

**2021-22**

**33<sup>RD</sup>**

**ANNUAL  
REPORT**



**HS INDIA LIMITED**

**H S INDIA LIMITED**  
**CIN-L55100MH1989PLC053417**

## **COMPANY INFORMATION**

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

Mr. Ramesh Bansal - Managing Director / CFO  
Mr. Pushpendra Bansal - Managing Director  
Mrs. Sangita Bansal - Director  
Mr. Pradeep Dhawan - Independent Director  
Mr. Dinesh Mistry - Independent Director  
Mr. Shiladitya Mukherjee - Independent Director

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

Mr. Hitesh Limbani

### **STATUTORY AUDITORS**

M/s. K K Haryani & Co.  
Chartered Accountants  
D/205-206, 2nd Floor, R K Casta,  
Bh. Patel Super Market, Station Road,  
Bharuch-392001, Gujarat.

### **BANK**

HDFC Bank Ltd.

### **REGISTERED OFFICE**

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

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

Bigshare Services Pvt. Ltd.  
Corporate Office:  
S6-2, 6th Floor, Pinnacle Business Park,  
Next to Ahura Centre, Mahakali Caves Road,  
Andheri (East), Mumbai – 400093.

**NOTICE**

NOTICE is hereby given that the 33<sup>RD</sup> ANNUAL GENERAL MEETING of H S INDIA LIMITED will be held on Wednesday, the 7<sup>th</sup> day of September, 2022 at 12:30 p.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") 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 on 31<sup>st</sup> March, 2022 together with the Report of the Board of Directors and the Auditors thereon.

**2. Appointment of Director:**

To appoint a Director in the place of Mr. Pushpendra Bansal (DIN – 00086343), who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:****3. Appointment of Mr. Ghanshyam Parasram Mistry (DIN-09559172) as an Independent Director:**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules made thereunder read with Schedule IV to the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as recommended by Nomination and Remuneration Committee and Board of Directors of the Company, Mr. Ghanshyam Parasram Mistry (DIN-09559172), in terms of Section 161 of the Act and in respect of whom a notice in writing under Section 160 of the Act, as amended, has been received in the prescribed manner, be and is hereby appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation to hold office for the period of 5 (five) consecutive years w.e.f. 7<sup>th</sup> September, 2022 up to 6<sup>th</sup> September, 2027.

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

**4. Appointment of Mr. Adityabhai Jagdishbhai Joshi (DIN-07718831) as an Independent Director:**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules made thereunder read with Schedule IV to the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and as recommended by Nomination and Remuneration Committee and Board of Directors of the Company, Mr. Adityabhai Jagdishbhai Joshi (DIN-07718831), in terms of Section 161 of the Act and in respect of whom a notice in writing under Section 160 of the Act, as amended, has been received in the prescribed manner, be and is hereby appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation to

hold office for the period of 5 (five) consecutive years w.e.f. 7<sup>th</sup> September, 2022 up to 6<sup>th</sup> September, 2027.

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

**5. Re-appointment of Mr. Pushpendra Bansal (DIN-00086343) as a Managing Director:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) read with Schedule V of the Act and as recommended by Nomination and Remuneration Committee and Board of the Company, consent of the members of the Company be and is hereby accorded for the reappointment of Mr. Pushpendra Bansal (DIN-00086343) as a Managing Director of the Company, liable to retire by rotation, for a further period of 3 (three) years with effect from 11<sup>th</sup> September, 2022, on the following terms and conditions:

- (a) Duration : 3 Years (11<sup>th</sup> September, 2022 to 10<sup>th</sup> September, 2025)
- (b) Salary: ₹ 1,00,000 (Rupees One Lakh) per month as per Remuneration Policy of the Company.
- (c) Perquisites and Allowances : In addition to the salary as outlined above, the Managing Director shall be entitled to the following perquisites/allowances which shall not be included in the computation of limits for the remuneration:
  - (i) contribution to provident fund, superannuation or annuity funds, to the extent these either singly or put together are not taxable under the Income Tax Act;
  - (ii) gratuity payable at a rate not exceeding half a month’s salary for each completed year of service; and
  - (iii) encashment of leave at the end of the tenure.

Explanation:

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

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

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

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

**6. Revision in Remuneration of Mr. Ramesh Bansal (DIN-00086256) as a Managing Director of the Company:**

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

**“RESOLVED THAT** in suppression of the earlier resolution passed in Board Meeting held on 14<sup>th</sup> August, 2021 and a Special Resolution passed in 32<sup>nd</sup> Annual General Meeting held on 23<sup>rd</sup> September, 2021 and pursuant to the provisions of Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made there under read with Schedule V to the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and as recommended by Nomination and Remuneration Committee and Board of the Company, consent of the members of the Company be and is hereby accorded for revision in the remuneration of Mr. Ramesh Bansal (DIN-00086256), Managing Director of the Company, from ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand Only) to ₹ 2,00,000/- (Rupees Two Lakh Only) on existing terms and conditions mentioned in the earlier special resolution was passed w.e.f. 1<sup>st</sup> October, 2022.”

**NOTES:**

- (a) In view of the continuing threat of COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 2/2022 read with General Circular No. 02/2021 dated 13<sup>th</sup> January, 2021, General Circular No. 21/2021 dated 14<sup>th</sup> December, 2021, General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, General Circular No. 14/2020 dated 8<sup>th</sup> April, 2020 and General Circular No. 17/2020 dated 13<sup>th</sup> April, 2020 (collectively referred to as “MCA Circulars”) and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May, 2022 (collectively referred to as “SEBI Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and MCA and SEBI Circulars, the AGM of the Company will be held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
- (b) Since this AGM is being held through VC / OAVM, pursuant to MCA Circulars and SEBI Circulars, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. Hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
- (c) In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report will also be available on the Company’s website [www.hsindia.in](http://www.hsindia.in), website of stock exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of National Securities Depository Limited at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- (d) Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- (e) Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Secretarial Standard -2 of the General Meetings, the particulars of Directors seeking appointment and re-appointment at the meeting are annexed.
- (f) Relevant documents referred to in the accompanying Notice and the explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 are available for inspection at the Registered Office of the Company during working hours upto the date of

- the AGM. Members are requested to write to the Company on [hsindialimited@gmail.com](mailto:hsindialimited@gmail.com) for inspection of said documents.
- (g) In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- (h) The register of members and share transfer books of the Company will remain closed from 1<sup>st</sup> September, 2022 to 7<sup>th</sup> September, 2022 (both days inclusive).
- (i) Members are requested to intimate to the Company's Registrar & Share Transfer Agent M/s. Bigshare Services Pvt. Ltd., S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400093, Maharashtra their Depository Participant ("DP"), changes, if any, in their registered addresses and their E-mail ID at an early date.
- (j) a) Members holding shares in electronic form should notify any changes in their residential address or bank details directly to their respective Depository Participants.  
b) Members holding shares in physical form are advised to submit details of PAN and bank account, viz. name and address of the branch of the bank, MICR code of the branch, type of account and account number to our Registrar and Share Transfer Agent "Bigshare Services Pvt. Ltd."
- (k) Non-Resident Indian Shareholders are requested to inform the Registrar & Share Transfer Agent/ Company/respective Depository Participant:  
a) Particulars of NRE Bank Account maintained in India with complete name and address of the Bank, if not already intimated.  
b) Change, if any, in their Residential status.
- (l) As per the provisions of Section 72 of the Act, the facility for making nomination is available to the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13 and if a Member desires to opt-out or cancel the earlier nomination and record a fresh nomination, the Member may submit the same in Form ISR-3 or Form SH-14, as the case may be, to the Company's Share Transfer Agent, Bigshare Services Pvt. Ltd., S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400093, Maharashtra.
- (m) Pursuant to SEBI Circular dated 3<sup>rd</sup> November, 2021 and 14<sup>th</sup> December, 2021, the Physical Securities holders has mandated to provide PAN, KYC details and Nomination Forms through Form ISR-1, Form ISR-2 and ISR-3(as applicable). The Company has sent individual letters to all members holding shares in physical form for furnishing their PAN, KYC details and Nomination. Members holding shares in physical form are requested to submit PAN, KYC details and Nomination to the Company's Share Transfer Agent, Bigshare Services Pvt. Ltd., S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400093, Maharashtra.
- (n) Instructions for Members for attending the AGM through VC / OAVM:  
(i) Members will be able to attend the AGM through VC / OAVM provided by NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) by using their remote e-voting login credentials and selecting the EVEN for Company's AGM.  
(ii) Members who do not have the User ID and Password for E-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in this Notice. Further, Members can also use OTP based login for logging into the e-Voting system of NSDL.  
(iii) Institutional / Corporate shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of its Board Resolution / Authority letter etc. authorizing its representative to attend the AGM through VC/OAVM on its behalf. The said Resolution/Authority letter shall be send through its registered Email id to the Scrutinizer at [csmanishpatel@gmail.com](mailto:csmanishpatel@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).  
(iv) Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.

- (v) Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered Email Id mentioning their name, DP ID and Client ID / Folio No., PAN, Mobile No. to the Company at [hsindialimited@gmail.com](mailto:hsindialimited@gmail.com) from 2<sup>nd</sup> September, 2022 to 4<sup>th</sup> September, 2022. Those Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- (o) It is recommended to join the AGM through laptop for better experience. You are requested to use internet with a good speed to avoid any disturbance during the meeting. Members connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience audio / video loss due to fluctuation in their data network. It is therefore recommended to use stable wi-fi or wired connection to mitigate any kind of aforesaid glitches.
- (p) 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 of casting votes using an electronic voting system (“remote e-voting”), through the e-voting services provided by NSDL on all the resolutions set forth in this Notice.
- (q) The remote e-voting period commences on Sunday, 4<sup>th</sup> September, 2022 (9:00 am) and ends on Tuesday, 6<sup>th</sup> September, 2022 (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 Wednesday, 31<sup>st</sup> August, 2022, may cast their vote by remote e-voting. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (r) The instructions for e-voting before / during the AGM are as under:  
The way to vote electronically on e-Voting system consists of ‘Two Steps’ which are mentioned below:

**Step 1: Access to e-Voting system**

**I. Login Method for e-voting for individual members holding securities in Demat mode:**


As per the SEBI Circular dated 9<sup>th</sup> December, 2020 on e-voting facility provided by listed companies, individual members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email address in their demat account in order to access remote e-voting facility.

NSDL	CDSL
<p>1. User already registered for IDeAS facility: I. URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> II. Click on the “Beneficial Owner” icon under ‘IDeAS’ section. III. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting”. IV. Click on company name or e-voting service provider and you will be re-directed to e-voting service provider website for casting the vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2. User not registered for IDeAS e-Services I. To register click on link : <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. II. Select “Register Online for IDeAS”. III. Proceed with completing the required fields.</p> <p>3. User not registered for IDeAS e-Services I. To register click on link : <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a> II. Proceed with completing the required fields.</p> <p>4. By visiting the e-voting website of NSDL I. URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> II. Click on the icon “Login” which is available under ‘Shareholder/Member’ section. III. Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</p>	<p><b>1. Existing user who have opted for Easi / Easiest</b> I. URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a> II. Click on New System Myeasi III. Login with user id and password. IV. Option will be made available to reach e-voting page without any further authentication. V. Click on e-voting service provider name to cast your vote.</p> <p><b>2. User not registered for Easi/Easiest</b> I. Option to register is available at <a href="https://web.cdslindia.com/myeasiregistration/EasiRegistration">https://web.cdslindia.com/myeasiregistration/EasiRegistration</a> II. Proceed with completing the required fields.</p> <p><b>3. By visiting the e-Voting website of CDSL</b> I. URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a> II. Provide demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. IV. After successful authentication; user will be provided links for the respective ESP where the e- Voting is in progress.</p>

IV. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page.  
 V. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period and voting during the meeting.  
 VI. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on

App Store Google Play



**Individual Members (holding securities in demat mode) login through their depository participant**

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Once login, you will be able to see e-voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-Voting period.

**Important note:**

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

Members facing any technical issue – NSDL	Members facing any technical issue – CDSL
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43.

**I) Login Method for e-voting for non-individual members and members holding securities in physical mode**

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

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

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

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

**5. Your password details are given below:**

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.



- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. HSIL remote-evoting.pdf file. Open the HSIL remote-evoting.pdf file. The password to open the HSIL remote-evoting.pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The HSIL remote-evoting.pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow the procedures as mentioned below:
    - (a) In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), self certified copy of PAN, self certified copy of AADHAR by email to Bigshare Services Pvt. Ltd. on investor@bigshareonline.com.
    - (b) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account Statement, self certified copy of PAN, self certified copy of AADHAR by email to Bigshare Services Pvt. Ltd. on investor@bigshareonline.com.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
  - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically on NSDL e-Voting system**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of **H S India Limited** to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**Instructions for e-Voting during the AGM are as under:**

- i. The procedure for remote e-Voting during the AGM is same as the instructions mentioned above for remote e-Voting since the Meeting is being held through VC/ OAVM.
- ii. Only those Members/ Shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

**General instructions to Shareholders:**

- (a) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- (b) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request by email at evoting@nsdl.co.in.

- (c) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of remote e-voting system for all those Members who are present during the AGM through VC/OAVM but have not cast their votes by availing the remote e-Voting facility. The remote e-Voting module during the AGM shall be disabled by NSDL for voting 15 minutes after the conclusion of the Meeting.
- (d) The Scrutinizer shall, immediately after the conclusion of voting at the AGM will count the votes cast at the meeting and after unlocking the votes in presence of at least two (2) witnesses not in the employment of the Company, make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the meeting or a person authorized by him in writing, who shall countersign the same. The Chairman or a person authorized by him shall declare the result of the voting forthwith within forty eight hours of the conclusion of the AGM.
- (e) The Results declared along with the consolidated Scrutinizer's report shall be placed on the Company's website [www.hsindia.in](http://www.hsindia.in) and will be forwarded to the NSDL & BSE Ltd. for its placing on their websites. The Results shall also be displayed on the Notice Board at the Registered Office of the Company for at least three days.

### **EXPLANATORY STATEMENT**

(Pursuant to Section 102 of the Companies Act, 2013)

#### **ITEM NO. 3**

On recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, signifying intention to propose Mr. Ghanshyam Parasram Mistry (DIN-09559172) as a candidate for the office of an Independent Director of the Company to hold office for the period of five consecutive years from 7<sup>th</sup> September, 2022 up to 6<sup>th</sup> September, 2027 and shall not retire by rotation.

Mr. Ghanshyam Parasram Mistry (DIN-09559172) 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. Ghanshyam 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. Ghanshyam Parasram Mistry possesses appropriate skills, experience and knowledge; inter alia, in Hospitality Business.

In the opinion of the Board, Mr. Ghanshyam 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. Ghanshyam Parasram Mistry is an independent of the management.

Copy of the draft letter for appointment of Mr. Ghanshyam 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 during the business hours (11 am to 5 pm) on any working day.

Accordingly, your Directors recommend the Special Resolution mentioned in item no. 3 for approval of the shareholders.

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

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

**ITEM NO. 4**

On recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, signifying intention to propose Mr. Adityabhai Jagdishbhai Joshi (DIN-07718831) as a candidate for the office of an Independent Director of the Company to hold office for the period of five consecutive years from 7<sup>th</sup> September, 2022 up to 6<sup>th</sup> September, 2027 and shall not retire by rotation.

Mr. Adityabhai Jagdishbhai Joshi (DIN-07718831) 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. Adityabhai Jagdishbhai Joshi 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. Adityabhai Jagdishbhai Joshi possesses appropriate skills, experience and knowledge; inter alia, in advocacy profession.

In the opinion of the Board, Mr. Adityabhai Jagdishbhai Joshi 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. Adityabhai Jagdishbhai Joshi is an independent of the management.

Copy of the draft letter for appointment of Mr. Adityabhai Jagdishbhai Joshi as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company during the business hours (11 am to 5 pm) on any working day.

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

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

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

**ITEM NO. 5 and 6**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on 8<sup>th</sup> August, 2022, proposed the re-appointment of Mr. Pushpendra Bansal (DIN-00086343) as a Managing Director for a further period of 3 years subject to the approval by the members of the Company on the terms and conditions of re-appointment as mentioned in the Resolution. He will take remuneration of ₹ 1,00,000/- in capacity of Managing Director of the Company.

Mr. Pushpendra Bansal has more than 27 years of enriched experience and expertise in the field of hospitality Business.

