



**Apollo Sindoori**  
Excellence in Hospitality

---

**24<sup>th</sup>**  
**ANNUAL REPORT**  
**2022**



# Table of Contents

03

Management Team

05

Corporate Information

07

Chairman's Message

09

AGM Notice

26

Directors' Report

39

Annexures To  
Directors' Report

85

Auditor's Report  
(Standalone)

|            |   |  |
|------------|---|--|
| <b>96</b>  | <b>Balance Sheet as at<br/>31.03.2022 (Standalone)</b>  |  |
| <b>97</b>  | <b>Profit &amp; Loss as at<br/>31.03.2022 (Standalone)</b>  |  |
| <b>98</b>  | <b>Statement of Changes in Equity<br/>(Standalone)</b>  |  |
| <b>99</b>  | <b>Cash Flow Statement<br/>(Standalone)</b>   |  |
| <b>100</b> | <b>Schedule forming part of the<br/>balance sheet and Profit &amp; Loss<br/>Account(Standalone)</b>   |  |
|            |   |  |
| <b>131</b> | <b>Auditor's Report<br/>(Consolidated)</b>  |  |
| <b>138</b> | <b>Balance Sheet as at<br/>31.03.2022 (Consolidated)</b>  |  |
| <b>139</b> | <b>Profit &amp; Loss as at<br/>31.03.2022 (Consolidated)</b>  |  |
| <b>140</b> | <b>Statement of Changes in Equity<br/>(Consolidated)</b>  |  |
| <b>141</b> | <b>Cash Flow Statement<br/>(Consolidated)</b>   |  |
| <b>142</b> | <b>Schedule forming part of the<br/>balance sheet and Profit &amp; Loss<br/>Account(Consolidated)</b> |  |

## Management Team



Mr. G. Venkatraman  
**Chairman**



Ms. Sucharitha Reddy  
**Managing Director**



Mr. P. Vijayakumar Reddy  
**Director**



Ms. Suneeta Reddy  
**Director**



Ms. Sindoori Reddy  
**Director**



Mr. Suresh R Madhok  
**Director**



Mr. George Eapen  
**Director**



Mr. C. Natarajan  
**Whole-time Director &  
Chief Executive Officer**



**APOLLO SINDOORI HOTELS LIMITED**  
**CIN: L72300TN1998PLC041360**

**Corporate Information (As on 31st March 2022)**

**BOARD OF DIRECTORS**

**Chairman** G.Venkatraman

**Managing Director** Sucharitha Reddy

**Directors** P. Vijayakumar Reddy  
Suneeta Reddy  
Sindoori Reddy  
Suresh R. Madhok  
George Eapen  
C.Natarajan

**MANAGEMENT TEAM**

**Whole-time Director &  
Chief Executive Officer** C.Natarajan

**Chief Financial Officer** M.SP. Meyyappan

**Company Secretary** Surabhi Pasari

**BOARD COMMITTEES**

**Audit committee**  
G.Venkatraman-Chairman  
Suresh R. Madhok  
George Eapen

**Stakeholders Relationship  
Committee**  
Suresh R. Madhok-Chairman  
Sindoori Reddy  
George Eapen

**Nomination & Remuneration  
Committee**  
George Eapen-Chairman  
Suresh R. Madhok  
G.Venkatraman

**Corporate Social Responsibility Committee**  
Sindoori Reddy- Chairman  
George Eapen  
G.Venkatraman

**Bankers** HDFC Bank Ltd., ITC Centre, Anna Salai, Chennai  
Indian Bank, Nungambakkam, Chennai

**Statutory Auditors** P. Chandrasekar LLP, Chartered Accountants  
36, Second Floor, Krishnasway Avenue, Luz  
Mylapore, Chennai – 600 004

**Internal Auditors** S. Viswanathan LLP, Chartered Accountants  
New No.17, Bishop Wallers Avenue (West)  
Mylapore, Chennai – 600 004

**Registrar & Share  
Transfer Agents** Cameo Corporate Services Limited  
“Subramanian Building”, V Floor  
1, Club House Road, Chennai – 600 002  
Phone : 044 2846 0390  
e-mail: cameo@cameoindia.com  
Web:www.cameoindia.com

