,333		
Commission Expense	2,238,610	2,085,765		
Travelling & Conveyance	2,171,449	1,766,383		
Freight, Cartage & Transportation	2,528,406	3,063,679		
Management & Franchise Fees	3,006,250	3,000,000		
Legal & Professional Fees	3,878,355	2,776,620		
Payment to Auditor	100,000	112,360		
Directors' Remuneration	1,885,770	1,980,000		
Miscellaneous Expense	2,286,765	4,800,826		
TOTAL	72,134,139	73,092,528		
Footnote:				
(i) Payment to Auditors:				
As auditors - statutory audit	40,000	44,944		
For taxation matters	30,000	33,708		
For other services	30,000	33,708		
TOTAL	100,000	112,360		
NOTE '25'				
EXCEPTIONAL ITEMS				
Loss on sale of investments in Kesar Motels Pvt. Ltd.	(820,000)	-		
TOTAL	(820,000)	-		
NOTE '26'				
ADDITIONAL INFORMATION				
Imported and Indigenous Goods:	As at	% to total	As at	% to total
	31/03/2016	Consumption	31/03/2015	Consumption
Food and Beverages Consumed:				
Imported	-	-	-	-
Indigenous	11,799,146	100%	10,238,470	100%
Total	11,799,146	100%	10,238,470	100%
Expenditure in Foreign Currency:				
Commission	202,606		20,895	
TOTAL	202,606		20,895	
Earnings in foreign exchange :				
Payment Received from Foreign Customers	5,946,004		8,869,304	
TOTAL	5,946,004		8,869,304	

**Significant Accounting Policies & Notes on Financial Statement
for the year ended on 31st March, 2016**

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	4,79,728 (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)
Add:- Purchases	1,17,63,900 (1,03,17,069)	4,31,26,624 (3,31,47,942)	5,48,90,524 (4,34,65,011)	72,33,157 (59,75,407)	6,21,23,681 (4,94,40,418)
Total	1,22,43,628 (1,07,18,198)	4,79,76,927 (3,73,89,978)	6,02,20,555 (4,81,08,176)	1,05,30,672 (92,48,199)	7,07,51,227 (5,73,56,375)
Less:- Closing Stock	4,44,482 (4,79,728)	75,06,552 (48,50,303)	79,51,034 (53,30,031)	33,72,733 (32,97,515)	1,13,23,767 (86,27,546)
Consumption during the year	1,17,99,146 (1,02,38,470)	4,04,70,375 (3,25,39,675)	5,22,69,521 (4,27,78,145)	71,57,939 (59,50,684)	5,94,27,460 (4,87,28,829)

(Figures in brackets represent figures for the year 2014-15)

	2015-16	2014-15
	₹	₹
Note'28' - Estimated amount of Contracts remaining to be executed On capital account (Net of Advances)	1,00,00,000	2,00,00,000
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	2015-16	2014-15
	₹	₹
Liability at the beginning of the year	37,33,990	23,85,393
Interest Cost	2,98,719	1,90,831
Current Service Cost	5,70,825	3,85,424
Past Service Cost (Non Vested Benefit)	-	-
Past Service Cost (Vested Benefit)	-	-
Benefit Paid	(2,71,205)	(1,71,058)