The Shareholders of the Company at the 32<sup>nd</sup> Annual General Meeting held on 23<sup>rd</sup> September, 2021 approved re-appointment of Mr. Ramesh Bansal (DIN-00086256) as a Managing Director of the Company for a period of 3 (three) years effective from 1<sup>st</sup> August, 2022 by Special Resolution under the relevant provisions of the Companies Act, 2013:

The Board of Directors of the Company (the 'Board'), at its meeting held on 8<sup>th</sup> August, 2022 has, subject to the approval of members, revised the remuneration of Mr. Ramesh Bansal, Managing Director, from ₹1,50,000 to ₹2,00,000 w.e.f. 1<sup>st</sup> October, 2022 on the same terms and conditions as mentioned in the earlier special resolution passed in 32<sup>nd</sup> Annual general Meeting held on 23<sup>rd</sup> September, 2021.

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

**I. GENERAL INFORMATION:**

1. Nature of Industry – Hospitality Business
2. Date or expected date of commencement of Commercial Production – The Company was incorporated in the year 1989 and started its business since then.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in prospectus – Not applicable.
4. Financial performance based on given indicators as per audited financial statements as at 31.03.2022:

Particulars	31.03.2022 (₹ in Lakh)
Total Revenue	1851.77
Net Operating Profit	417.16
Less: Interest & Finance Charges	185.10
Less: Depreciation	110.67
<b>Net Profit Before Tax &amp; Exceptional Items</b>	<b>121.39</b>
Add: Exceptional Items	--
<b>Net Profit Before Tax</b>	<b>121.39</b>
Less : Provision for Taxation	
- Net Current Tax	19.10
- Deferred Tax	(6.00)
<b>Net Profit After Tax</b>	<b>108.29</b>

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

**II. INFORMATION ABOUT THE APPOINTEE:**

Sr. No.	Particulars	Mr. Pushpendra Bansal	Mr. Ramesh Bansal
1	Background Details	Mr. Pushpendra Bansal is a promoter of the Company having vast experience of more than 27 years in the Construction and Hospitality Business	Mr. Ramesh Bansal is a promoter of the Company having vast experience of more than 3 decades in the Export-Import and Hospitality Business. Also, he is Managing Director and Chief Financial Officer of the company
2	Past remuneration	₹ 1,00,000/- per month as a Managing Director	₹ 1,50,000/- per month as a Managing Director
3	Recognition or awards	Mr. Pushpendra Bansal awarded as the top most 100	--

		influential leaders in Hospitality Industry by Global MICE and Luxury Congress in the year 2019	
4	Job profile and his suitability	He has worked as a Chairman & Jt. Managing Director of the Company for about 15 years and as a Chief Executive Officer for about 1 year, in which capacity he has been devoting whole time attention to the affairs of the Company and is suitable for this position.	He has worked as Managing Director of the Company for about 15 years, in which capacity he has been devoting whole time attention to the affairs of the Company and is suitable for this position.
5	Remuneration proposed	₹ 1,00,000/- per month.	₹ 2,00,000/- per month.
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and Person (in case of expatriates the relevant details would be with respect to the country of his origin)	Considering the size of the Company, the profile of Mr. Pushpendra Bansal, the responsibilities entrusted upon him in his capacity as Managing Director, and also considering the industrial benchmarks, the remuneration proposed is commensurate with the remuneration packages paid to similar appointees in other companies.	Considering the size of the Company, the profile of Mr. Ramesh Bansal, the responsibilities entrusted upon him in his capacity as Managing Director, and also considering the industrial benchmarks, the remuneration proposed is commensurate with the remuneration packages paid to similar appointees in other companies.
7	Pecuniary relationship directly or indirectly with the company, relationship with the managerial personnel, if any	Besides the remuneration proposed, Mr. Pushpendra Bansal does not have any pecuniary relationship with the Company. Mr. Ramesh Bansal and Mrs. Sangita Bansal are relatives of Mr. Pushpendra Bansal. No other managerial personnel are concerned or interested.	Besides the remuneration proposed, Mr. Ramesh Radheyshyam Bansal does not have any pecuniary relationship with the Company. Mr. Pushpendra Bansal and Mrs. Sangita Bansal are relatives of Mr. Ramesh Bansal. No other managerial personnel are concerned or interested.

**III. OTHER INFORMATION:**

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

**IV. DISCLOSURES:**

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

- (i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pensions, etc., of all the directors;

- (ii) Details of fixed component and performance linked incentive along with the performance criteria;
- (iii) Service contracts, notice period, severance fees; and
- (iv) Stock option details, if any and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

Accordingly, your Directors recommend the Special Resolutions mentioned in item no. 5 and 6 for approval of the shareholders.

Mr. Pushendra Bansal is holding 3222718 equity shares of the Company and he is related to Mrs. Sangita Bansal and Mr. Ramesh Bansal.

Mr. Ramesh Bansal is holding 151520 equity shares of the Company and he is related to Mr. Pushendra Bansal and Mrs. Sangita Bansal of the Company.

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

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

Place: Mumbai  
Date: 8<sup>th</sup> August, 2022

**HITESH LIMBANI**  
Company Secretary  
ACS-31531

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

**ANNEXURE TO NOTICE OF 33<sup>RD</sup> ANNUAL GENERAL MEETING**  
**Details of Directors seeking re-appointment at the 33<sup>RD</sup> Annual General Meeting**  
 [In pursuance of Regulation 36 (3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and  
 Secretarial Standard -2 of the General Meetings]

Name of Director	Mr. Ghanshaym Parasram Mistry	Mr. Adityabhai Jagdishbhai Joshi	Mr. Pushpendra Bansal
DIN	09559172	07718831	00086343
Designation	Independent Director	Independent Director	Managing Director
Date of Birth	30/10/1977	19/04/1985	15/09/1960
Date of appointment	07/09/2022	07/09/2022	11/09/2022
Terms and conditions of appointment/reappointment	To appoint as an Independent Director	To appoint as an Independent Director	Director liable to retire by rotation and to Reappoint as a Managing Director
Qualifications	H.S.C.	LL.B.	Civil Engineer
Expertise in specific functional area	Tours and Travel Business	Advocate	Construction and Hospitality Business
No. of Equity Shares held	--	--	3222718
Remuneration last drawn	--	--	₹ 1,00,000/- per month
Directorship in other Companies	--	Bindal Exports Ltd.	1. Lords Ishwar Hotels Ltd. 2. Kesar Motels Pvt. Ltd. 3. SSSP Consultant and Techno Services Pvt. Ltd. 4. Lords Institute of Management Pvt. Ltd. 5. Lords Sai Ma Hotels Pvt. Ltd. 6. P. R. Bansal Salt Industries Pvt. Ltd. 7. Palvit Health Tourism Pvt. Ltd. 8. Stone Designs (India) Pvt. Ltd.
Membership of committee in other Public Limited Company	--	Bindal Exports Ltd. – Chairman of Stakeholders Relationship Committee and member of Audit Committee and Nomination and Remuneration Committee	--
No. of Board Meetings attended during the financial year 2021-22	--	--	4
Relation	--	--	Mrs. Sangita Bansal and Mr. Ramesh Bansal are relatives of Mr. Pushpendra Bansal

**DIRECTORS' REPORT**

To,  
The Members,

Your Directors are pleased to present the 33<sup>rd</sup> Annual Report of your Company together with the Audited Financial Statements and Auditors' Report for the year ended 31<sup>st</sup> March, 2022.

**FINANCIAL RESULTS :**

Particulars	( ₹ in Lakh)	
	2021-22	2020-21
Total Revenue	1851.77	1049.71
Net Operating Profit	417.16	156.84
Less: Interest & Finance Charges	185.10	173.06
Less: Depreciation	110.67	136.46
<b>Net Profit/(Loss) Before Tax &amp; Exceptional Items</b>	<b>121.39</b>	<b>(152.68)</b>
Add: Exceptional Items	--	--
<b>Net Profit/(Loss) Before Tax</b>	<b>121.39</b>	<b>(152.68)</b>
Less : Provision for Taxation		
- Net Current Tax	19.10	--
- Deferred Tax	(6.00)	(9.00)
<b>Net Profit/(Loss) After Tax</b>	<b>108.29</b>	<b>(143.68)</b>

**OPERATIONS:**

The total revenue of your Company for the year 2021-22 was increased to Rs. 1851.77 lakh as against Rs. 1049.71 lakh of the previous year. The Company reported net profit after tax of Rs. 108.29 lakh for the year 2021-22 in comparison with a net loss after tax of Rs. 143.68 lakh of the previous year.

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

**TRANSFER TO RESERVE:**

For the financial year ended 31<sup>st</sup> March, 2022, the Board has not proposed to transfer any amount to Reserves.

**DIVIDEND:**

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

**PUBLIC DEPOSITS:**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the year ended on 31<sup>st</sup> March, 2022.

**SHARE CAPITAL:**

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

**DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):**

As on 31<sup>st</sup> March, 2022, your Company has Six (6) Directors, which includes Two (2) Executive Directors, One (1) Non-Executive Director (Woman) and Three (3) Independent Directors.



Mrs. Sangita Bansal, Director (DIN-01571275) of the Company, who retires by rotation and being eligible, was reappointed as a Director in 32<sup>nd</sup> AGM held on 23.09.2021.

Mr. Pushpendra Bansal, Managing Director (DIN-00086343) has requested the Board to club his dual position as a Managing Director and Chief Executive Officer with one designation which is a Managing Director w.e.f. 14<sup>th</sup> August, 2021.

Mr. Dinesh Mistry, Independent Director (DIN-07411914) of the Company was re-appointed as an Independent Director for the further period of 5 years w.e.f. 13<sup>th</sup> February, 2021 in 32<sup>nd</sup> AGM.

Mr. Ramesh Bansal, Managing Director (DIN-00086256) of the Company was re-appointed as a Managing Director for the period of 3 years w.e.f. 1<sup>st</sup> August, 2022 in 32<sup>nd</sup> AGM.

Mr. Pushpendra Bansal, Managing Director (DIN-00086343) of the Company is liable to retire by rotation at the forthcoming 33<sup>rd</sup> Annual General Meeting (AGM) and being eligible, offers himself for re-appointment.

After closure of the financial year, Mr. Dinesh Mistry (DIN-07411914) has resigned from the post of Independent Director and various committee membership of the Company w.e.f. 28.07.2022 due to the other various assignments of travel business. The Directors expressed their deep appreciation and gratitude for the contribution made and guidance provided by Mr. Dinesh Mistry during his tenure as member of the Board of Directors.

On the recommendation of the Nomination and Remuneration Committee, the Board at their meeting held on 08<sup>th</sup> August, 2022 has proposed to appoint Mr. Ghanshyam Parasram Mistry (DIN-09559172) and Mr. Adityabhai Jagdishbhai Joshi (DIN-07718831) as Non-executive Independent Directors for the period of 5 years w.e.f. 7<sup>th</sup> September, 2022 subject to approval of the members in the forthcoming AGM, who are highly renowned professionals drawn from diverse fields, who bring with their a wide range of skills and experiences to the Board, which enhances the quality of the Board's functioning and its decision making process. The Company and the Board have immensely benefitted from their vast experience, knowledge and strategic insights on various matters relating to Company's business. Considering the enormous contributions of the Directors to the functioning and performance of the Company, the Board was of the unanimous view that it will be in the best interest of the Company to appoint them as Non-executive Independent Directors for a term of 5 (five) years and shall not retire by rotation.

Mr. Ramesh Bansal is a Managing Director/CFO, Mr. Pushpendra Bansal is a Managing Director of the Company and Mr. Hitesh Limbani is a Company Secretary of the Company. Hence, the Company has all KMPs as per the provisions of Section 203 of the Companies Act, 2013.

Particulars as per Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 of the General Meeting are enclosed as an Annexure with the notice of 33<sup>rd</sup> AGM.

#### **DECLARATION BY INDEPENDENT DIRECTORS:**

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

**FAMILIARISATION PROGRAM TO INDEPENDENT DIRECTORS:**

As per Regulation 25 (7) of the Listing Regulations, Familiarisation Program has been carried out by the Company for the Independent Directors details of which has been posted on Company's website [http://hsindia.in/wp-content/uploads/2021/05/Familiarize\\_Program.pdf](http://hsindia.in/wp-content/uploads/2021/05/Familiarize_Program.pdf)

**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.

**PARTICULARS OF EMPLOYEES:**

The information required under Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure-3**.

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure-4**.

**EXTRACT OF ANNUAL RETURN:**

As provided under Section 92(3) and 134(3)(a) of the Act, read with Rule 12 of the Companies (Management and Administration) Amendment Rules, 2020, Annual Return in Form MGT-7 for the financial year 2021-22 is uploaded on the Company's website <http://hsindia.in/wp-content/uploads/2021/05/MGT-7-Website.pdf>

**BOARD MEETINGS:**

During the year under review, 4 (Four) Board Meetings were held as per the requirements of the Act, Listing Regulation, Secretarial Standards and circulars/notifications issued thereon. The details of Board Meetings are given in the Corporate Governance Report.

**COMMITTEE MEETINGS:**

Details pertaining to the composition of Audit Committee and Other Committees and all meetings were held during the year 2021-22, are given in the Corporate Governance Report.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

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

- (i) in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2022, 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 on 31<sup>st</sup> March, 2022 and of the profit of the Company for the year ended on that date.
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
  - (iv) the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March, 2022, on a 'going concern' basis.
  - (v) the Directors had laid down internal financial control to be followed by the company and that such internal financial controls are adequate and operating effectively.
  - (vi) the Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**DISCLOSURE ON COMPLIANCE WITH SECRETARIAL STANDARDS:**

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

**REMUNERATION POLICY:**

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

**STATUTORY AUDITORS:**

M/s. K. K. Haryani & Co., Chartered Accountants (Firm Reg. No.-121950W), was appointed as a Statutory Auditors of the Company for a period of 5 years w.e.f. conclusion of the 32<sup>nd</sup> AGM of the Company till the conclusion of the 37<sup>th</sup> AGM of the Company.

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

**INTERNAL AUDITOR:**

M/s. J. Bhavsar & Co., Chartered Accountants (Firm Reg. No. 115613W) at Surat, the internal auditors of the Company have conducted periodic audit of all operations of the Company. The Audit Committee has reviewed the findings of Internal Auditors regularly and their reports have been well received by the Audit Committee.

**SECRETARIAL AUDITOR:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013, your Company had appointed Mr. Manish R Patel, Company Secretary in Practice at Surat to undertake the Secretarial Audit of the Company for the Financial Year 2021-22. The Secretarial Audit Report (Form No. MR-3) is annexed herewith as **Annexure-5**. The report does not contain any qualifications, reservation or adverse remarks. No offence of fraud reported by them under Section 143 (12) of the Act.

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

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

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

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

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

All related party transactions that were entered into during the financial year were at arm's length basis and were in the ordinary course of business. All related party transactions were placed before the Audit Committee and the Board for approval. Prior omnibus approval of the Audit Committee has been obtained for the transactions which are of a foreseen and in repetitive nature. Policy on transactions with related parties as approved by the Board is uploaded on the Company's website [http://hsindia.in/wp-content/uploads/2021/05/Policy\\_of\\_Related\\_Party\\_Transactions.pdf](http://hsindia.in/wp-content/uploads/2021/05/Policy_of_Related_Party_Transactions.pdf)

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

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

**LISTING ON STOCK EXCHANGE:**

The Company's shares are listed with the BSE Limited and the Company has paid the necessary listing fees and custody fees for the Financial Year 2021-22 and 2022-23.

**MATERIAL CHANGES AND COMMITMENTS:**

The impact of COVID-19 on the Company's financial statements has been given in Note 31 of the Notes to financial statements for the year ended on 31<sup>st</sup> March, 2022 and for the period from the end of the financial year to which the financial statements relate and the date of this report. The Company's response to the situation arising from this pandemic has been explained in the Management Discussion and Analysis, which forms part of the Annual Report.

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

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

**A. Conservation of Energy:**

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

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

**B. Technology Absorption:**

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

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

Particulars	2021-22 Amount (Rs.)	2020-21 Amount (Rs.)
Total Foreign Exchange used	--	--
Total Foreign Exchange earned	1,85,662	4,85,392

**RISK MANAGEMENT:**

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

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

The Management has put in place adequate and effective system and man power for the purposes of risk management.