**Secretarial Auditor**

BGSMISHRA & ASSOCIATES  
Company Secretary LLP  
No.76, 2<sup>nd</sup> Floor, P S Sivasamy Salai  
Mylapore, Chennai – 600 004

**Registered Office &  
Administrative Office**

No.43/5, Hussain Mansion, Ground Floor  
Greams Road, Thousand Lights  
Chennai – 600 006

**Website**

[www.apollosindoori.com](http://www.apollosindoori.com)

**Listed at**

National Stock Exchange of India Limited, Mumbai  
Symbol: APOLSINHOT





## THE CHAIRMAN'S MESSAGE

**“I am proud to report to our shareholders the Company's credible performance despite a challenging FY 2021-22. During the year under review, your company reported revenues of Rs. 210.71 crores and a profit after tax of Rs. 14.81 crores on a consolidated basis.”**

**Dear Shareholders of Apollo Sindoori Family,**

I sincerely hope that all of you are safe and in good health!

For the past couple of years, the world has seen a great number of upheavals in the form of a global pandemic and resultant chaos, supply chain disruptions, geopolitical tensions, and a generally testing period for companies to operate in. In the face of this environment, I am delighted to write to you at the end of this tumultuous period that our Company has ensured continuity of operations while recalibrating them at the same time to make the best of these challenging times. For another year, our people responded in a positive and energetic manner. As a result, our customers, suppliers, employees and stakeholders continue to repose their faith in us and have helped us navigate from a demanding situation to a position of strength.

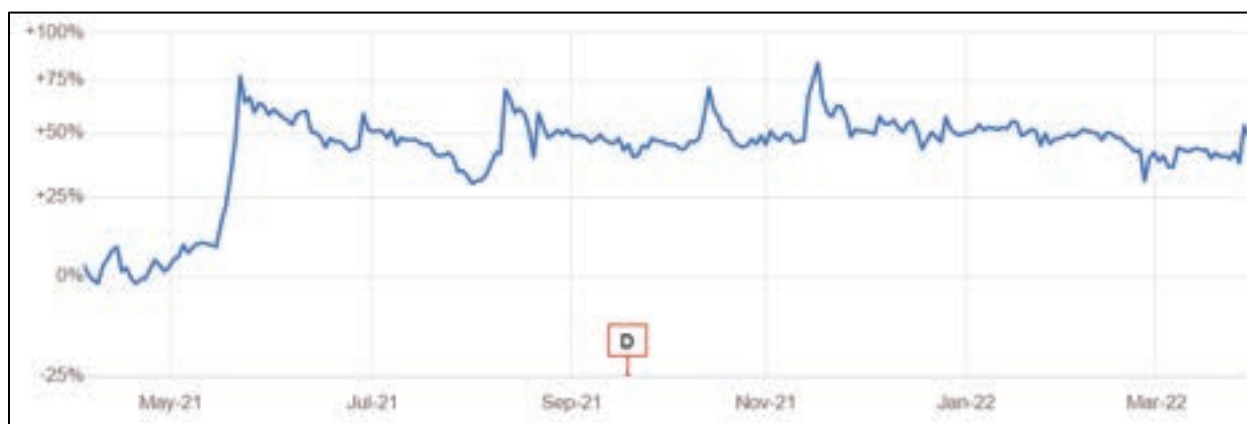
### **Are we nearing the end of covid?**

Every day, throughout the year, we woke up to news of increased infections, insurgence of new variants, vaccine shortages, infrastructural challenges and inadequate preparedness. To a lesser or greater extent, this seems to be the status quo all across the globe. There is an increasing realization that this virus is now endemic - here to stay permanently as our unwelcome guest. How we deal with it as individuals, as a social group and as a professional organization will set us apart and determine our future. Up until now, there are no global or regional role models from either professional or personal spaces – only temporary heroes, shifting fortunes, and the lucky or unlucky ones. The only common denominator that the whole world seems to be dealing with currently, is the terrible duo: unpredictability & uncertainty. For any organization that would be unprepared, this could translate to poor planning, fuzzy forecasting, uncertain performance and an unsound post-execution assessment and review. Thankfully, I trust your company is acutely aware of its surroundings and dealing with crisis of today without losing its focus on the future.