**Significant Accounting Policies & Notes on Financial Statement
for the year ended on 31st March, 2016**

Actuarial (gain)/loss on obligation	(17,07,263)	9,43,400
Curtailments and Settlements	-	-
Liability at the end of the year	<u>26,25,066</u>	<u>37,33,990</u>
II. Fair Value of Plan Assets		
Fair Value of Plan Assets at the beginning of the year	34,93,793	28,25,520
Expected Return on Plan Assets	2,62,164	2,40,500
Contribution	-	5,98,831
Benefit Paid	(2,71,205)	(1,71,058)
Actuarial gain/(loss) on Plan Assets	-	-
Fair Value of Plan Assets at the end of the year	<u>34,84,752</u>	<u>34,93,793</u>
Excess of Obligation over Plan Assets	<u>(8,59,686)</u>	<u>2,40,197</u>
III. Actual Return on Plan Assets		
Expected Return on Plan Assets	2,62,164	2,40,500
Actuarial gain/(loss) on Plan Assets	-	-
Actual Return on Plan Assets	<u>2,62,164</u>	<u>2,40,500</u>
IV. Amount Recognized in the Balance Sheet		
Liability at the end of the year	26,25,066	37,33,990
Fair Value of Plan Assets at the end of the year	34,84,752	34,93,793
Difference	(8,59,686)	2,40,197
Unrecognised Past Service Cost	-	-
Amount Recognised in the Balance Sheet	<u>(8,59,686)</u>	<u>2,40,197</u>
V. Expenses Recognized in the Income Statement		
Current Service Cost	5,70,825	3,85,424
Interest Cost	2,98,719	1,90,831
Expected Return on Plan Assets	(2,62,164)	(2,40,500)
Net Actuarial (gain)/loss to be Recognised	(17,07,263)	9,43,400
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	<u>(10,99,883)</u>	<u>12,79,155</u>
VI. Balance Sheet Reconciliation		
Opening Net Liability	4,09,164	(2,71,160)
Expenses as above	(10,99,883)	12,79,155
Employers Contribution	-	(5,98,831)
Effect of Curtailments and Settlements	-	-
Amount Recognised in Balance Sheet	<u>(6,90,719)</u>	<u>4,09,164</u>
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.

**Significant Accounting Policies & Notes on Financial Statement
for the year ended on 31st March, 2016**

- 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:

Earnings 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	2015-16 ₹	2014-15 ₹
a. Profit after Tax	1,10,83,244	62,56,270
b. Average No. of Equity Shares Basic & Diluted	1,62,38,400	1,62,38,400
c. Earning Per Share Basic & Diluted	0.68	0.39

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 (KMP) 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.
Srijan Holdings Limited

(II) Key Management Personnel:

Pushpendra Bansal
Ramesh Bansal

(B) Transactions with Related Parties

(Amount in ₹)

Sr. No.	Nature of Transaction (Excluding Reimbursement)	Enterprises in which KMP have significant influence	Key Management Personnel	Total
1	Interest Paid	Nil (9,71,811)	Nil (Nil)	Nil (9,71,811)
2	Interest Received	Nil (2,19,100)	Nil (Nil)	Nil (2,19,100)
3	Receiving of services	40,92,752 (30,00,000)	19,80,000 (19,80,000)	60,72,752 (49,80,000)

**Significant Accounting Policies & Notes on Financial Statement
for the year ended on 31st March, 2016**

4	Investment	Nil (3,15,00,000)	Nil (Nil)	Nil (3,15,00,000)
5	Rendering of Services	42,00,000 (15,73,040)	Nil (Nil)	42,00,000 (15,73,040)
6	Amount Received on Current A/c (Net)	Nil (1,60,00,000)	Nil (Nil)	Nil (1,60,00,000)
7	Amount Given on Current A/c (Net)	Nil (9,53,69,677)	Nil (Nil)	Nil (9,53,69,677)
8	Security Deposit Given	Nil (17,27,00,000)	Nil (Nil)	Nil (17,27,00,000)
9	Sale of Investment	73,80,000 (Nil)	Nil (Nil)	73,80,000 (Nil)

(C) Balance as at 31.03.2016

10	Investment	5,84,00,000 (6,66,00,000)	Nil (Nil)	5,84,00,000 (6,66,00,000)
11	Trade & Other Receivable	56,06,160 (11,77,140)	Nil (Nil)	56,06,160 (11,77,140)
12	Trade & Other Payables	2,54,900 (3,14,900)	Nil (2,12,579)	2,54,900 (5,27,479)
13	Security Deposit	17,27,00,000 (17,27,00,000)	Nil (Nil)	17,27,00,000 (17,27,00,000)

(Figures in brackets are for previous year)

Note'37'- Details of dues to Micro, Small and Medium Enterprises Act, 2006 to the extent information is with the Company:

Particulars	2015-16	2014-15
	₹	₹
The principal amount and the interest due there on remaining unpaid to any supplier at the end of each accounting year.	-	-
The amount of interest paid by the buyer in terms of Section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-
Total	-	-