**BOARD 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.

**BOARD DIVERSITY POLICY:**

A diverse Board enables efficient functioning through differences in perspective and skill, and also fosters differentiated thought process at the back of varied industrial and management expertise, gender and knowledge. The Board recognizes the importance of diverse composition and has adopted a Board Diversity Policy which sets out the approach to diversity. The Board Diversity Policy is available on our website <http://hsindia.in/wp-content/uploads/2021/05/BoardDiversityPolicy.pdf>

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

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

**VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

The Company has adopted Vigil Mechanism / Whistle Blower Policy in accordance with Section 177 (9) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations to deal with instances of fraud and mismanagement, if any. The Vigil Mechanism / Whistle Blower Policy is available on the Company's website <http://hsindia.in/wp-content/uploads/2021/05/VigilMechanism.pdf>

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

The Company has duly constituted Internal Complaints Committee pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, the Company had not received any complaints and no complaints were pending as on 31<sup>st</sup> March, 2022.

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

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

**MAINTAINANCE OF COST RECORDS:**

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

**CORPORATE SOCIAL RESPONSIBILITY:**

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

**VALUATION:**

During the year, there were no instances of Onetime Settlement with any Banks or Financial Institutions.

**THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:**

During the year, there was no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

**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.

**ACKNOWLEDGEMENT AND APPRECIATION:**

Your Directors would like to express their appreciation for the assistance and co-operation received from the Financial Institutions, the Bankers, Government authorities, customers, vendors and shareholders during the year under review. Your Directors also wish to record

their recognition of the customer support and patronage by the corporate houses in and around Surat.

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

For and on behalf of the Board of Directors

Place: Mumbai  
Date :8<sup>th</sup> August, 2022

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

**PUSHPENDRA BANSAL**  
Managing Director  
DIN-00086343

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

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

ANNEXURE- 1

**1. INDUSTRY STRUCTURE AND DEVELOPMENTS:**

The Indian tourism and hospitality industry have emerged as one of the key drivers of growth among the service sector in India. Tourism in India has significant potential considering the rich cultural and historical heritage, variety in ecology, terrains and places of natural beauty spread across the country. Tourism is an important source of foreign exchange in India similar to many other countries. The Indian Government has realised the country's potential in the tourism industry and has taken several steps to make India a global tourism hub. It is becoming one of the most popular locations for both international and domestic travellers. India is also emerging as a destination for spiritual tourism for domestic and international tourists. The Hon'ble Prime Minister Mr. Narendra Modi's appeal to the public at large to visit 15 domestic tourist destinations by 2022 is also perceived as an impetus to the promotion of domestic tourism.

Travel, tourism and hospitality sectors has been the worst impacted sector due to the Pandemic. The industry was expecting a significant relief and incentives from the Union Budget 2022-23 for their survival and revival. However, the Budget did not concede industry's demand except extending the ECLGS expansion till 2023 with additional corpus of Rs. 50,000 crores dedicated to hospitality and allied industries.

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

COVID has forced countries to adopt travel restrictions, while many businesses are encouraging employees to work from home and use Virtual Meetings. As a result, business events have been particularly badly affected and one of the resulting tourism trends has been a switch in focus towards leisure customers.

Safety and hygiene would be the critical factors for travellers to select destinations and plan their itineraries. Travellers would be likely to prefer 'customised solutions' and avoid big gatherings.

With the rise in vaccination drive, the travel industry has started blooming. People have started planning their trips as they're excited to finally be able to travel carefree. The new travel protocols, however, will include compliances for travelers including Immunity passports for tourists to provide proof that the tourists are vaccinated for the virus. Safety and cleanliness have become priority for travelers across the globe since Covid. And the travel industry is already implementing major guidelines and protocols including PCR tests on arrival, mandatory masks, sanitation, and frequent cleaning in different sectors like hotels, airports, restaurants, etc. to provide a safe environment.

The year 2020-21 has completely disrupted the HOSPITALITY industry but 2021-22 is showing the revival of Hospitality Industry. The tourism sector will be very different than what it was before. The domestic sector is witnessing a surge as people are avoiding foreign travel and the situation is going to remain the same till the pandemic is over.

The Company has initiated the arrangement for vaccination to its employees and have taken various initiatives to protect the Health and Safety of employees and guests. All precautions based on World Health Organisation Guidelines and directions of the Central and State Governments have been implemented and are being strictly adhered to.

**3. FINANCIAL AND OPERATIONAL PERFORMANCE:**

The total revenue of your Company for the year 2021-22 was increased to Rs. 1851.77 Lakh as against Rs. 1049.71 Lakh of the previous year. The Company reported Net profit after tax of Rs. 108.29 Lakh for the year 2021-22 in comparison with a net loss after tax of Rs. 143.68 Lakh of the previous year.



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

Details of Significant changes in Key Financial Ratios given in Note-36 of the Notes on financial statements for the year ended on 31<sup>st</sup> March, 2022.

**5. FUTURE PROSPECTS:**

Domestic tourism is providing a much needed boost to help sustain many tourism destinations and businesses, and will continue to be a key driver of recovery in the short to medium term. There has been some pick up in domestic tourism activities since the middle of the year, due in part to displacement effects of international travel restrictions. However, this has been hindered as many countries face further waves of the virus, and domestic tourism is expected to end the year significantly down on pre-COVID levels.

A more significant and diligent need to give clear information to travellers, both leisure and business, has emerged. The clarity in information provided will essentially limit the scope of uncertainty among tourists.

The Company is doing a business with well-rehearsed safety Protocols and with implementation of the guidelines by the Local Authorities. The trust that the Company's brands enjoy help it gain market share as and when the economy revives.

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

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

**7. HUMAN RESOURCE DEVELOPMENT:**

The manpower employed in your Company for 2021-22 was 138 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. Special insurance cover was introduced this year for our employees for COVID-19 and its related expenses incurred by the Company. Human resource is drawn from diverse academic backgrounds and the Company has placed emphasis on recruiting people with formal training that matches their job profile.

**8. CAUTIONARY STATEMENT:**

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

**CORPORATE GOVERNANCE REPORT**

ANNEXURE- 2

**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:**

As on 31<sup>st</sup> March, 2022, the strength of the Board of Directors of the Company were 6 Directors out of which 2 Directors were Executive Promoter Director, 1 Director was Non-executive Promoter Director (Woman Director) and 3 Directors were Non-executive Independent Directors. The half of the Board has Non-executive Independent Directors.

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

4 (Four) Board Meetings were held during the financial year 2021-22 and requisite quorum was present throughout all the Board Meetings of the Company. The dates on which the said meetings were held are as follows:

1	10 <sup>th</sup> June, 2021	2	14 <sup>th</sup> August, 2021
3	13 <sup>th</sup> November, 2021	4	12 <sup>th</sup> February, 2022

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

**The last Annual General Meeting of the Company was held on 23<sup>rd</sup> September, 2021 through Video Conferencing/Other Audio Visual Means.**

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

Name	Designation	Category	Attendance Particulars		No. of Equity Shares held as on 31.03.2022
			Board Meetings	Last AGM	
Mr. Pushpendra Bansal	Managing Director	ED	4	Yes	3222718
Mr. Ramesh Bansal#	Managing Director /CFO	ED	4	Yes	151520
Mrs. Sangita Bansal	Director	NED	4	Yes	2686480
Mr. Pradeep Dhawan	Director	NED (I)	4	Yes	11976
Mr. Dinesh Mistry*	Director	NED (I)	4	Yes	Nil
Mr. Shiladitya Mukherjee	Director	NED (I)	4	Yes	Nil

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

# Re-appointed as a Managing Director for further period of 3 years w.e.f. 01.08.2022 in 32<sup>nd</sup> AGM held on 23.09.2021

\* Resigned as a Director w.e.f. 28.07.2022

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

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

# Re-appointed as a Managing Director for further period of 3 years w.e.f. 01.08.2022 in 32<sup>nd</sup> AGM held on 23.09.2021

\* Resigned as a Director w.e.f. 28.07.2022

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

Name of the Director	No. of other Companies in which Director		No. of other Committee position held	
	Unlisted Public Company	Unlisted Private Company	Member	Chairman
Mr. Pushpendra Bansal	--	7	--	--
Mr. Ramesh Bansal#	1	2	--	--
Mrs. Sangita Bansal	--	3	--	--
Mr. Pradeep Dhawan	--	1	--	--
Mr. Shiladitya Mukherjee	--	--	--	--
Mr. Dinesh Mistry*	--	--	--	--

# Re-appointed as a Managing Director for further period of 3 years w.e.f. 01.08.2022 in 32<sup>nd</sup> AGM held on 23.09.2021

\* Resigned as a Director w.e.f. 28.07.2022

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 listed Companies in which they are Directors. All the Directors have made necessary disclosures in this regards to the Company.

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

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

Mr. Ramesh Bansal and Mr. Pushpendra Bansal are brothers. Mrs. Sangita 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.

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

The Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contribution to the Board and its committees. These Directors are nominated based on well-defined selection criteria. The Nomination and Remuneration Committee ('NRC') considers, inter alia, key skills, qualifications, expertise and competencies, whilst recommending to the Board the candidature for appointment of Director.

The Board of Directors have, based on the recommendations of the NRC, identified the following core key skills/expertise/competencies of Directors as required in the context of business of the Company for its effective functioning which are currently possessed by the Board Members of the Company and mapped against each of the Directors:

Name of Directors	Behavioural	Governance	Technical	Industry	Financial	Sales and Marketing	Technology
Mr. Pushpendra Bansal	√	√	√	√	√	√	√
Mr. Ramesh Bansal	√	√	√	√	√	√	√
Mrs. Sangita Bansal	√	√	√	√	√	√	√
Mr. Pradeep Dhawan	√	√	√	√	√	√	√
Mr. Dinesh Mistry	√	√	--	√	--	--	√
Mr. Shiladitya Mukherjee	√	√	√	√	--	√	√

#### Meeting of Independent Directors:

During the year 2021-22, the separate meeting of the Independent Directors was held on 12<sup>th</sup> February, 2022, 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 [http://hsindia.in/wp-content/uploads/2021/05/Familiarize\\_Program.pdf](http://hsindia.in/wp-content/uploads/2021/05/Familiarize_Program.pdf)

**Resignation of Independent Director:** During the year 2021-22, No Independent Director was resigned. After closure of the financial year, Mr. Dinesh Mistry (DIN-07411914) has resigned from the post of Independent Director and various committee membership of the Company w.e.f. 28.07.2022 due to the other various assignments of travel business. The Directors expressed their deep appreciation and gratitude for the contribution made and guidance provided by Mr. Dinesh Mistry during his tenure as member of the Board of Directors.

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

Mrs. Sangita Bansal, Director (DIN-01571275) of the Company, who retires by rotation and being eligible, was reappointed as a Director in 32<sup>nd</sup> AGM held on 23.09.2021.

Mr. Pushpendra Bansal, Managing Director (DIN-00086343) has requested the Board to club his dual position as a Managing Director and Chief Executive Officer with one designation which is a Managing Director w.e.f. 14<sup>th</sup> August, 2021.

Mr. Dinesh Mistry, Independent Director (DIN-07411914) of the Company was re-appointed as an Independent Director for the further period of 5 years w.e.f. 13<sup>th</sup> February, 2021 in 32<sup>nd</sup> AGM.

Mr. Ramesh Bansal, Managing Director (DIN-00086256) of the Company was re-appointed as a Managing Director for the period of 3 years w.e.f. 1<sup>st</sup> August, 2022 in 32<sup>nd</sup> AGM.

Mr. Pushpendra Bansal, Managing Director (DIN-00086343) of the Company is liable to retire by rotation at the forthcoming 33<sup>rd</sup> Annual General Meeting (AGM) and being eligible, offers himself for re-appointment.

On the recommendation of the Nomination and Remuneration Committee, the Board at their meeting held on 08<sup>th</sup> August, 2022 has proposed to appoint Mr. Ghanshyam Parasram Mistry

(DIN-09559172) and Mr. Adityabhai Jagdishbhai Joshi (DIN-07718831) as Non-executive Independent Directors for the period of 5 years w.e.f. 7<sup>th</sup> September, 2022 subject to approval of the members in the forthcoming 33<sup>rd</sup> AGM and shall not retire by rotation.

Particulars as per Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 of the General Meeting are enclosed as an Annexure with the notice of 33<sup>rd</sup> AGM.

### 3. AUDIT COMMITTEE:

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

4 (Four) Audit Committee Meetings with requisite quorum were held during the financial year 2021-22, the date on which the said meetings were held are as follows:

1	10 <sup>th</sup> June, 2021	2	14 <sup>th</sup> August, 2021
3	13 <sup>th</sup> November, 2021	4	12 <sup>th</sup> February, 2022

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

Name	Designation	Category	No. of Meetings attended
Mr. Pradeep Dhawan	Chairman	NED (I)	4
Mr. Ramesh Bansal#	Member	ED	4
Mr. Dinesh Mistry*	Member	NED (I)	4
Mr. Shiladitya Mukherjee	Member	NED (I)	4

# Re-appointed as a Managing Director for further period of 3 years w.e.f. 01.08.2022 in 32<sup>nd</sup> AGM held on 23.09.2021

\* Resigned as a Director w.e.f. 28.07.2022

The Company Secretary acts as a Secretary to the Committee.

### 4. NOMINATION AND REMUNERATION COMMITTEE:

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

2 (Two) Nomination and Remuneration Committee Meetings with requisite quorum were held during the financial year 2021-22, the date on which the said meetings were held are as follows:

1	14 <sup>th</sup> August, 2021	2	12 <sup>th</sup> February, 2022
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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. Dinesh Mistry*	Member	NED (I)	2
Mr. Shiladitya Mukherjee	Member	NED (I)	2

\* Resigned as a Director w.e.f. 28.07.2022

Presently, the Company is not paying any sitting fees and remuneration to its Non-Executive Directors for attending meetings of the Board, Audit Committee and other Committees.

However, during the year ended 31<sup>st</sup> March, 2022, your Company has paid remuneration to its Executive Director as under:

Name & Designation of Director	Tenure upto	Salary (₹ in Lakh)	Perquisites (₹ in Lakh)
Mr. Ramesh Bansal, Managing Director/CFO	31 <sup>st</sup> July, 2025	18.00	Nil
Mr. Pushendra Bansal Managing Director	10 <sup>th</sup> September, 2022	12.00	Nil

The Company has formulated the Nomination and Remuneration Policy to lay down criteria and terms and conditions with regards to identifying persons who are qualified to become Directors (Executive and 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 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 and 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 <http://hsindia.in/wp-content/uploads/2015/07/Nominataion-Remmunertion-Policy.pdf>.

➤ **Performance Evaluation:**

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

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

**5. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

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

4 (Four) Stakeholders Relationship Committee Meetings with requisite quorum were held during the financial year 2021-22, The date on which the said meetings were held are as follows:

1	10 <sup>th</sup> June, 2021	2	14 <sup>th</sup> August, 2021
3	13 <sup>th</sup> November, 2021	4	12 <sup>th</sup> February, 2022

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. Dinesh Mistry*	Member	NED (I)	4
Mr. Shiladitya Mukherjee	Member	NED (I)	4

\* Resigned as a Director w.e.f. 28.07.2022

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

During the financial year, the Company has not received investor complaint and no complaints were pending as on 31<sup>st</sup> March, 2022.

**6. RISK MANAGEMENT COMMITTEE:**

The Risk Management Committee was constituted for minimizing the adverse impact of various risks attached with the business goals and objectives and to enhance the value of stakeholders.

3 (Three) Risk Management Committee Meetings with requisite quorum were held during the financial year 2021-22, The date on which the said meetings were held are as follows:

1	10 <sup>th</sup> June, 2021	2	13 <sup>th</sup> November, 2021	3	12 <sup>th</sup> February, 2022
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The details of composition of the Committee and their attendance at the meetings are given below:

Name	Designation	Category	No. of Meetings attended
Mrs. Sangita Bansal	Chairman	NED	3
Mr. Dinesh Mistry*	Member	NED (I)	3
Mr. Pushpendra Bansal	Member	ED	3

\* Resigned as a Director w.e.f. 28.07.2022

**7. GENERAL BODY MEETINGS:****(A) General Meeting****(i) Annual General Meeting:**

Details	Date	Time	Venue
32 <sup>nd</sup> Annual General Meeting 2020-21	23 <sup>rd</sup> September, 2021	11.00 A.M.	Video Conferencing/Other Audio Visual Means
31 <sup>st</sup> Annual General Meeting 2019-20	03 <sup>rd</sup> December, 2020	11.00 A.M.	Video Conferencing/Other Audio Visual Means
30 <sup>th</sup> Annual General Meeting 2018-19	10 <sup>th</sup> September, 2019	9.00 A.M.	'Udupi Shree Krishna', Dhake Colony, J. P. Road, Andheri (W), Mumbai – 400 053, Maharashtra.