### **Overview**

It gives me immense pleasure to welcome you all at the 24th Annual General Meeting of the Company and to place before you the Annual Report of the Company for the financial year 2021-22. I am proud to report to our shareholders the Company's credible performance despite a challenging FY 2021-22. During the year under review, your company reported revenues of Rs. 210.71 crores and a profit after tax of Rs. 14.81 crores on a consolidated basis and revenues of Rs. 202.96 crores and a profit after tax of Rs. 10.24 crores on a standalone basis.

### **Apollo Sindoori Share price performance during FY 2021-22**



**“I am delighted to inform that Apollo Sindoori Hotels Limited continued to pursue our focused strategy which delivered a sustainable growth and returns for shareholders. We remained committed to our vision to be the most successful organization in the Clinical Nutrition Industry.”**

### **Back on Growth Track**

We are confident that our Company will perform to the expectations that our Shareholders, Customers, Employees, and Partners have imposed on us. We humbly express our gratitude to all our stakeholders who have been strong pillars of growing success and support for us. We continue to be enthused by the support that we as a Company as well as the industry in general have received from the local, state and central governments.

We are confident that we will continue to generate positive returns for our stakeholders as we remain focused on being a responsible corporate citizen. As we begin another year, I would like to extend my heartfelt gratitude to my colleagues and to our investors and shareholders.

It is your continued support and faith in us that inspires us to do more and do better every day. I wish you and your family a healthy, safe and productive year. Last but not the least, I acknowledge the valuable guidance, support and co-operation received from the Directors on the Board of the Company.

G. Venkatraman  
Chairman

**APOLLO SINDOORI HOTELS LIMITED**  
**CIN: L72300TN1998PLC041360**  
**Registered Office: No. 43/5, Ground Floor, Hussain Mansion,**  
**Greams Road, Thousand Lights, Chennai 600006.**

**NOTICE TO SHAREHOLDERS**

**Dear Shareholder(s)**

Notice is hereby given that the 24th Annual General Meeting of the Shareholders of Apollo Sindoori Hotels Limited will be held on 29th September 2022, Thursday at 11.00 A.M. through Video Conferencing ('VC') or Other Audio Video Means ('OAVM') which would be deemed to be conducted at the Registered Office of the Company at No. 43/5, Ground Floor, Hussain Mansion, Greams Road, Thousand Lights, Chennai - 600006 to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the year ended 31st March 2022 and the Consolidated Financial Statements for the said Financial Year and the Report of the Directors and Auditors thereon.
2. To declare final dividend of Rs. 1.50/- (One Rupee and Fifty Paise Only) per share to shareholders.
3. To appoint a Director in place of Mrs. Suneeta Reddy (DIN: 00001873), Director who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint a Director in place of Mr. Pottipati Vijayakumar Reddy (DIN: 01097295), Director who retires by rotation and being eligible, offers himself for re-appointment.
5. Appointment of Auditors and fixing their remuneration

**"RESOLVED THAT** pursuant to provision of section 139 and 142 of the Companies Act 2013 read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) the consent of the members be and is hereby given to re-appoint M/s P. Chandrasekar LLP, Chartered Accountants as the statutory auditors of the Company to hold office from the conclusion of 24th Annual General Meeting till the conclusion of 29th Annual General Meeting of the Company on such remuneration including out of pocket expenses and other expenses as may be mutually agreed by and between the Board of Directors and the Auditor."

**RESOLVED FURTHER THAT** any Director and/or Mr. M.SP. Meyyappan, CFO and/or Ms. Surabhi Pasari, Company Secretary be and is/are hereby jointly/severally authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters, filings and things which may deem necessary in this behalf."

**SPECIAL BUSINESS:**

**6. Reappointment of Mr. Chithambaranathan Natarajan as a Whole-time Director and Chief Executive Officer**

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

**"RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded for re-appointment of Mr. Chithambaranathan Natarajan as a Whole-time Director and Chief Executive Officer (DIN: 06392905), for a period of 6 (six) months with effect from 30th May 2023 on the terms and conditions including remuneration as set out in Explanatory Statement with liberty to the Board of Directors (hereinafter referred to as "Board" which term shall include the Nomination and Remuneration Committee) to alter and vary the terms and conditions including remuneration as it may deem fit.