Note'38'- 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

PUSHPENDRA BANSAL
Chairman and Jt. Managing Director
DIN: 00086343

RAMESH BANSAL
Managing Director/CFO
DIN: 00086256

Place: Mumbai
Date: May 30, 2016

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:

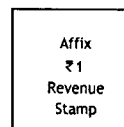
1. Name:-----
Address:-----
E-mail Id: -----
Signature: ----- or failing him/her
2. Name:-----
Address:-----
E-mail Id: -----
Signature: ----- or failing him/her
3. Name:-----
Address:-----
E-mail Id: -----
Signature: ----- or failing him/her

as my/our proxy to attend and vote for me/us and on my/our behalf at the 27th Annual General Meeting of the Company to be held on Saturday, the 24th September, 2016 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. Dinesh Mistry as an Independent Director
5	Revise in remuneration of Mr. Pushpendra Bansal, Chairman and Joint Managing Director of the Company
6	Revise in remuneration of Mr. Ramesh Bansal, Managing Director of the Company
7	Approval of charges for service of documents to the shareholders

As witness my / our hand(s) this _____ day of _____ 2016

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

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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)

DPID _____
Regd. Folio No. _____

CLIENT ID _____

I hereby record my presence at the 27th ANNUAL GENERAL MEETING of the Company held on Saturday, 24th September, 2016 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-----

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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	Lords Plaza SURAT	Lords Plaza SURAT	Lords Plaza SURAT	Lords Plaza SURAT	Lords Plaza SURAT
Bill Value up to ₹ 500	Bill Value up to ₹ 500	Bill Value up to ₹ 500	Bill Value up to ₹ 500	Bill Value up to ₹ 500	Bill Value up to ₹ 500
Discount – 20% On published tariff	Discount – 20% On published tariff	Discount – 20% On published tariff	Discount – 20% On published tariff	Discount – 20% On published tariff	Discount – 20% On published tariff
Valid up to 31-03-17	Valid up to 31-03-17	Valid up to 31-03-17	Valid up to 31-03-17	Valid up to 31-03-17	Valid up to 31-03-17

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*:.....
 Number of Equity Shares held:

I/ We hereby exercise my/our vote in respect of the following resolution(s) to be passed at the 27th Annual General Meeting of the Company, to be held on Saturday, 24th September, 2016 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, 2016 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. Dinesh Mistry as an Independent Director			
5	Revise in remuneration of Mr. Pushendra Bansal, Chairman and Joint Managing Director of the Company			
6	Revise in remuneration of Mr. Ramesh Bansal, Managing Director of the Company			
7	Approval of charges for service of documents to the shareholders			

*Applicable to investors holding shares in Electronic Form.

Place :

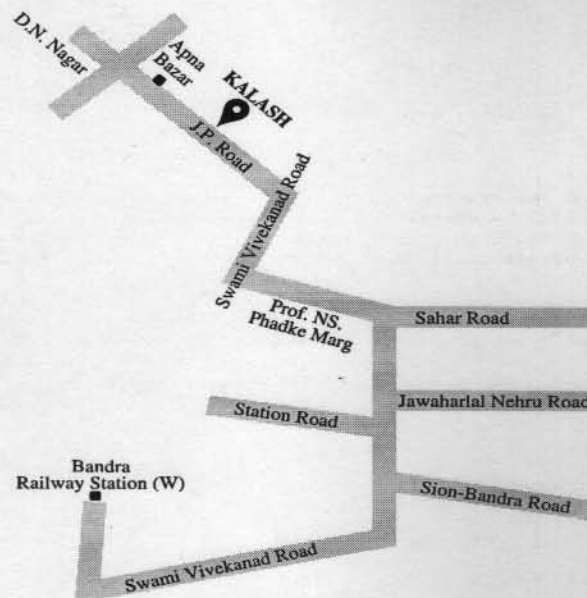
Date :

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 Friday, the 23rd September, 2016 at the address mentioned in point no. 1 above.
6. The Scrutinizer's decision on the validity of Ballot Form will be final.

ROUTE MAP



NOTE : MAP NOT TO SCALE

If undelivered, please return to :

H S INDIA LIMITED

CIN: L55100MH1989PLC053417

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