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

**(B) Special Resolution**

A. At the 30<sup>th</sup> Annual General Meeting of the Company held on 10<sup>th</sup> September, 2019, Four Special Resolutions were passed with requisite majority–

- (i) Appointment of Mr. Pushpendra Bansal as a Managing Director.
- (ii) Re-appointment of Mr. Pradeep Dhawan as an Independent Director.
- (iii) Continue the office of Mr. Ramesh Bansal as a Managing Director exceeding age of 70 years.
- (iv) Revision in Remuneration of Mr. Ramesh Bansal as a Managing Director of the Company.

B. At the 31<sup>st</sup> Annual General Meeting of the Company held on 03<sup>rd</sup> December, 2020, no Special Resolution was passed.

C. At the 32<sup>nd</sup> Annual General Meeting of the Company held on 23<sup>rd</sup> September, 2021, Four Special Resolutions were passed with requisite majority–

- (i) Re-appointment of Mr. Dinesh Mistry as an Independent Director.
- (ii) Re-appointment of Mr. Ramesh Bansal as a Managing Director.
- (iii) To Lease the property of the Company to the Related Party.

**(C) Postal Ballot**

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

**8. OTHER DISCLOSURES:**

- (i) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the company at large: NIL  
Transactions with the related parties are disclosed in the notes to the accounts forming part of the accounts.
- (ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company, by SEBI, ROC, Stock Exchange or any statutory authority, on any matter related to capital markets, during the last 3 financial years: NIL
- (iii) Vigil Mechanism/Whistle Blower Policy is uploaded on the Company's website <http://hsindia.in/wp-content/uploads/2021/05/VigilMechanism.pdf> 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 Regulation 34 of the Listing Regulations.



- (v) Policy on dealing with related party transactions is uploaded on the Company's website [http://hsindia.in/wp-content/uploads/2021/05/Policy\\_of\\_Related\\_Party\\_Transactions.pdf](http://hsindia.in/wp-content/uploads/2021/05/Policy_of_Related_Party_Transactions.pdf)
- (vi) Disclosures of commodity price risks and commodity hedging activities – N.A.
- (vii) Pursuant to Regulation 17(8) of the Listing Regulations, the Board has received Managing Director/CFO and Managing Director certificate for the financial year ended on 31<sup>st</sup> March, 2022.
- (viii) The Company has not raised any funds through preferential allotment or qualified institutions placement during the financial year ended on 31<sup>st</sup> March, 2022.
- (ix) The Company has complied with the requirements of sub-para (2) to (10) of Part C of Schedule V (Corporate Governance Report) of the Listing Regulations.
- (x) The Company has complied with the corporate governance requirements of Regulation 17 to 27 of the Listing Regulations and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations.
- (xi) The Company has not adopted non-mandatory requirements of the Listing regulations.
- (xii) The Company has no subsidiary, so policy on material subsidiary is not applicable.
- (xiii) The Board has accepted all recommendation of all its Committees of the Boards in the financial year ended on 31<sup>st</sup> March, 2022.
- (xiv) Total fees for all services paid by the Company to M/s. K. K. Haryani & Co., Statutory Auditor :-Rs.1,30,000/-.

**9. MEANS OF COMMUNICATION:**

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

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

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

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

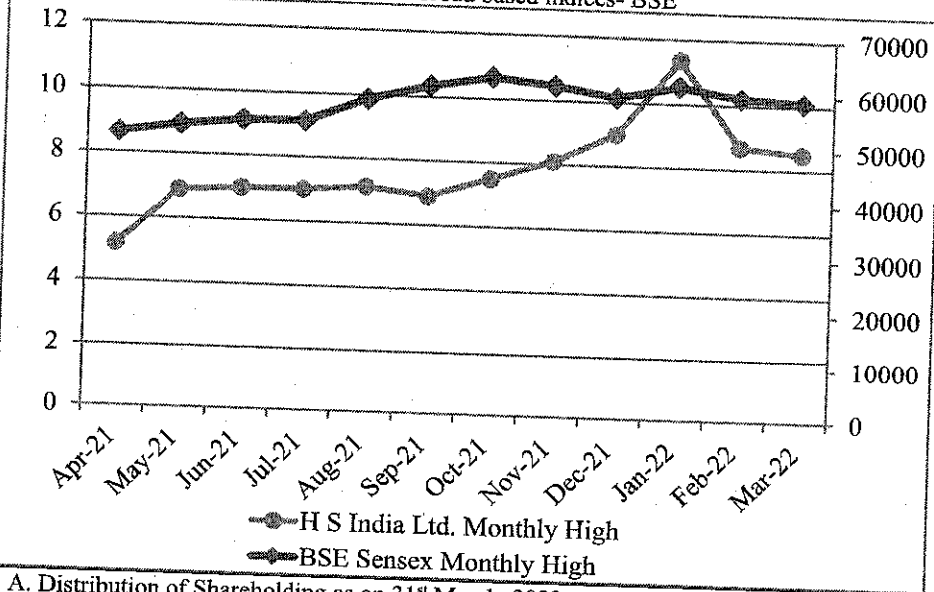
The Management Discussion & Analysis Report is also appended elsewhere with this Annual Report.

**10. GENERAL SHAREHOLDER INFORMATION:**

1.	Annual General Meeting		
	Date and Time, Venue	:	7 <sup>th</sup> September, 2022 at 12:30 p.m. The Company is conducting meeting through Video Conferencing and Other Audio Visual Means pursuant to the MCA Circulars and SEBI Circulars and as such there is no requirement to have venue for AGM.
2.	Financial Year	:	1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022
3.	Dividend Payment Date	:	No Dividend has been recommended
4.	Registered Office of the company	:	Unit No. 202, Morya Blue Moon, Off New Link Road, Andheri West, Mumbai – 400 053, Maharashtra. E-mail: <a href="mailto:hsindialimited@gmail.com">hsindialimited@gmail.com</a> , Website : <a href="http://www.hsindia.in">www.hsindia.in</a>
5.	Listing on Stock Exchange	:	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, Maharashtra
6.	Annual listing fees	:	Duly paid for the year 2021-22 and 2022-23
7.	Stock Code	:	
	(a) Trading Symbol at	:	BSE Limited, Mumbai
	(b) Demat ISIN Numbers in	:	Equity Shares <b>INE731B01010</b>
			532145/HOTLSILV

NSDL & CDSL		BSE Limited	
Stock Market Data		High (₹)	Low (₹)
April, 2021		5.16	4.31
May, 2021		6.88	4.31
June, 2021		6.98	5.43
July, 2021		6.99	5.90
August, 2021		7.12	5.49
September, 2021		6.89	5.55
October, 2021		7.49	5.22
November, 2021		8.09	5.51
December, 2021		8.98	6.03
January, 2022		11.37	7.63
February, 2022		8.68	6.73
March, 2022		8.49	6.71

9. Share Price Performance compared with broad based indices- BSE



10. A. Distribution of Shareholding as on 31<sup>st</sup> March, 2022:

No. of Equity Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1 - 500	2104	71.83	335430	2.07
501-1000	352	12.02	306194	1.89
1001-2000	190	6.49	303748	1.87
2001-3000	75	2.56	196250	1.21
3001-4000	32	1.09	114922	0.71
4001-5000	31	1.06	146715	0.90
5001-10000	56	1.91	403429	2.48
10001 & above	89	3.04	14431712	88.87
<b>GRAND TOTAL</b>	<b>2929</b>	<b>100.00</b>	<b>16238400</b>	<b>100.00</b>
Physical Mode	216	7.37	194860	1.20
Electronic Mode	2713	92.63	16043540	98.80

B. Category of Shareholders as on 31 <sup>st</sup> March, 2022:			
Category Code	Category of Shareholders	Total Number of Shares	As a Percentage of (A+B+C)
(A)	<b>Shareholding of Promoter &amp; Promoter Group</b>		
(1)	Indian	6705248	41.29
(2)	Foreign	0	0.00
	<b>Sub-Total (A)</b>	<b>6705248</b>	<b>41.29</b>
(B)	<b>Public Shareholding</b>		
(1)	Institutions	0	0.00
(2)	Non-Institutions		
	- Bodies Corporate	235380	1.45
	- Individuals	9186459	56.57
	- Independent Director	11976	0.07
	- NRI's/OBC's/Foreign National	31912	0.20
	- HUF (s)	64116	0.40
	- Clearing Members	3309	0.02
	<b>Sub-Total (B)</b>	<b>9533152</b>	<b>58.71</b>
(C)	<b>Shares held by Custodians and against which Depository Receipt has been issued</b>	0	0.00
	<b>Sub-Total (C)</b>	<b>0</b>	<b>0.00</b>
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>16238400</b>	<b>100.00</b>

11.	Dematerialization of Shares	: As on 31 <sup>st</sup> March, 2022, 16,043,540 equity shares constituting 98.80% of the Equity Share Capital of the Company stand dematerialized.
12.	Outstanding GDRs/ ADRs/Warrants or any Convertible Instruments	: The Company has not issued GDRs/ADRs. As on 31 <sup>st</sup> March, 2022, no Warrants/Convertible Instruments outstanding for conversion.
13.	Commodity price risk or foreign exchange risk and hedging activities	: During the year, there is no Commodity price risk or foreign exchange risk and hedging activities.
14.	Hotel Location	: Lords Plaza Opp. Linear Bus Stand, Ring Road, Surat – 395 003. E-mail : <a href="mailto:hsindialimited@gmail.com">hsindialimited@gmail.com</a>
15.	Share Transfer System	: The transfer of shares in physical form is affected by the Registrar and Transfer Agents mentioned as above within the prescribed time period from the date of its receipt subject to the documents being in order and complete in all respects. The Stakeholder Relationship Committee of the Board of Directors observes this transfer system quarterly and takes note of the statement/register of Share transfer received from the Registrar and Transfer Agents.  A yearly compliance certificate under Regulation 7(3) of the Listing Regulations, jointly signed by compliance officer and RTA, certifying that all the above stated activities are being carried out by RTA, is regularly submitted to BSE Ltd.
16.	Credit Rating	: Rating – CRISIL BB/Stable has been assigned by CRISIL Ltd.

17.	Share Transfer Agent & Address for Correspondence	<p>M/s. Bigshare Services Private Limited  Unit: (H S India Limited)  S6-2, 6th Floor, Pinnacle Business Park,  Next to Ahura Centre, Mahakali Caves Road,  Andheri (East), Mumbai – 400093, Maharashtra  E-mail : investor@bigshareonline.com  Tel. No. (022) 62638200, Fax No. (022) 62638299  Website: www.bigshareonline.com</p> <p><b>H S India Limited</b>  Unit No.202, Morya Blue Moon, Off New Link Road,  Andheri West, Mumbai – 400 053, Maharashtra.  E-mail: <a href="mailto:hsindialimited@gmail.com">hsindialimited@gmail.com</a>  Tel. No. (022) 49240174, Website: <a href="http://www.hsindia.in">www.hsindia.in</a></p>
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#### 11. RECONCILIATION OF SHARE CAPITAL AUDIT:

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

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

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

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

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

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

The Company has duly constituted Internal Complaints Committee pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, the Company had not received any complaints and no complaints were pending as on 31<sup>st</sup> March, 2022.

#### 15. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT: Not Applicable

#### 16. DISCRETIONARY REQUIREMENTS AS PER PART E OF SCHEDULE II OF THE LISTING REGULATIONS:

- (i) The Company has published quarterly and half yearly financial results in newspapers as mentioned and uploaded the same in website of the Company. Hence, the same results are not separately circulated to the members.
- (ii) Audit Report: For the financial year 2021-22, the Auditors have expressed an unmodified opinion on the Financial Statements of the Company. The Company continues to adopt best practices to ensure a regime of unmodified Financial Statements.
- (iii) Reporting of the Internal Auditors: The Internal Auditors of the Company report to the Audit Committee of the Company, to ensure independence of the Internal Audit function.

## Particulars of Employees

[Pursuant to Sub-Section (12) of Section 197 of the Companies Act, 2013 read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- (i) The percentage increase in remuneration of each Director and KMP during the financial year 2021-22 and ratio of each director to the median remuneration of the employees of the Company for the financial year 2021-22 are as under:

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for financial year 2021-22	% increase in Remuneration in the financial year 2021-22	Ratio of remuneration of each Director to median remuneration of employees
1	Mr. Ramesh Bansal Managing Director/CFO	18.00	--	12.00
2	Mr. Pushpendra Bansal Managing Director	12.00	--	8.00
3	Mr. Hitesh Limbani Company Secretary	6.18	50.25%	--

- (ii) The Median Remuneration of employees of the Company during the financial year was Rs. 1.50 Lakh.  
 (iii) In the financial year 2021-22, there was decrease of (3.60%) in the median of remuneration of employees.  
 (iv) As on 31<sup>st</sup> March, 2022, there were 138 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 2020-21 was 16.03% whereas the increase in the managerial remuneration for the financial year was 0.00%.  
 (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.

The brief policy of Nomination and Remuneration is available on the Company's website at <http://hsindia.in/wp-content/uploads/2015/07/Nominataion-Remmunertion-Policy.pdf>

Statement of particulars of employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 (2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended on 31st March, 2022

Sr. No.	Name of Employee	Designation	Age	Salary (per month)	Qualification	Experience (in years)	Date of Joining	Last Employment
1	Pradeep Jain	Assistant Vice President	52	115000	B.Com., C.A.	24	01.10.1998	-
2	Vinay Chotaliya	General Manager	57	90000	B.Com., Diploma in Hotel Management	33	06.12.2021	Mindspece Hotels Pvt. Ltd.
3	Pankaj Gupta	Accounts Manager	41	70000	B.Com., C.A., PGADM	11	15.02.2021	-
4	Ramender Singh Khichi	Wine Shop Manager	59	58500	B.Com.	24	01.10.1998	-
5	Gopal Sharma	Executive Chef	41	50000	Graduation in Hotel Management	17	16.03.2022	Sobit Sarovar Portico
6	Hitesh Limbani	Company Secretary	35	43000	B.Com., LLB, CS	9	01.02.2013	-
7	Pavan Chaudhari	Accounts Executive	30	41000	B.Com.	6	01.07.2015	-
8	Hardip Patel	Sales Manager	36	40250	Diploma in Hotel Management	12	25.10.2010	-
9	Santosh Bhatt	Housekeeping Manager	49	40000	Diploma in Hotel Management	18	22.07.2003	-
10	Sanjay Singh Chauhan	F&B Manager	35	38000	Diploma in Hotel Management	12	17.01.2022	Ambar Sarovar Portico

## Note:

- None of the employees mentioned above are related to any of the Directors of the Company.
- All appointments are on permanent basis.
- None of the employees mentioned above hold more than 2% of the shares of the Company along with their spouse and dependent children.

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to spread of COVID-19 pandemic, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2022**, generally complied with the statutory provisions of the applicable acts listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31<sup>st</sup> March, 2022** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2018 (**Not applicable to the Company during Audit period**);

- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (**Not applicable to the Company during Audit period**);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (**Not applicable to the Company during Audit period**);
  - (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 to the Company during Audit period**);
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (**Not applicable to the Company during Audit period**); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**Not applicable to the Company during Audit period**).
- (vi) Other laws as applicable specifically to the Company namely:
- (a) Food Safety and Standards Act, 2006 and the Rules framed thereunder.

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

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

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

**I further report that**

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

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

Majority decision is carried through and proper system is in place which facilitates/ensure to capture and record the dissenting member's views, if any, as part of the minutes.