**RESOLVED FURTHER THAT** the approval of appointment by Special Resolution would also be deemed to be approval of remuneration payable to him due to insufficiency in profit as set out in Explanatory Statement within the provision of Part B of Section II Part II of Schedule V of Companies Act, 2013 and applicable Rules, if any, and would include an authority being granted to Board and Committee to vary and increase the remuneration within the limit laid down there under from time to time.

**RESOLVED FURTHER THAT** Mr. C.Natarajan in the capacity of Whole-time Director and Chief Executive Officer will be entrusted with the powers, authorities, functions, duties, responsibilities etc. as assigned to him as CEO and further as may be assigned/ delegated by Board of Directors of the Company from time to time.

**RESOLVED FURTHER THAT** Mr. C.Natarajan will be a director liable to retire by rotation and his re-appointment as such director shall not be deemed to constitute a break in appointment as Whole-time Director and Chief Executive Officer during his tenure till 29th November 2023.”

## **7. Authorisation under Section 186 of the Companies Act, 2013**

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

**“RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013, read with The Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force), if any, consent of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), to (a) give any loan to any person(s) or other body corporate(s) ; (b) give any guarantee or provide security in connection with a loan to any person(s) or other body corporate(s) ; and (c) acquire by way of subscription, purchase or otherwise, securities of any other body corporate from time to time in one or more tranches as the Board of Directors as in their absolute discretion deem beneficial and in the interest of the Company, for an amount not exceeding Rs.100,00,00,000 (Rupees Hundred Crores Only) outstanding at any time, notwithstanding that such investments, outstanding loans given or to be given and guarantees and security provided are in excess of the limits prescribed under Section 186 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, any Director and/or Chief Financial Officer and/or Company Secretary of the Company, be and are hereby jointly/severally authorised to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to all matters arising out of and incidental thereto and to sign and to execute deeds, applications, documents and file returns with Registrar of Companies, that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

Place: Chennai  
Date: 12<sup>th</sup> August 2022

By Order of the Board  
**For Apollo Sindoori Hotels Limited**  
Sd/-  
Surabhi Pasari  
Company Secretary & Compliance officer

## Notes

1. In view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and Circular No. 2/2022 dated May 5, 2022 (collectively referred to as “MCA Circulars”). In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“SEBI LODR Regulations, 2015) and MCA circulars, the 24th Annual General Meeting (AGM) of the Company is thus being held through video conferencing (VC) or other audio visual means (OAVM) without physical presence of members at a common venue. Hence, members can attend and participate in the ensuing AGM through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company at No. 43/5, Ground Floor, Hussain Mansion, Greams Road, Thousand Lights, Chennai – 600006.
2. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013. In case of joint holders, the members whose name appears as first holders in the order of names on the Register of Members of the Company will be entitled to vote.
4. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020 , the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the proxy form and attendance slip are not annexed to this notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013 read with MCA Circulars, the President of India or the Governor of a State or a body corporate, if they are members of a Company are entitled to appoint their authorized representative to attend the AGM through VC/OAVM on their behalf and participate thereat, including cast votes by electronic means (details of which are provided separately, herein below). The Corporate shareholders are requested to send a certified true copy of the Board resolution authorizing their representatives to attend and vote at the Annual General Meeting through VC/OAVM.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.apollosindoori.com](http://www.apollosindoori.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e National Stock Exchange of India Limited at [www.nseindia.com](http://www.nseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The explanatory statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013, read with the relevant Rules made thereunder (the “Act”), setting out the material facts and reasons, in respect of the special business (Item No. 6 and 7) of this Notice, is annexed herewith.
8. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September 2022 (Friday) to 29th September 2022 (Thursday) (both days inclusive). The Record date for the

purpose of determining the names of the shareholders who are entitled for the final dividend based on approval of members shall be Thursday, 22nd September 2022.