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

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

Place: Surat  
Date : 08/08/2022

**MANISH R. PATEL**  
Company Secretary in Practice  
ACS No: 19885  
COP No. : 9360  
Peer Review No. : 929/2020  
ICSI Unique Code: I2010GJ763400  
ICSI UDIN: A019885D000732641

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

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

**Annexure A**

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. I further, report that the Compliance by the Company of applicable Financial Laws like Direct and Indirect Tax Laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

Place: Surat  
Date : 08/08/2022

**MANISH R. PATEL**  
Company Secretary in Practice  
ACS No: 19885  
COP No. : 9360  
Peer Review No. : 929/2020  
ICSI Unique Code: I2010GJ763400  
ICSI UDIN: A019885D000732641



**COMPLIANCE CERTIFICATE**

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

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

We hereby certify that:

- (a) We have reviewed the financial statements and cash flow statement for the year ended on 31<sup>st</sup> March, 2022 and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) No transaction is entered into by the Company during the year which is fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
- (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

**FOR H S INDIA LIMITED**

Place: Mumbai  
Date : 8<sup>th</sup> August, 2022

**PUSHPENDRA BANSAL**  
Managing Director  
DIN- 00086343

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

**DECLARATION ON CODE OF CONDUCT**

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

To,  
The Members of  
H S INDIA LIMITED

It is hereby certified and confirmed that all Board Members and Senior Management Personnel of the Company have affirmed compliance for the financial year ended on 31<sup>st</sup> March, 2022 with the Code of Conduct of the Company. The code is posted on the Company's website [http://hsindia.in/wp-content/uploads/2011/04/Code-of-Conduct\\_HSIL\\_New.pdf](http://hsindia.in/wp-content/uploads/2011/04/Code-of-Conduct_HSIL_New.pdf)

**FOR H S INDIA LIMITED**

Place: Mumbai  
Date: 8<sup>th</sup> August, 2022

**PUSHPENDRA BANSAL**  
Managing Director  
DIN-00086343

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

ANNEXURE - 6

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

To,  
The Members of  
H S INDIA LIMITED

1. We have examined the compliance of conditions of Corporate Governance by H S INDIA LIMITED for the period ended on 31<sup>st</sup> March, 2022, 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 K. K. HARYANI & CO.**  
Chartered Accountants  
FRN: 121950W

Place : Mumbai  
Date : 08<sup>th</sup> August, 2022

**CA KISHOR K. HARYANI**  
(Proprietor)  
Membership No.: 110780  
D/205-206, 2<sup>nd</sup> Floor, R K Casta,  
Bh. Patel Super Market, Station Road,  
Bharuch-392001 (Gujarat)  
ICAI UDIN: 22110780AONCBP3971

## ANNEXURE - 7

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of H S India Limited having CINL55100MH1989PLC053417 and having registered office at Unit No. 202, Morya Blue Moon, Off New Link Road, Andheri West, Mumbai - 400053, Maharashtra (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Directors	DIN	Date of Appointment in the Company (As per MCA Portal)
1	Mr. Pushpendra Radheshyam Bansal	00086343	31.05.2019
2	Mr. Ramesh Radheshyam Bansal	00086256	29.09.2005
3	Mrs. Sangita Pushpendra Bansal	01571275	11.09.2014
4	Mr. Pradeep Om Dhawan	00519455	02.07.2001
5	Mr. Dinesh Parasram Mistry	07411914	13.02.2016
6	Mr. Shiladitya Mukherjee	08497453	03.08.2019

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

**MANISH R. PATEL**

Company Secretary in Practice

ACS No.: 19885

COP No.: 9360

Peer Review No. : 929/2020

ICSI Unique Code: I2010GJ763400

UDIN: A019885D000732443

Date: 08/08/2022

Place: Surat

## Independent Auditor's Report

To,  
The Members of  
H S INDIA LIMITED

### Report on the Financial Statement:

We have audited the accompanying financial statements of H S INDIA LIMITED ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2022, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

### Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of the affairs of the Company as at 31<sup>st</sup> March, 2022, the profit and the total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion:

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of matter:

We draw attention to Note -31 to the standalone financial statements, which describe the possible effect of uncertainties relating to COVID-19 pandemic on the Company's financial performance as assessed by the Management.

Our opinion is not modified in respect of the above matter.

### Key Audit Matters:

Key audit matters are those matters that, in our professional judgments, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<b>Revenue Recognition</b> To ensure accuracy of recognition, measurement, presentation and disclosures of revenues and related accounts.	<b>Principal Audit Procedures</b> <ul style="list-style-type: none"> <li>• We have assessed the Company's internal controls surrounding its revenue transactions;</li> <li>• We tested the key controls identified;</li> <li>• We performed substantive detail testing by selecting a sample of revenue transactions that we considered appropriate to test the evidence of effectiveness of the internal controls and adherence to accounting policies in recognizing the revenue, and the rebates and discounts there against.</li> </ul>

2	<p><b>Impact of COVID-19 pandemic on Going Concern</b></p> <p>The Government had imposed travel restrictions in the country during the 1<sup>st</sup> Quarter of the financial year due to the second wave as well as certain part of 3<sup>rd</sup> Quarter due to the third wave and then had released the same in a phased manner. These have posed challenges to the business of the Company. This required the Company to assess impact of COVID-19 on its operations. The Company has assessed the impact of COVID-19 on the future cash flow projections. The Company has also prepared a range of scenarios to estimate financing requirements. In view of the above, we identified impact of COVID-19 on going concern as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Obtain an understanding of the key controls relating to the Company's forecasting process.</li> <li>• Obtain an understanding of key assumptions adopted by the Company in preparing the forecasted statement of profit and loss and cash flow and assessed the consistency thereof with our expectations based on our understanding of the Company's business.</li> <li>• Assessed the forecasted statement of profit and loss and cash flow by considering plausible changes to the key assumptions adopted by the Company.</li> </ul> <p>Performed the following procedures as mitigating factors:</p> <ul style="list-style-type: none"> <li>• Obtained understanding of new borrowing facilities availed including additional credit pronounced under the government scheme.</li> <li>• Assessed Government's efforts to counter the impact of resurgence in COVID-19 cases and the impact of the same on future projections.</li> <li>• Assessed disclosures made in the standalone financial statements with regard to the above.</li> </ul>
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**Information Other than the Financial Statements and Auditor's Report Thereon:**

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**Management's Responsibility for the Financial Statements:**

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgments and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

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

1. As required by Section 143 (3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022, from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirement of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
    - i. The Company has disclosed the details of pending litigations and its impact on financial position as at 31<sup>st</sup> March 2022, under Note - 1 (P) of Significant Accounting Policies and Notes on Financial Statements;
    - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters on the matters specified in paragraphs 3 and 4 of the Order.

**For K. K. HARYANI and CO.**  
Chartered Accountants  
FRN: 121950W

**CA KISHOR K HARYANI**  
Proprietor  
Membership No.: 110780  
ICAI UDIN : 22110780AKAQIM8307

Place : Mumbai  
Date : 30<sup>th</sup> May, 2022

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

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

We have audited the internal financial controls over Financial Reporting of H S India Limited (“the Company”) as of 31<sup>st</sup> March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls:**

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

**Auditor’s Responsibility:**

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

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

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

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



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

**Meaning of Internal Financial Controls over Financial Reporting:**

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

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

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

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

**Opinion:**

In our opinion, the company has in all material respects, an adequate internal financial controls systems over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2022, 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 K. K. HARYANI and CO.**  
Chartered Accountants  
FRN: 121950W

Place : Mumbai  
Date : 30<sup>th</sup> May, 2022

**CA KISHOR K HARYANI**  
Proprietor  
Membership No.: 110780  
ICAI UDIN : 22110780AKAQIM8307

**Annexure B to the Independent Auditor's Report to the Members of the H S India Limited dated 30<sup>th</sup> May, 2022**

**Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 2 of 'Report on other Legal and Regulatory Requirement' section. We report that:**

- I. (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.  
(B) The Company does not hold any Intangible asset during the year.
- (b) As explained to us, Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- (c) The title deeds of all the Immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rule made thereunder.
- II. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals, and in our opinion, the coverage and procedure of such verification by the management are appropriate; no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification.
- (b) During any point of time of the year, the Company has not been sanctioned any working capital limit in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets, hence this clause not applicable for the reporting period.
- III. According to the information and explanations given to us and on the basis of our examination of the books of account, during the year, the Company has neither made any investment in, nor provided any guarantee or security, nor granted any loans or advances in the nature of loans, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties.
- 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 Goods and Services Tax, Employees' Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other statutory dues applicable to it.
- (b) No undisputed amount payable in respect of Goods and Services Tax, Provident fund, Employees State Insurance, Income Tax, Service Tax, Sales Tax, Duty of Customs, Duty of Excise, Value Added Tax, Goods and Services Tax, Cess and other statutory dues were outstanding as on 31<sup>st</sup> March, 2022 for a period of more than six months from the date they became payable.

(c) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31<sup>st</sup> March, 2022 on account of disputes are given below

Name of Statute	Nature of Dues	Amounts demanded (in Lakh)	Amount unpaid (in Lakh)	Period to which the Amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax (including interest)	29.04	29.04	2015-2016	Commissioner of Income Tax (Appeals)
		53.34	53.34	2016-2017	
		54.87	54.87	2017-2018	
		6.46	6.46	2018-2019	
		57.82	46.26	2019-2020	

- VIII.** There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- IX.** (a) In our opinion, the Company has not defaulted in repayment of loans and other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or any other lender.
- (c) On an overall examination of the financial statements of the Company, in our opinion, the Company has either already applied or is in the process of application of funds for the purpose for which these term loans were obtained for, during the year. Unutilized funds are kept with the bank.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, during the year, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- X.** (a) 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.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally).
- XI.** 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 has been noticed or reported during the year.
- 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, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- XIV.** (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports issued to the Company during the year and covering the period up to March, 2022.

- XV.** Based on the information and explanations given to us, the Company has not entered into any non-cash transaction with directors or persons connected with him as per Section 192 of the Companies Act, 2013.
- XVI.** According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (XVI) (a), (b), (c) and (d) of the Order is not applicable.
- XVII.** The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- XVIII.** During the year, M/s. J. M. Pabari and Associates have vacated their office as the statutory auditor of the Company due to the sad demise of CA Jayant M. Pabari, Partner. There have been no issues, objections or concerns raised by the outgoing auditors that should be taken into account.
- XIX.** On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- XX.** Provisions of Section 135(5) are not applicable to the Company; hence reporting under this clause of the Order is not applicable for the year.
- XXI.** As the Company is not in holding relationship of holding-sub subsidiary with any other company and hence consolidated financial statements are not to be prepared; reporting under this clause of the Order is not applicable for the year.

**For K. K. HARYANI and CO.**  
Chartered Accountants  
FRN: 121950W

Place : Mumbai  
Date : 30<sup>th</sup> May, 2022

**CA KISHOR K HARYANI**  
Proprietor  
Membership No.: 110780  
ICAI UDIN : 22110780AKAQIM8307

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2022**

(₹ in lakh)

PARTICULARS	Note No.	As at 31/03/2022		As at 31/03/2021	
		₹	₹	₹	₹
<b>I. ASSETS</b>					
<b>1. Non-Current Assets</b>					
(a) Property, Plant and Equipment	2	1,229.71		1,314.25	
(b) Financial Assets					
(i) Investments	3	269.39		269.39	
(ii) Others	4	49.65		50.51	
			1,548.75		1,634.15
<b>2. Current assets</b>					
(a) Inventories	5	71.12		65.51	
(b) Financial Assets					
(i) Trade Receivables	6	259.48		224.03	
(ii) Cash and Cash Equivalents	7	440.30		642.66	
(iii) Loans and Advances	8	1.53		1.84	
(c) Current Tax Assets (Net)	9	41.49		34.49	
(d) Other Current Assets	10	3,018.61		2,311.73	
			3,832.53		3,280.26
<b>TOTAL</b>			<b>5,381.28</b>		<b>4,914.41</b>
<b>II. EQUITY AND LIABILITIES</b>					
<b>1. Equity</b>					
(a) Equity Share Capital	11	1,623.84		1,623.84	
(b) Other Equity	12	1,197.66		1,084.45	
			2,821.50		2,708.29
<b>2. Liabilities</b>					
<b>Non Current Liabilities</b>					
(a) Financial Liabilities					
(i) Borrowings	13	2,185.13		1,892.30	
(ii) Others	14	7.21		10.22	
(b) Deferred Tax Liabilities (Net)	15	11.00		17.00	
			2,203.34		1,919.52
<b>3. Current Liabilities</b>					
(a) Financial Liabilities					
(i) Short Term Borrowings	16	176.72		84.20	
(ii) Trade Payables	17	-		-	
- Dues of Micro and Small Enterprises					
- Dues of Others		81.67		106.45	
(iii) Others	18	46.36		63.05	
(b) Other Current Liabilities	19	51.69		32.90	
(c) Current Tax Liabilities (Net)		-		-	
			356.44		286.60
<b>TOTAL</b>			<b>5,381.28</b>		<b>4,914.41</b>
<b>III. The significant accounting policies and accompanying notes forming an integral part of the financial statement</b>	1-39				

As per our report of even date  
**For K. K. HARYANI & CO.**  
 Chartered Accountants  
 Firm Reg. No. 121950W

For and on behalf of the Board of Directors

**Kishor K. Haryani**  
 Proprietor  
 Membership No. 110780

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

**Pushpendra Bansal**  
 Managing Director  
 DIN:00086343

Place : Mumbai  
 Date: 30th May, 2022

**Sangita Bansal**  
 Director  
 DIN: 01571275

**Hitesh Limbani**  
 Company Secretary  
 ACS-31531

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022 (₹ in lakh)

PARTICULARS	Note No.	2021-22	2020-21
		₹	₹
<b>I Revenue from Operations</b>	20	1,801.26	1,027.85
<b>II Other Income</b>	21	50.51	21.86
<b>III Total Income</b>		1,851.77	1,049.71
<b>IV Expenses</b>			
Food and Beverages Consumed	22	79.02	28.22
Purchase of Stock in Trade	23	380.48	291.25
Changes in Inventories of Stock In Trade	24	(5.14)	(3.62)
Employee Benefit Expense	25	326.54	192.79
Finance Costs	26	185.10	173.07
Depreciation and Amortization Expense	2	110.67	136.46
Other Operating and General Expenses	27	653.71	384.22
<b>Total Expenses</b>		1,730.38	1,202.39
<b>V Profit/(Loss) before exceptional and extraordinary items and tax</b>		121.39	(152.68)
<b>VI Exceptional Items</b>		-	-
<b>VII Profit/(Loss) before extraordinary items and tax</b>		121.39	(152.68)
<b>VIII Extraordinary items</b>		-	-
<b>IX Profit/(Loss) before tax</b>		121.39	(152.68)
<b>X Tax expense:</b>			
(a) Current Tax Expense	15	19.10	-
(b) Deferred tax	15	(6.00)	(9.00)
<b>XI Profit/(Loss) for the period after tax (A)</b>		108.29	(143.68)
<b>XII Other Comprehensive Income</b>			
(i) Items that will not be reclassified to Profit or Loss			
Remeasurement of Defined Benefit Liability		4.01	16.48
(ii) Income Tax relating to Items that will not be reclassified to Profit or Loss		-	-
(iii) Items that will be reclassified to Profit and Loss			
Impairment of Investment		-	-
(iv) Income Tax relating to Items that will be reclassified to Profit or Loss		-	-
<b>Other Comprehensive Income for the year (B)</b>		4.01	16.48
<b>XIII Total Comprehensive Income for the year (A+B)</b>		112.30	(127.20)
<b>XIV Earnings per equity share:</b>	28		
(1) Basic (in Rs.)		0.69	(0.78)
(2) Diluted (in Rs.)		0.69	(0.78)
<b>XV The significant accounting policies and accompanying notes forming an integral part of the financial statements</b>	1-39		

As per our report of even date  
**For K. K. HARYANI & CO.**  
Chartered Accountants  
Firm Reg. No. 121950W

For and on behalf of the Board of Directors

**Kishor K. Haryani**  
Proprietor  
Membership No. 110780

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

**Pushpendra Bansal**  
Managing Director  
DIN:00086343

Place : Mumbai  
Date: 30th May, 2022

**Sangita Bansal**  
Director  
DIN: 01571275

**Hitesh Limbani**  
Company Secretary  
ACS-31531

CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

(₹ in lakh)

	31/03/2022		31/03/2021	
	₹	₹	₹	₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit/(Loss) as per Statement of Profit & Loss before tax		121.39		(152.68)
<b>Adjustments for:</b>				
Depreciation	110.67		136.46	
OCI Impact of Defined Benefit Obligation	4.01		16.48	
Interest paid	185.10		173.07	
		299.78		326.01
Operating Profit Before Working Capital Changes		421.17		173.33
<b>Working Capital Changes:</b>				
(Increase)/Decrease in Inventories	(5.61)		(2.56)	
(Increase)/Decrease in Trade Receivables	(35.45)		23.44	
(Increase)/Decrease in Loans and Advances	0.31		0.04	
(Increase)/Decrease in Other Current Assets	(706.88)		(71.35)	
Increase/(Decrease) in Other Non Current Financial Liabilities	(3.01)		(3.58)	
Increase/(Decrease) in Trade Payables	(24.78)		(29.93)	
Increase/(Decrease) in Other Current Financial Liabilities	3.99		(25.04)	
Increase/(Decrease) in Other Current Liabilities	18.79		(8.48)	
		(752.64)		(117.46)
Cash Generated from Operations		(331.47)		55.87
Taxes Paid (Net)		(26.14)		(6.39)
<b>Net Cash Flow from Operating Activities</b>		(357.61)		49.48
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of fixed assets / capital work-in-progress		(26.13)		-
<b>Net Cash Flow From Investing Activities</b>		(26.13)		-
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from long-term borrowings (net of repayment)		292.83		401.18
Proceeds from short-term borrowings (net of repayment)		71.84		(32.09)
Deferred Borrowing Cost		0.95		1.21
Other Long Term Financial Assets		0.86		4.42
Interest paid		(185.10)		(173.07)
<b>Net Cash Flow From Financing Activities</b>		181.38		201.65
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>		(202.36)		251.13
<b>OPENING CASH AND CASH EQUIVALENTS</b>		642.66		391.53
<b>CLOSING CASH AND CASH EQUIVALENTS</b>		440.30		642.66

## Components of Cash and Cash Equivalents as at

	31st March, 2022	31st March, 2021
Cash on Hand	9.56	16.31
Balances with Banks	430.74	626.35
<b>Total</b>	<b>440.30</b>	<b>642.66</b>

As per our report of even date  
For **K. K. HARYANI & CO.**  
Chartered Accountants  
Firm Reg. No. 121950W

For and on behalf of the Board of Directors

**Kishor K. Haryani**  
Proprietor  
Membership No. 110780

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

**Pushendra Bansal**  
Managing Director  
DIN:00086343

Place : Mumbai  
Date: 30th May, 2022

**Sangita Bansal**  
Director  
DIN: 01571275

**Hitesh Limbani**  
Company Secretary  
ACS-31531

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2022

**A Equity Share Capital**  
Equity Shares of ₹10/- each, issued, subscribed and fully paid up

	Equity Shares	
	No.	₹ (in lakh)
As at 1 <sup>st</sup> April, 2020	16,238,400	1,623.84
Changes due to Prior period errors	-	-
Restated as at 1 <sup>st</sup> April, 2020	16,238,400	1,623.84
Increase/(Decrease) during the year	-	-
As at 31 <sup>st</sup> March, 2021	16,238,400	1,623.84
Changes due to Prior period errors	-	-
Restated as at 1 <sup>st</sup> April, 2021	16,238,400	1,623.84
Increase/(Decrease) during the year	-	-
As at 31 <sup>st</sup> March, 2022	16,238,400	1,623.84

**B Other Equity**

Particulars	Reserves and Surplus			Items of Other Comprehensive Income (OCI)		Deferred Borrowing Cost	Total
	Securities Premium Reserve	General Reserve	Surplus in P & L	Employee Benefits	Impairment of Investment		
Balance as at 31 <sup>st</sup> March, 2020	217.52	325.00	915.10	10.13	(236.00)	(9.18)	1,222.57
Add/(Less): Total Comprehensive Income for the year	-	-	(143.68)	16.48	-	-	(127.20)
Add: Provision for Income Tax Written off	-	-	(12.13)	-	-	-	(12.13)
Amount Charged to Profit & Loss account in 2020-21	-	-	-	-	-	1.21	1.21
Balance as at 31 <sup>st</sup> March, 2021	217.52	325.00	759.29	26.61	(236.00)	(7.97)	1,084.45
Add/(Less): Total Comprehensive Income for the year	-	-	108.29	4.01	-	-	112.30
Add: Provision for Income Tax Written off	-	-	(0.04)	-	-	-	(0.04)
Amount Charged to Profit & Loss account in 2021-22	-	-	-	-	-	0.95	0.95
Balance as at 31 <sup>st</sup> March, 2022	217.52	325.00	867.54	30.62	(236.00)	(7.02)	1,197.66

As per our report of even date  
For K. K. HARYANI & CO.  
Chartered Accountants  
Firm Reg. No. 121950W

For and on behalf of the Board of Directors

Kishor K. Haryani  
Proprietor  
Membership No. 110780

Ramesh Bansal  
Managing Director/CFO  
DIN:00086256

Pushpendra Bansal  
Managing Director  
DIN:00086343

Place : Mumbai  
Date: 30th May, 2022

Sangita Bansal  
Director  
DIN: 01571275

Hitesh Limbani  
Company Secretary  
ACS-31531



**Significant Accounting Policies & Notes on Financial Statement for the year ended on 31<sup>st</sup> March, 2022****Note 1 - SIGNIFICANT ACCOUNTING POLICIES****A. Corporate Information:**

These financial statements comprise financial statements of H S India Limited ("the Company") for the year ended on 31<sup>st</sup> March, 2022. The Company was incorporated on 12<sup>th</sup> September, 1989 under the provisions of the Companies Act, 1956. The Company is into the business of Hotels and Restaurants. The Company is listed on BSE Ltd.

**B. Basis of Preparation:**

The financial statements of the Company have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereof issued by Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India based on Schedule III of the Companies Act, 2013.

Accounting policies have been consistently applied except where a newly issued Accounting Standard is initially adopted or a revision of an existing Accounting Standard requires a change in accounting policy hitherto in use unless otherwise stated.

**C. Use of Estimates:**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The Management has considered the possible effects, if any, that may result from the pandemic relating to COVID-19 on the carrying amounts of its assets. The Management has considered the global economic conditions prevailing as at the date of approval of these financial statements and has used internal and external sources of information to the extent determined by it. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

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

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

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

All other assets are classified as non-current.

**Significant Accounting Policies & Notes on Financial Statement for the year ended on 31<sup>st</sup> March, 2022**

A liability is treated as current when it is:

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

All other liabilities are classified as non-current.

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

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

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

**Depreciation and Amortisation:**

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

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

**F. Intangible Assets:**

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

**G. Leases:**

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

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

**Lessor:** Rental income from operating lease is recognised on a straight line basis over the lease term unless payments to the Company are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increase. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount

**Significant Accounting Policies & Notes on Financial Statement for the year ended on 31<sup>st</sup> March, 2022**

of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

**H. Revenue Recognition:**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

- i) Revenue from Rooms, Food and Beverage and Banquets is recognised at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and banquet services which is recognised after completion of service to the customer.
- ii) Other revenue such as laundry income, communication income and other allied services, the revenue has been recognised by reference to the time of service rendered.
- iii) Income from sale of Liquor is recognised at the time of delivery of goods to the customer.
- iv) Rentals are recognized on accrual basis.
- v) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- vi) Insurance claims are recognized as and when they are settled / admitted.
- vii) Income stated above is exclusive of taxes collected. Rebates and discounts granted to customers are reduced from revenue.

**I. Foreign Exchange Transactions:**

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

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

**J. Inventories:**

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

**K. Financial Instruments:**

Financial assets and liabilities are recognised when the Company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial assets or financial liabilities.

**Significant Accounting Policies & Notes on Financial Statement for the year ended on 31<sup>st</sup> March, 2022****Financial Assets:**

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

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

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

A financial asset is measured at amortised cost, if it is held within a business model whose objective is to hold the assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

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

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

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

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

**Equity Instruments:**

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

**Impairment:**

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

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

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

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

**Significant Accounting Policies & Notes on Financial Statement for the year ended on 31<sup>st</sup> March, 2022**

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

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

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

**Subsequent measurement:**

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

**De-recognition of Financial Instruments:**

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

**Offsetting of financial instruments:**

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

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

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss. An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the

**Significant Accounting Policies & Notes on Financial Statement for the year ended on 31<sup>st</sup> March, 2022**

assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

**M. Fair Value Measurement:**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

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

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

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

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

**N. Employee Benefits:**

The Company has following post-employment plans:

- (a) Defined benefit plans such a gratuity;

**Significant Accounting Policies & Notes on Financial Statement for the year ended on 31<sup>st</sup> March, 2022**

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

**a) Defined-benefit plan:**

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

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

**b) Defined-contribution plan:**

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

**c) Other employee benefits:**

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

**O. Taxes on Income:**

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

**(a) Current Tax:**

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

**(b) Deferred Tax:**

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

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

**P. Provisions and Contingencies:**

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

**Significant Accounting Policies & Notes on Financial Statement for the year ended on 31<sup>st</sup> March, 2022**

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

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

The Company has pending litigations with the Income Tax Department against the Tax demands as detailed below, probability of the impact of which to the financial position is considered to be low.

(₹ in Lakh)

Sr. No.	Assessment Year	Order Date	Passed under section of Income Tax Act, 1961	Demand	Appeals Filed with CIT(Appeals) on
1	2015-16	25.03.2022	148	29.04	24.04.2022
2	2016-17	25.03.2022	148	53.34	24.04.2022
3	2017-18	25.03.2022	148	54.87	24.04.2022
4	2018-19	29.03.2022	148	6.46	24.04.2022
5	2019-20	30.09.2021	148	57.82	30.10.2021
<b>TOTAL</b>				<b>201.53</b>	

**Q. Cash and Cash Equivalents:**

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

**R. Cash Flow Statement:**

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

**S. Borrowing Cost:**

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

**T. Earnings Per Share:**

Basic EPS is arrived at based on net profit or loss for the year after tax from continuing operations available to equity shareholders to the weighted average number of equity shares



**Significant Accounting Policies & Notes on Financial Statement for the year ended on 31<sup>st</sup> March, 2022**

outstanding during the year. The Company did not have any potentially dilutive securities in any of the years' represented.

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

**U. Dividend:**

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

**V. Exceptional Items:**

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

**Significant Accounting Policies & Notes on Financial Statement for the year ended on 31<sup>st</sup> March, 2022**

Note-2/  
Property, plant and equipment (owned, unless otherwise stated)

(Amount ₹ in lakh)

	Freehold Land	Borewell	Building	Plant and Equipment	Vehicles	Computer	Electrical Installations	Furniture and Fixtures	Total
<b>Gross Block</b>									
Balance as at 31 <sup>st</sup> March, 2020	217.67	0.75	1,312.92	1,203.11	50.16	51.10	441.58	577.53	3,854.82
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 <sup>st</sup> March, 2021	217.67	0.75	1,312.92	1,203.11	50.16	51.10	441.58	577.53	3,854.82
Additions	-	-	-	20.30	-	-	5.83	-	26.13
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 <sup>st</sup> March, 2022	217.67	0.75	1,312.92	1,223.41	50.16	51.10	447.41	577.53	3,880.95
<b>Accumulated Depreciation</b>									
Balance as at 31 <sup>st</sup> March, 2020	-	0.71	510.45	896.52	30.89	42.87	386.44	536.23	2,404.11
Additions	-	-	53.87	45.26	3.75	2.88	6.72	23.98	136.46
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 <sup>st</sup> March, 2021	-	0.71	564.32	941.78	34.64	45.75	393.16	560.21	2,540.57
Additions	-	-	53.86	43.57	3.76	2.88	6.60	-	110.67
Disposals	-	-	-	-	-	-	-	-	-
Balance as at 31 <sup>st</sup> March, 2022	-	0.71	618.18	985.35	38.40	48.63	399.76	560.21	2,651.24
<b>Net Block</b>									
Balance as at 31 <sup>st</sup> March, 2021	217.67	0.04	748.60	261.33	15.52	5.35	48.42	17.32	1,314.25
Balance as at 31 <sup>st</sup> March, 2022	217.67	0.04	694.74	238.06	11.76	2.47	47.65	17.32	1,229.71

a. For assets mortgaged with Bank please refer Note 13, footnote (iii) and (iv).

b. All the title deeds of Immovable Properties are registered on the name of Company.

Significant Accounting Policies & Notes on Financial Statement for the year ended on 31<sup>st</sup> March, 2022

NOTE '3'	As at 31/03/2022	As at 31/03/2021
INVESTMENTS- NON CURRENT	₹ (in lakhs)	₹ (in lakhs)
Investments measured at Cost		
Others		
Investment in Unquoted Equity Shares		
Kesar Motels Pvt. Ltd. of ₹ 100/- each	269.00	269.00
67,250 Shares, (Previous Year 67,250 Shares)		
Naroli Resorts Pvt. Ltd. of ₹ 10/- each	315.00	315.00
65,625 Shares (Previous Year 65,625 Shares)		
Japan Market Co-operative Service Society Ltd. of ₹ 50/- each	0.39	0.39
260 Shares. (Previous Year 260 Shares)		
<b>TOTAL</b>	<b>584.39</b>	<b>584.39</b>
Less: Provision for impairment in value of investments	315.00	315.00
Book Value of Unquoted Investment net of Impairment	<b>269.39</b>	<b>269.39</b>

The Company has non-current investment in Naroli Resorts Private Limited (NRPL), a company in the business of Hotel and Resort amounting to Rs. 315 Lakh. As at 31<sup>st</sup> March 2020, NRPL's total liabilities exceeded its total assets, resulting in Nil value to shareholder.

The Company performed an impairment assessment and concluded that the carrying amount as at 31<sup>st</sup> March, 2020 exceeded the recoverable amount and accordingly, the Company recognised an impairment loss of Rs. 315 Lakh in the Statement of Profit and Loss which has been recognised under "Other Comprehensive Income" for the year ended 31st March 2020. During the current reporting period, the company has not recognised any further impairment loss.

NOTE '4'		
OTHER FINANCIAL ASSETS		
Unsecured. Considered Good unless otherwise stated		
Fixed Deposits	25.66	24.47
Security Deposits	23.99	26.04
<b>TOTAL</b>	<b>49.65</b>	<b>50.51</b>

NOTE '5'		
INVENTORIES		
Traded Goods		
Wine and Liquor	59.23	54.09
Stores and Spares		
Provision. Stores, Food and Beverages	3.22	2.13
Other Consumables and Operating Supplies	8.67	9.29
<b>TOTAL</b>	<b>71.12</b>	<b>65.51</b>

The mode of valuation of inventories has been stated in Note No. 1(i) of the significant accounting policies.

NOTE '6'		
TRADE RECEIVABLES		
Unsecured, considered good:		
Trade Receivables	259.48	224.03
<b>TOTAL</b>	<b>259.48</b>	<b>224.03</b>

## Trade Receivables Ageing Schedule #

Outstanding for following periods from due date of payment (₹ in lakh)

Particulars	Less than 6 months	6 months to 1 year	More than 1 year	Total
<b>As at March 31, 2022</b>				
Undisputed- Unsecured and considered good	258.43	1.05	-	259.48
<b>Total</b>	<b>258.43</b>	<b>1.05</b>	<b>-</b>	<b>259.48</b>
<b>As at March 31, 2021</b>				
Undisputed- Unsecured and considered good	220.40	1.65	1.98	224.03
<b>Total</b>	<b>220.40</b>	<b>1.65</b>	<b>1.98</b>	<b>224.03</b>

# No debtors outstanding for more than 2 years as on reporting dates

NOTE '7'		
CASH AND CASH EQUIVALENTS		
Cash on Hand	9.56	16.31
Balance with Banks		
-In Current Accounts	430.74	626.35
<b>TOTAL</b>	<b>440.30</b>	<b>642.66</b>

NOTE '8'		
LOANS AND ADVANCES		
Unsecured, Considered Good unless otherwise stated		
Advance to Employees	1.53	1.84
<b>TOTAL</b>	<b>1.53</b>	<b>1.84</b>

NOTE '9'		
CURRENT TAX ASSETS (NET)		
Advance Tax, TDS and TCS (Net off Provision)	41.49	34.49
<b>TOTAL</b>	<b>41.49</b>	<b>34.49</b>

**Significant Accounting Policies & Notes on Financial Statement for the year ended on 31<sup>st</sup> March, 2022**

NOTE '10'	As at 31/03/2022 ₹ (in lakh)	As at 31/03/2021 ₹ (in lakh)
<b>OTHER CURRENT ASSETS</b>		
Unsecured, Considered Good unless otherwise stated		
Capital Advances	461.00	495.00
Security Deposits-With Related Parties	1,715.00	1,715.00
Fixed Deposits	721.29	-
Advances to Suppliers	8.78	7.05
Prepaid Expense	19.98	6.21
Balance with Bank for Specific Purpose	85.75	81.69
Balance with statutory authorities	6.81	6.78
<b>TOTAL</b>	<b>3,018.61</b>	<b>2,311.73</b>