9. Shareholders, whose names are recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut -off date i.e. 22<sup>nd</sup> September, 2022 shall be entitled to avail the facility of remote e-voting or voting at the AGM.
10. The voting rights of the members shall be in proportion to their shares of the paid up share capital of the Company as on the cut off date i.e. 22<sup>nd</sup> September, 2022.
11. All documents referred to in the accompanying Notice shall be open for inspection at the registered office of the Company between 11 AM to 1 PM on all working days except Saturdays till the date of AGM.
12. During the AGM, members may access the scanned copy of the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, and the Register of Contracts and arrangements in which directors are interested maintained under Section 189 of the Act, upon request made at **secretary@apollosindoori.com**
13. Brief resume of Directors proposed to be re-appointed along with such other details as stipulated under Regulation 36(3) of SEBI (LODR) Regulations, 2015, as amended and Secretarial Standards on General Meetings (SS-2), are provided in this notice.
14. In view of the applicability of Securities and Exchange Board of India (“SEBI”) notification dated 08<sup>th</sup> June, 2018, which has mandated that the requests for transfer of securities shall take place only in dematerialized form w.e.f 01st April, 2019, members are requested to dematerialize their securities with NSDL/CDSL in order to avoid any hassle while transferring the securities in future. The Company’s ISIN No. is INE451F01024.
15. Members are requested to lodge Share Transfer Documents and all other correspondences and queries relating to Share Transfer, Share Certificates, Change of address, dividend related matters etc. to the Company’s Registrar and Share Transfer Agent, Cameo Corporate Services Limited, (Unit: Apollo Sindoori Hotels Limited), by writing to them at Subramanian Building, No.1, Club House Road, Anna Salai, Chennai – 600 002, or by emailing them at **investor@cameoindia.com**.
16. Members holding shares in physical form are requested to communicate their change of postal address (enclose self attested copy of Aadhar card), email address, if any, and bank account details (enclose cancelled cheque leaf) quoting their folio nos. to Company’s RTA at their email id **investor@cameoindia.com**. Similarly members holding shares in Demat Form shall intimate the above details to their respective Depository Participants. Members are requested to register their email ID and contact numbers for ease of communication with the RTA or with their respective Depository Participants.
17. The Securities and Exchange Board of India (SEBI) had mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form can submit their PAN to their Depository Participant(s). Members holding shares in physical form can submit their PAN details to the Company’s RTA.
18. The Company has appointed Mr. Gouri Shanker Mishra, Partner, BGS MISHRA & Associates, Company Secretaries LLP as Scrutinizer to scrutinize the remote e-voting process and e-voting at the AGM in a fair and transparent manner who have consented to be available for the same.
19. Scrutinizer shall not later than 48 hours of the conclusion of the AGM prepare and provide a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to each of the resolution and provide the same to the Chairman or a person authorized by him in writing and such person may declare the result of the voting forthwith.
20. The results of the remote e-voting and e-voting at the AGM will be announced by the Chairman or person authorized by him within 48 hours from the conclusion of AGM. The voting results along with the Scrutinizer’s Report shall be placed at the website of the Company **www.apollosindoori.com** and on the website of CDSL **www.evotingindia.com**. The results will be simultaneously communicated to the Stock Exchange at **www.nseindia.com**

21. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting i.e. 29th September, 2022.
22. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), dividends, if not claimed for a consecutive period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF').

The IEPF Rules mandate companies to transfer shares of members whose dividends remain unpaid/unclaimed for a continuous period of seven years to the demat account of IEPF Authority. The members whose dividend/shares are transferred to the IEPF Authority can claim their shares/ dividend from the Authority. The Company has appointed Ms. Surabhi Pasari, Company Secretary as the Nodal Officer of the Company under IEPF provisions.

23. Details of dividend declared for the financial years from 2014-15 onwards are given below:

| Financial Year      | Date of Declaration of Dividend | Unpaid Amount as on 31.03.2022 (In Rs.) | Date of transfer to Unclaimed Dividend Account | Date of Transfer to IEPF |
|---------------------|---------------------------------|---|--|--------------------------|
| 2014-2015           | 12.08.2015                      | 9,86,511                                | 18.09.2015                                     | 18.09.2022               |
| 2016-2017 (Interim) | 29.09.2016                      | 1,36,172                                | 05.11.2016                                     | 05.11.2023               |
| 2016-2017           | 21.07.2017                      | 3,23,690                                | 27.08.2017                                     | 27.08.2024               |
| 2017-2018           | 31.07.2018                      | 3,81,525                                | 06.09.2018                                     | 06.09.2025               |
| 2018-2019           | 25.07.2019                      | 4,63,884                                | 31.08.2019                                     | 31.08.2026               |
| 2019-2020           | 17.09.2020                      | 2,80,264                                | 24.10.2020                                     | 24.10.2027               |
| 2020-2021           | 28.09.2021                      | 1,69,793.25                             | 04.11.2021                                     | 04.11.2028               |