NOTE '11'	As at 31/03/2022 ₹ (in lakh)	As at 31/03/2021 ₹ (in lakh)
<b>SHARE CAPITAL</b>		
<b>-Authorised Share Capital</b>		
17,000,000 Equity Shares of ₹ 10/- each	1,700.00	1,700.00
(Previous year 17,000,000 Equity Shares of ₹ 10/- each)		
<b>TOTAL</b>	<b>1,700.00</b>	<b>1,700.00</b>
<b>-Issued, Subscribed and Paid up Share Capital</b>		
16,238,400 Equity Shares of ₹ 10/- each fully paid up	1,623.84	1,623.84
(Previous year 16,238,400 Equity Shares of ₹ 10/- each fully paid up)		
<b>TOTAL</b>	<b>1,623.84</b>	<b>1,623.84</b>

**Footnote:**

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

Particulars	As at 31/03/2022		As at 31/03/2021	
	Number of shares	Amount ₹	Number of shares	Amount ₹
As at the beginning of the year	16,238,400	1,623.84	16,238,400	1,623.84
Add: Shares issued during the year	-	-	-	-
Less: Shares cancelled during the Year	-	-	-	-
As at the end of the year	16,238,400	1,623.84	16,238,400	1,623.84

(ii) Terms and 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 31/03/2022		As at 31/03/2021	
	Number of shares	% of holding	Number of shares	% of holding
Mr. Pushpendra Bansal	3,222,718	19.85%	3,071,198	18.91%
Mrs. Sangita Bansal	2,686,480	16.54%	2,686,480	16.54%

(iv) Disclosure of Promoters' Shareholding:

Name of Promoter	As at 31/03/2022		As at 31/03/2021		% of change during FY 2021-22
	Number of shares	% of holding	Number of shares	% of holding	
Mr. Pushpendra R Bansal	3,222,718	19.85%	3,071,198	18.91%	0.93%
Mrs. Sangita Pushpendra Bansal	2,686,480	16.54%	2,686,480	16.54%	0.00%
Mr. Ramesh Radheysiyam Bansal	151,520	0.93%	151,520	0.93%	0.00%
M/s. SSSP Consultant and Techno Services Pvt. Ltd.	398,454	2.45%	398,454	2.45%	0.00%
Mr. Suresh Thakorbhai Patel	190,560	1.17%	190,560	1.17%	0.00%
Mr. Rahul Sureshbhai Patel	29,596	0.18%	29,596	0.18%	0.00%
Mr. Trushar Sureshbhai Patel	25,920	0.16%	25,920	0.16%	0.00%
<b>TOTAL</b>	<b>6,705,248</b>	<b>41.29%</b>	<b>6,553,728</b>	<b>40.36%</b>	

**NOTE '12'**
**OTHER EQUITY**

<b>Securities Premium Reserve</b>		
Opening and Closing Balance	217.52	217.52
<b>General Reserve</b>		
Opening and Closing Balance	325.00	325.00
<b>Surplus in Statement of Profit and Loss</b>		
Opening Balance	759.29	915.10
Add: Surplus/(Deficit) during the year	108.29	(143.68)
Excess/(Short) Provision for Income Tax in earlier years	(0.04)	(12.13)
Closing Balance	867.54	759.29
<b>Other Reserve- Other Comprehensive Income</b>		
Opening Balance	(209.39)	(225.87)
Add/(Less): Transfer to Statement of Profit and Loss	4.01	16.48
Add/(Less): Reserve for Impairment in Value of Investment	-	-
Closing Balance	(205.38)	(209.39)
<b>Deffered Borrowing Cost</b>		
Deffered Borrowing Cost Ind As		
Opening Balance	(7.97)	(9.18)
Add/(Less): Assets generated during the year	-	-
Add/(Less): Transfer to Statement of Profit and Loss	0.95	1.21
Closing Balance	(7.02)	(7.97)
<b>TOTAL</b>	<b>1,197.66</b>	<b>1,084.45</b>

**Significant Accounting Policies & Notes on Financial Statement for the year ended on 31<sup>st</sup> March, 2022**

NOTE '13'	As at 31/03/2022	As at 31/03/2021
BORROWINGS	₹ (in lakh)	₹ (in lakh)
<b>Term Loan from Banks</b>		
-Secured	1,703.59	1,642.67
-Secured (GECL-1)	155.80	247.72
-Secured (GECL-2)	325.74	-
<b>Vehicle Loan from Banks</b>		
-Secured	-	1.91
<b>TOTAL</b>	<b>2,185.13</b>	<b>1,892.30</b>

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

	As at 31/03/2022		As at 31/03/2021	
	₹		₹	
	Non-Current	Current	Non-Current	Current
<b>a) Term Loan from banks</b>				
1) Term Loan from Bank	1,703.59	68.41	1,642.67	1.27
2) GECL-1 Term Loan from Bank	155.80	106.14	247.72	80.28
3) GECL-2 Term Loan from Bank	325.74	-	-	-
	2,185.13	174.55	1,890.39	81.55

**(ii) Maturity Profile:**

	2022-23	2023-24	2024-25	2025-26
1) Term Loan Bank	68.41	131.03	172.05	187.17
2) GECL-1 Term Loan Bank	106.14	115.23	40.57	-
3) GECL-2 Term Loan Bank	-	53.90	76.73	82.68

(iii) Term Loan from Bank is secured by 1st and exclusive charge by way of registered mortgage over Hotel Land and Building and exclusive charge on all movable fixed assets (both present and future) of the company. Further, it is also secured by way of personal guarantee from Director. The aforesaid term loan was obtained at the interest rate of 9.60% p.a. The said Term Loan has been re-scheduled with an additional Moratorium period of 12 months from January, 2021. The interest rates applicable to the aforesaid term loan are at floating rates and applicable rate of interest as on the reporting date is 8.45% p.a. The said loan is repayable by 7th March, 2031.

(iv) An additional Guaranteed Emergency Credit Line (GECL-1) term loan (under GECL scheme of Central Government published by the Finance Ministry) was obtained at the interest rate of 8.25% p.a. Security covered under the erstwhile Term Loan (i.e. registered mortgage over the Hotel Land and Building and exclusive charge on all movable fixed assets - both present and future - of the Company, along with personal guarantee from Director) has been extended to the said additional loan. The said loan has initial Moratorium period of 12 months where interest is to be serviced, after which loan is to be repaid in 36 months, hence repayable by 7th July, 2024.

(v) A further additional Guaranteed Emergency Credit Line (GECL-2) term loan (under GECL scheme of Central Government published by the Finance Ministry) was obtained at the interest rate of 7.50% p.a. Security covered under the erstwhile Term Loan (i.e. registered mortgage over the Hotel Land and Building and exclusive charge on all movable fixed assets - both present and future - of the Company, along with personal guarantee from Director) has been extended to the said additional loan. The said loan has initial Moratorium period of 24 months where interest is to be serviced, after which loan is to be repaid in 48 months, hence repayable by 7th June, 2027.

(vi) The unutilised portion of the mortgage loans received, has been kept with the bank, till the purpose for which the said loan has been obtained in underway, as due to unavoidable circumstances, the same could not be initiated till the date of balance sheet.

**(b) Vehicle Loan from bank**

	As at 31/03/2022		As at 31/03/2021	
	₹		₹	
	Non-Current	Current	Non-Current	Current
Vehicle Loan from Bank	-	2.17	1.91	2.65
	-	2.17	1.91	2.65

(vii) Vehicle Loan from Bank is secured by hypothecation charge over Vehicle. The aforesaid loan was obtained at the interest rate of 8.50% p.a. The said Vehicle Loan has been re-scheduled with Moratorium period of 5 months April, 2021 to August 2021. Presently, the said loan is repayable by 5th February, 2023.

**NOTE '14'**
**OTHER FINANCIAL LIABILITIES**

Security Deposit		
-Unsecured	1.50	1.50
Provision for Employee Benefit	5.71	8.72
<b>TOTAL</b>	<b>7.21</b>	<b>10.22</b>

**NOTE '15'**
**DEFERRED TAX ASSETS / LIABILITIES (NET)**
**(A) Major Components of Income Tax Expense:**
**Profit and Loss Section:**
**Current Income Tax:**

-Current Income Tax Charges	19.10	-
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**Deferred Tax**

-Relating to Origination and reversal of temporary differences	(6.00)	(9.00)
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<b>Income Tax Expenses reported in Statement of Profit and Loss</b>	<b>13.10</b>	<b>(9.00)</b>
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**Deferred Tax Liability:**

Impact due to Property, Plant and Equipment	94.00	101.00
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Provision for Gratuity	-	-
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<b>Total (A)</b>	<b>94.00</b>	<b>101.00</b>
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**Deferred Tax Assets:**

Provision for Gratuity	2.00	2.00
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Provision for Bonus	2.00	3.00
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Impairment of Investment	79.00	79.00
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<b>Total (B)</b>	<b>83.00</b>	<b>84.00</b>
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<b>Net Deferred Tax Liability (A-B)</b>	<b>11.00</b>	<b>17.00</b>
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**Significant Accounting Policies & Notes on Financial Statement for the year ended on 31<sup>st</sup> March, 2022**

NOTE '16' SHORT TERM BORROWINGS	As at 31/03/2022 ₹ (in lakh)	As at 31/03/2021 ₹ (in lakh)
Current Maturities of Long-term borrowings (Refer Note - 13, Footnote)	176.72	84.20
<b>TOTAL</b>	<b>176.72</b>	<b>84.20</b>
<b>NOTE '17' TRADE PAYABLES</b>		
Dues of Micro and Small Enterprises (Refer footnote)		
Dues of Others	81.67	106.45
<b>TOTAL</b>	<b>81.67</b>	<b>106.45</b>

**Trade Payables Ageing Schedule \$**

Outstanding for following periods from due date of payment (₹ in lakh)

Particulars	Less than 1 year	1 to 2 years	More than 2 year	Total
<b>As at March 31, 2022</b>				
Undisputed- Other than MSME	79.47	0.65	1.55	81.67
<b>Total</b>	<b>79.47</b>	<b>0.65</b>	<b>1.55</b>	<b>81.67</b>
<b>As at March 31, 2021</b>				
Undisputed- Other than MSME	82.11	24.34	-	106.45
<b>Total</b>	<b>82.11</b>	<b>24.34</b>	<b>-</b>	<b>106.45</b>

\$ No creditors outstanding for more than 3 years as on reporting dates

Footnote: In view of the large number of accounts and in absence of segregated information, total outstanding dues to Small Scale Industrial Undertakings as defined under Micro, Small and Medium Enterprises Development Act, 2006 have not been disclosed separately.

However, based on the details available with the company, in respect of transactions incurred during the year, there are no overdues as such to Micro, Small and Medium Enterprises as at 31<sup>st</sup> March, 2022 on account of principal amount together with interest for delayed payment under the Act. The Company has not received any claim for interest from any suppliers under the "Interest on Delayed Payments to Small Scale and Ancillary Industrial Undertaking Act, 1993.

NOTE '18' OTHER FINANCIAL LIABILITIES		
Interest Accrued but not due on borrowings	16.33	37.01
Employee and Ex-Employee Related Liabilities	28.24	24.83
Director Remuneration Payable	1.79	1.21
<b>TOTAL</b>	<b>46.36</b>	<b>63.05</b>

NOTE '19' OTHER CURRENT LIABILITIES		
Advances from Customers	4.46	2.30
Statutory Dues	47.23	30.60
<b>TOTAL</b>	<b>51.69</b>	<b>32.90</b>

NOTE '20' REVENUE FROM OPERATION	Year Ended 31 <sup>st</sup> March, 2022 ₹ (in lakh)	Year Ended 31 <sup>st</sup> March, 2021 ₹ (in lakh)
<b>Sale of Services</b>		
Room Sale	718.31	311.64
Food and Beverage Sale	362.33	141.28
Other Services	9.46	7.62
Total - Sale of Services	1,090.10	460.54
<b>Sale of Products</b>		
Wine and Liquor Sale	711.16	567.31
<b>TOTAL</b>	<b>1,801.26</b>	<b>1,027.85</b>

NOTE '21' OTHER INCOME		
Interest Income		
- From Bank	29.03	7.79
- From Others	3.78	4.22
Other non-operating income	17.70	9.85
<b>TOTAL</b>	<b>50.51</b>	<b>21.86</b>

NOTE '22' FOOD AND BEVERAGES CONSUMED		
Stock at Commencement	2.13	4.02
Add: Purchases	80.11	26.33
	82.24	30.35
Less : Stock at Close	3.22	2.13
<b>TOTAL</b>	<b>79.02</b>	<b>28.22</b>

NOTE '23' PURCHASE OF STOCK IN TRADE		
Purchase of Wine and Liquor	300.84	237.90
Add: Excise Duty/Import Fee	72.53	48.65
Add: Import Transport Fees	7.11	4.70
<b>TOTAL</b>	<b>380.48</b>	<b>291.25</b>

Significant Accounting Policies & Notes on Financial Statement for the year ended on 31<sup>st</sup> March, 2022

	Year Ended 31st March, 2022 ₹ (in lakh)	Year Ended 31st March, 2021 ₹ (in lakh)
<b>NOTE '24'</b>		
<b>CHANGES IN INVENTORIES OF STOCK IN TRADE</b>		
Opening Stock	54.09	50.47
Less: Closing Stock	59.23	54.09
<b>TOTAL</b>	<b>(5.14)</b>	<b>(3.62)</b>
<b>NOTE '25'</b>		
<b>EMPLOYEE BENEFIT EXPENSE</b>		
Salaries, Wages, Bonus etc.	252.10	132.30
Contribution to P.F., E.S.I.C. and Other Statutory Funds	16.00	14.49
Workmen and Staff Welfare Expenses	28.44	16.00
Directors Remuneration	30.00	30.00
<b>TOTAL</b>	<b>326.54</b>	<b>192.79</b>
<b>NOTE '26'</b>		
<b>FINANCE COSTS</b>		
Interest on Term Loan	136.91	152.42
Interest on GECL-1 Loan	25.03	20.15
Interest on GECL-2 Loan	19.68	-
Interest on Car Loan	0.27	0.50
Interest on Other	-	-
Borrowing Costs	3.21	-
Prepayment Charges	-	-
<b>TOTAL</b>	<b>185.10</b>	<b>173.07</b>
<b>NOTE '27'</b>		
<b>OTHER OPERATING AND GENERAL EXPENSES</b>		
Power and Fuel	96.47	66.77
Repairs To - Building	61.14	9.53
- Machinery	28.27	9.22
- Furniture	37.32	0.52
- Others	4.78	2.59
Renewal and Replacements	2.33	0.52
Insurance	3.34	3.90
Rates and Taxes	81.57	95.43
Fees and Subscription	4.00	3.06
Linens and Uniform Expense	20.18	0.78
Guest Complimentary	10.78	5.73
Housekeeping Expenses	15.20	4.93
Advt., Publicity and Promotional Expenses	8.16	6.96
Commission Expense	50.37	23.51
Travelling and Conveyance	17.11	6.90
Freight, Cartage and Transportation	11.33	9.10
Management and Franchise Fees	49.31	13.75
Legal and Professional Fees	113.85	99.86
Payment to Auditor (Refer Footnote i)	1.30	1.30
Miscellaneous Expense	36.90	19.86
<b>TOTAL</b>	<b>653.71</b>	<b>384.22</b>
<b>Footnote:</b>		
(i) Payment to Auditors:		
As auditors - statutory audit	0.70	0.70
For taxation matters	0.30	0.30
For other services	0.30	0.30
<b>TOTAL</b>	<b>1.30</b>	<b>1.30</b>
<b>NOTE '28'</b>		
<b>EARNINGS PER SHARE</b>		
Profit/(Loss) after Tax (PAT) available for equity shareholders (before exceptional items)	112.30	(127.20)
Profit/(Loss) after Tax (PAT) available for equity shareholders (after exceptional items)	112.30	(127.20)
Weighted average number of equity shares (In Nos.)	16,238,400	16,238,400
Nominal value of Equity Shares (In ₹)	10.00	10.00
Basic and Diluted Earning per share (before exceptional income/loss) (In ₹)	0.69	(0.78)
Basic and Diluted Earning per share (after exceptional income/loss) (In ₹)	0.69	(0.78)
<b>NOTE '29'</b>		
<b>ADDITIONAL INFORMATION</b>		
<b>Earnings in foreign exchange :</b>		
Payment Received from Foreign Customers in Foreign Currencies	1.86	4.85
<b>TOTAL</b>	<b>1.86</b>	<b>4.85</b>

Significant Accounting Policies & Notes on Financial Statement for the year ended on 31<sup>st</sup> March, 2022**Note '30'- Fair Values**