24. Since the ensuing AGM is being held through VC/OAVM, physical attendance of members has been dispensed with. Hence, route map to reach the venue of the AGM is not annexed.
25. In compliance with the aforesaid MCA Circulars, electronic copy of the notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those members whose email addresses are registered with the Company/Depositories. Members who have not registered their email addresses so far or who would like to update their email addresses already registered, are requested to register /update their email address with their Depository Participants (in respect of shareholders who hold shares in dematerialized form) and with RTA (for those shareholders who hold shares in physical form) to enable us to send you all communications including Annual Report, Notices etc.

#### **THE INTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

- (i) The voting period begins on Monday 26th September 2022 at 9 A.M. and ends on Wednesday, 28th September 2022 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date Thursday, 22nd September 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

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

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

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

| Type of shareholders   | Login Method   |
|--|--|
| Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b> | <ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol> |
| Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b> | <ol style="list-style-type: none"> <li>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile.</li> </ol>   |



|   |  |
|---|--|
|   | <p>Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p> |
| <p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b></p> | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>  |

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

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

| Login type  | Helpdesk details   |
|---|--|
| Individual Shareholders holding securities in Demat mode with <b>CDSL</b> | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33 |
| Individual Shareholders holding securities in Demat mode with <b>NSDL</b> | 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         |

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

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

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

|   | <b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>  |
|---|---|
| PAN   | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"><li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li></ul> |
| Dividend Bank Details<br>OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"><li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li></ul>                 |

7. After entering these details appropriately, click on “SUBMIT” tab.
8. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
9. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
10. Click on the EVSN of Apollo Sindoori Hotels Limited on which you choose to vote.
11. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

12. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
13. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
14. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
16. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
17. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
18. **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address [secretary@apollosindoori.com](mailto:secretary@apollosindoori.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [secretary@apollosindoori.com](mailto:secretary@apollosindoori.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [secretary@apollosindoori.com](mailto:secretary@apollosindoori.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

#### **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

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

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at toll free no. 1800 22 55 33.

## EXPLANATORY STATEMENT

### **Details pursuant to Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015**

#### **Item No. 5**

The Board in their meeting held on 29th July, 2022 approved the re-appointment of M/s P. Chandrasekar LLP, Chartered Accountants, subject to approval of members in the ensuing Annual General Meeting for a period of 5 (five) consecutive years to hold office from the conclusion of 24th Annual General Meeting till the conclusion of 29th Annual General Meeting of the Company on a remuneration as mutually agreed between the Board of Directors and the Auditor.

#### **The proposed fees payable to M/s P. Chandrasekar LLP is as under:**

|                      |                 |
|----------------------|-----------------|
| Statutory Audit Fees | 6,60,000        |
| Limited Review Fees  | 1,00,000        |
| <b>Total</b>         | <b>7,60,000</b> |

The above fees is exclusive of GST.

#### **Basis of recommendation and credentials of M/s P. Chandrasekar LLP**

M/s P. Chandrasekar LLP were appointed as Statutory Auditors of the Company by the members in the 19th Annual General Meeting held on 21<sup>st</sup> July, 2017 for a period of 5 (five) consecutive years to hold office from the conclusion of 19th Annual General Meeting till the conclusion of 24th Annual General Meeting of the Company. Since, the tenure of M/s P. Chandrasekar LLP will expire in the 24th Annual General Meeting of the Company and being eligible for re-appointment for another consecutive term of 5 (five) years, the Board of Directors in their meeting held on 29th July, 2022 recommended re-appointment of M/s P. Chandrasekar LLP for another period of 5(five) years to hold office from the conclusion of 24th Annual General Meeting till the conclusion of 29th Annual General Meeting of the Company subject to approval of members.