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

a. Financial Assets		Instruments carried at					
		Fair Value			Amortized Cost		
Particulars	Note	At Cost	FVTPL	FVTOCI	Carrying Amount	Total Carrying Value	Total Fair Value
<b>As at 31<sup>st</sup> March, 2022</b>							
Investment in Unquoted Equity Shares	3	-	-	269.39	-	269.39	269.39
Fixed Deposit	4	-	-	-	25.66	25.66	25.66
Security Deposit	4	-	-	-	23.99	23.99	23.99
Trade Receivables	6	-	-	-	259.48	259.48	259.48
Cash & Cash Equivalents	7	-	-	-	440.30	440.30	440.30
Loans	8	-	-	-	1.53	1.53	1.53
<b>TOTAL</b>		-	-	<b>269.39</b>	<b>750.96</b>	<b>1,020.35</b>	<b>1,020.35</b>
<b>As at 31<sup>st</sup> March, 2021</b>							
Investment in Unquoted Equity Shares	3	-	-	269.39	-	269.39	269.39
Fixed Deposit	4	-	-	-	24.47	24.47	24.47
Security Deposit	4	-	-	-	26.04	26.04	26.04
Trade Receivables	6	-	-	-	224.03	224.03	224.03
Cash & Cash Equivalents	7	-	-	-	642.66	642.66	642.66
Loans	8	-	-	-	1.84	1.84	1.84
<b>TOTAL</b>		-	-	<b>269.39</b>	<b>919.04</b>	<b>1,188.43</b>	<b>1,188.43</b>
b. Financial Liabilities		Instruments carried at					
		Fair Value			Amortized Cost		
Particulars	Note	At Cost	FVTPL	FVTOCI	Carrying Amount	Total Carrying Value	Total Fair Value
<b>As at 31<sup>st</sup> March, 2022</b>							
Long Term Borrowings	13	-	-	-	2,185.13	2,185.13	2,185.13
Security Deposit	14	-	-	-	1.50	1.50	1.50
Provision for Employee Benefit	14	-	5.71	-	-	5.71	5.71
Short Term Borrowings	16	-	-	-	176.72	176.72	176.72
Trade Payables	17	-	-	-	81.67	81.67	81.67
Other Financial Liabilities	18	-	-	-	46.36	46.36	46.36
<b>TOTAL</b>		-	<b>5.71</b>	-	<b>2,491.38</b>	<b>2,497.09</b>	<b>2,497.09</b>
<b>As at 31<sup>st</sup> March, 2021</b>							
Long Term Borrowings	13	-	-	-	1,892.30	1,892.30	1,892.30
Security Deposit	14	-	-	-	1.50	1.50	1.50
Provision for Employee Benefit	14	-	8.72	-	-	8.72	8.72
Short Term Borrowings	16	-	-	-	84.20	84.20	84.20
Trade Payables	17	-	-	-	106.45	106.45	106.45
Other Financial Liabilities	18	-	-	-	63.05	63.05	63.05
<b>TOTAL</b>		-	<b>8.72</b>	-	<b>2,147.50</b>	<b>2,156.22</b>	<b>2,156.22</b>



**Note '31'- Estimation uncertainty relating to the global health pandemic COVID-19:**

During March 2020, the World Health Organization declared COVID-19 as a Global pandemic. Consequently, Government of India declared a nationwide lock down on March 22, 2020, which has been lifted in a phased manner during the previous year. Certain travel restrictions imposed due to the second wave during first 3 months of this year had impacted the business activities of the Company. Whilst there has been a third wave of the COVID-19 pandemic in certain part of the country for few months of the third quarter, there has also been increased vaccination drive by the Government and the Company continues to closely monitor the situation. The Company has been taking various precautionary measures to protect employees and their families from COVID-19. The Company has assessed and considered the impact of this pandemic on carrying amounts of receivables, other assets and its business operations including all relevant internal and external information available up to the date of approval of these financial results. On the basis of such evaluation, the management anticipates some adverse impact on its future cash flows but shall be able to continue as a going concern and meet its obligations as and when they fall due. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements. The Company will continue to monitor future economic conditions for any significant change.

The Company has assessed the potential impact of COVID-19 on its capital and financial resources, profitability, liquidity position, ability to service debt and other financing arrangements, supply chain and demand for its services. Various steps have been initiated to raise finances from banks and institutions for working capital needs and long term fund requirements. This includes availment of additional finance and moratoriums in existing repayments to fulfill its long-term / working capital requirements.

The Company has also assessed the potential impact of COVID-19 on the carrying value of assets and liabilities appearing in the financial statements of the Company. In developing the assumptions and estimates relating to the future uncertainties in the economic conditions because of this pandemic, the Company as at the date of approval of these Financial statements has used internal and external sources of information and based on current estimates, expects to recover the carrying amounts of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

Based on aforesaid assessment, management believes that as per estimates made conservatively, the Company will continue as a going concern and will be able to discharge its liabilities and realise the carrying amount of its assets as on March 31, 2022.

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

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

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

**Significant Accounting Policies & Notes on Financial Statement for the year ended on 31<sup>st</sup> March, 2022****A. Market risk**

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

**a. Interest Rate Risk:**

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

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

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
Floating Rate of Borrowings	2,375.99	2,008.92
Fixed Rate of Borrowings	2.19	4.59

**B. Credit risk**

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

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

**Ageing of Accounts Receivables:**

(₹ in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2022	As at 31 <sup>st</sup> March, 2021
More than 180 days	1.05	3.63
Up to 180 days	258.43	220.40

**C. Liquidity risk**

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

**Significant Accounting Policies & Notes on Financial Statement for the year ended on 31<sup>st</sup> March, 2022**

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

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

(₹ in Lakh)			
Particulars	Up to One Year	More than One Year	Total
<b>Year Ended 31<sup>st</sup> March, 2022</b>			
Borrowings	193.05	2,185.13	2,378.18
Trade Payables	81.67	-	81.67
Other Financial Liabilities	30.03	7.21	37.24
<b>Total</b>	<b>304.75</b>	<b>2,192.34</b>	<b>2,497.09</b>
<b>Year Ended 31<sup>st</sup> March, 2021</b>			
Borrowings	121.21	1,892.30	2,013.51
Trade Payables	106.45	-	106.45
Other Financial Liabilities	26.04	10.22	36.26
<b>Total</b>	<b>253.70</b>	<b>1,902.52</b>	<b>2,156.22</b>

**Note `33'- Segment Information**

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

The company is engaged in only one segment of Hotel Business. Accordingly, the segment revenue, segment results, segment assets and segment liabilities are reflected by the financial statement themselves as at and for the financial year ended 31<sup>st</sup> March, 2022.

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

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

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

Net Employee Benefit expense recognized in the Statement of Profit and Loss: (₹ in Lakh)		
Particulars	Year Ended 31 <sup>st</sup> March, 2022	Year Ended 31 <sup>st</sup> March, 2021
Current Service Cost	3.47	2.51
Net Interest Cost	(0.73)	0.20
<b>Net Employee Benefit Expense recognized in the Statement of Profit and Loss</b>	<b>2.74</b>	<b>2.71</b>

Significant Accounting Policies & Notes on Financial Statement for the year ended on 31<sup>st</sup> March, 2022**Amount recognized in Other Comprehensive Income:**

Particulars	Year Ended 31 <sup>st</sup> March, 2022	Year Ended 31 <sup>st</sup> March, 2021
Actuarial (Gains)/Losses on Obligation for the period	(3.83)	(15.91)
Return on Plan Assets, Excluding Interest Income	(0.18)	(0.57)
<b>Amount Recognized in Other Comprehensive Income</b>	<b>(4.01)</b>	<b>(16.48)</b>

**Balance Sheet****Benefit Asset/Liability:**

Particulars	Year Ended 31 <sup>st</sup> March, 2022	Year Ended 31 <sup>st</sup> March, 2021
Present Value of Benefit Obligation at the end of the Period	(40.65)	(41.12)
Fair Value of Plan Assets at the end of the period	51.39	49.21
Funded Status (Surplus/(Deficit))	10.74	8.09
<b>Net (Liability)/Asset Recognized in the Balance Sheet</b>	<b>10.74</b>	<b>8.09</b>

**Fair Value of Plan Assets:**

Particulars	Year Ended 31 <sup>st</sup> March, 2022	Year Ended 31 <sup>st</sup> March, 2021
Fair Value of Plan Assets at the beginning of the period	49.21	46.19
Return on Plan Assets	4.55	3.07
Benefits Paid from the Fund	(2.37)	(0.05)
Contribution by the Employer	-	-
<b>Fair Value of Plan Assets at the end of the period</b>	<b>51.39</b>	<b>49.21</b>

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

Particulars	Year Ended 31 <sup>st</sup> March, 2022	Year Ended 31 <sup>st</sup> March, 2021
Expected Return on Plan Assets	6.40%	6.05%
Rate of Discounting	6.40%	6.05%
Rate of salary Increase	5% p.a.	5% p.a.
Rate of Employee Turnover	For service of 2 years and below 50% p.a. For service of 3 years to 4 years 30% p.a. For service of 5 years and above 15% p.a.	For service of 2 years and below 50% p.a. For service of 3 years to 4 years 30% p.a. For service of 5 years and above 15% p.a.

Significant Accounting Policies & Notes on Financial Statement for the year ended on 31<sup>st</sup> March, 2022

C. A Quantitative Sensitivity Analysis for significant assumptions as at 31<sup>st</sup> March, 2022 and 31<sup>st</sup> March, 2021 is as shown below:

Assumptions	Sensitivity Level	Defined Benefit Obligation			
		31 <sup>st</sup> March, 2022		31 <sup>st</sup> March, 2021	
		Increase	Decrease	Increase	Decrease
Discount Rate	1% Increase/Decrease	(1.46)	1.58	(1.55)	1.69
Increase in Salary	1% Increase/Decrease	1.61	(1.51)	1.65	(1.54)
Employee Turnover	1% Increase/Decrease	0.07	(0.09)	(0.00)	0.00

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

**D. Maturity Profile of Defined Benefit Obligations:**

Particulars	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Within the next 12 months	8.93	7.61
Between 2 to 5 years	23.16	23.03
Between 6 to 10 years	10.19	11.96
Beyond 10 years	-	-

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

(A) Nature of Relationship

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

Lords Inn Hotels and Developers Pvt. Ltd.  
Sai Ram Krupa Hotels Pvt. Ltd.  
Lords Sai Ma Hotels Pvt. Ltd.  
Lords Ishwar Hotels Ltd.

(II) Key Management Personnel and their relatives:

Mr. Pushendra Bansal  
Mr. Ramesh Bansal  
Mr. Satyanarayan Bansal  
Mr. Nilesh Bansal  
Mr. Pramod Bansal

(B) Transactions with Related Parties

Sr. No.	Nature of Transaction (Excluding Reimbursement)	Enterprises in which KMP have significant influence	KMP and their Relatives	(₹ in Lakh)
				Total
1	Receiving of Services	49.31 (13.75)	92.85 (88.51)	142.16 (102.26)
2	Purchase of Wine and Liquor	102.66 (132.64)	Nil (Nil)	102.66 (132.64)
3	Amount Received against Security Deposit	Nil (12.00)	Nil (Nil)	Nil (12.00)

Significant Accounting Policies & Notes on Financial Statement for the year ended on 31<sup>st</sup> March, 2022

(C) Balance as at 31.03.2022

4	Trade and Other Receivable	203.35 (203.35)	Nil (Nil)	203.35 (203.35)
5	Trade and Other Payables	5.40 (18.84)	1.97 (1.70)	7.37 (20.54)
6	Investments	269.00 (269.00)	Nil (Nil)	269.00 (269.00)
7	Security Deposit	1715.00 (1715.00)	Nil (Nil)	1715.00 (1715.00)

(Figures in brackets are for previous year)

**Note '36'- Key Financial / Accounting Ratios**

Sr. No.	Ratios	Numerator	Denominator	2021-22	2020-21	Change of %	Explanation
1	Current Ratio	Current Assets	Current Liabilities	10.75	11.45	6.06%	--
2	Debt Equity Ratio	Total Debt	Total Equity	0.84	0.73	14.70%	--
3	Interest Coverage Ratio	Earnings before Interest and Tax	Interest Expense	1.69	0.12	1330.10%	Increase in Sales and Cost Efficiency
4	Debt Service Coverage	Earnings available for Debt Service	Debt Service	1.14	1.21	5.43%	--
5	Return on Equity	Profit after Tax	Average Equity	3.92 %	(5.17) %	175.71%	Increase in Sales and Cost Efficiency
6	Inventory Turnover	Cost of Goods Sold	Average Inventory	6.62	5.50	20.41%	--
7	Trade Receivables Turnover	Net Credit Sales	Average Debtors	2.63	1.10	138.65%	Increase in Sales and Effective Policy on Debtors Realization
8	Trade Payables Turnover	Purchases	Average Creditors	4.83	2.60	85.68%	Effective Policy on Creditors Payments
9	Net Capital Turnover	Revenue from Operations	Average Working Capital	0.56	0.37	51.58%	Increase in Sales and Reduce Working Capital Requirements
10	Net Profit Margin	Net Profit	Net Sales	6.23 %	(12.38)%	150.38%	Increase in Sales and Cost Efficiency
11	Return on Capital Employed	Earnings before Interest and Tax	Average Capital Employed	6.35 %	0.45 %	1302.18%	Increase in Sales and Cost Efficiency
12	Operating Profit Ratio	Operating Profits	Revenue from Operations	17.02 %	1.98 %	757.65%	Increase in Sales and Cost Efficiency
13	Return on Net worth	Net Profit	Net Worth	3.98 %	(4.70) %	184.75%	Increase in Sales and Cost Efficiency
14	Return on Investment	Income Generated from Investment	Average Investments	--	--	0.00%	--

Significant Accounting Policies & Notes on Financial Statement for the year ended on 31<sup>st</sup> March, 2022**Note '37'- Relationship with Struck - Off Companies**

Sr. No.	Name of the Struck - Off Companies	Nature of Transaction with the Struck - Off Company	Balance outstanding as at 31.03.2022 (₹ in Lakh)	Relationship with the Struck - Off Company, if any	Balance outstanding as at 31.03.2021 (₹ in Lakh)	Relationship with the Struck - Off Company, if any
1	---	Investment in Securities	--	--	--	--
2	--	Receivables	--	--	--	--
3	--	Payables	--	--	--	--
4	--	Shares held by Struck - Off Company	--	--	--	--
5	Uforia Financial Services Private Limited	Others - Advance paid for services	4.00	No Relation	4.00	No Relation

**Note '38'- Other Statutory Disclosures**

- (a) The Company does not have Lease liability and hence no reporting related to the same has been made.
- (b) There has been no revaluation to Property, Plant and Equipments.
- (c) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (d) The Company does not have capital work-in-progress or intangible asset under development.
- (e) The Company holds all the title deeds of immovable property in its name.
- (f) The Company has not granted any loans or advances to promoter, director, KMP in nature of loan.
- (g) The Company does not hold any loans or borrowings secured against current assets.
- (h) The Company is not declared wilful defaulter by bank or financial institution or other lender.
- (i) The Company has not applied for any scheme of arrangement under Sections 230 to 237 of Companies Act, 2013.
- (j) The Company is not covered under Section 135 of Companies Act, 2013. Hence it is not required to make CSR expense.
- (k) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (l) The Company have not traded or invested in Crypto Currency or Virtual Currency during the period/year.
- (m) The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961.
- (n) The Company does not have number of layer of Companies as prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

**Significant Accounting Policies & Notes on Financial Statement for the year ended on 31<sup>st</sup> March, 2022**

- (o) Unutilized borrowed funds are kept with the bank for the interim until final utilization for the purpose borrowed for. The Company has created Securities Premium consequent to issue of shares at premium. These reserves can be utilized in accordance with Section 52 of the Companies Act, 2013.

**Note '39'**- Previous years' figures have been regrouped and/or rearranged wherever necessary.

As per our report of even date  
**For K. K. HARYANI & Co.**  
Chartered Accountants  
Firm Reg. No: 121950W

For and on behalf of the Board of Directors

**Kishor K. Haryani**  
Proprietor  
Membership No: 110780

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

**Pushendra Bansal**  
Managing Director  
DIN: 00086343

Place: Mumbai  
Date: 30<sup>th</sup> May, 2022

**Sangita Bansal**  
Director  
DIN: 01571275

**Hitesh Limbani**  
Company Secretary  
ACS: 31531



NOTES

Area with horizontal dotted lines for notes.

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