#### **The following Statement sets out all material facts relating to the Special Business mentioned in the Notice and wherever necessary:**

#### **Item No. 6**

Mr.Chithambaranathan Natarajan (DIN: 06392905), has been associated with the Company as Chief Executive Officer (CEO) since 2nd May, 2016. He has been holding office in the capacity of Whole-time Director & CEO in terms of the approval accorded by members of the Company in the 23rd Annual General Meeting held on 28th September, 2021 for a period of 1 year w.e.f. 30.05.2022. His present tenure would expire on 29.05.2023. The Board of Directors on the basis of recommendation of Nomination and Remuneration Committee has re-appointed him as Whole-time Director & CEO for a period of six (6) months w.e.f 30.05.2023 on the terms and conditions including remuneration as set out below. Fresh approval of the members by way of Special Resolution is being sought for the same.

The approval of his appointment by Special Resolution would also be deemed to be approval of remuneration payable to him due to insufficiency in profit as set out in Explanatory Statement within the provision of Part B of Section II Part II of Schedule V of Companies Act, 2013.

Mr. C.Natarajan satisfies all the other conditions set out in Part-I of Schedule V to the Companies Act, 2013 and also conditions set out under sub-section (3) of Section 196 of the Act. He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. However, the remuneration proposed to be paid require the approval by way of Special Resolution. Accordingly, the details as required to be provided under Section II Part II of Schedule V of Companies Act, 2013 owing to insufficiency of profit, is given below. Further, the information as provided hereinunder may be treated as a written memorandum setting out the terms of appointment of Mr. C.Natarajan under Section 190 of the Act.

Broad particulars of remuneration payable to Mr. C.Natarajan are as under:

- a. Basic Salary: Rs. 59,47,800 per annum.
- b. House Rent Allowance: Rs. 30,00,000 per annum.
- c. Utility Bills be reimbursed at actuals.
- d. Leave Fare Concession facility be paid at Rs. 48,000 per annum.
- e. Other perquisites as per policy of the Company
- f. Variable Pay to be paid as decided by the Board.
- g. All other terms and conditions of his employment as may be decided by the Board.

**Details according to Part B of Section II Part II of Schedule V of Companies Act, 2013 and applicable Rules:**

**I. General information:**

1. Nature of industry: Catering, Management Services, Hospitality and Restaurants.
2. Date or expected date of commencement of commercial production: It is already a going concern and the business is being continued and it is expected that Company will perform better owing to focussed approach.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable
4. Financial performance based on given indicators: During the financial year 2021-22 the Company achieved a revenue of Rs. 203 Crore against Rs. 165 crores in FY 2020-21. EBITDA for the FY 2021-22 stood at Rs.16.58 Crores compared to Rs.11.77 Crores for FY 2020-21 and PBT for FY 2021-22 is Rs.12.79 crores against Rs.7.89 Crores for FY 2020-21. The financial performance in the year 2021-22 has improved compared to last year and the Covid lockdown impact on revenue generations have been reduced.
5. Foreign investments or collaborations, if any: Company does not have direct foreign investment or foreign collaboration.

**II. Information about the appointee:**

1. Background details: Please refer Annexure to Notice and Explanatory Statement for details including his qualification, certifications, work experience, achievements, etc.
2. Past remuneration: His past remuneration details are as under:
  - a. Basic Salary: Rs. 59,47,800 per annum.
  - b. House Rent Allowance: Rs. 30,00,000 per annum.
  - c. Utility Bills be reimbursed at actuals.
  - d. Leave Fare Concession facility be paid at Rs. 48,000 per annum.
  - e. Other perquisites as per policy of the Company
  - f. Variable Pay to be paid as decided by the Board.
  - g. All other terms and conditions of his employment as may be decided by the Board.
3. Recognition or awards: Please refer Annexure to Notice and Explanatory Statement for details of his various certifications.
4. Job profile and his suitability: He has been working as Chief Executive Officer w.e.f. 2nd May 2016 and as WTD and CEO w.e.f 30th May 2019. Further, he also take care of the joint venture operation being representative from the Company. His continued services are required for better performance of the Company. Details of job profile and suitability provided above in explanatory statement and not provided here to avoid repetition.
5. Remuneration proposed: As mentioned above.
6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person: We could not identify similar size company and since Company is on growth path, no comparable figures available. However, the Company being in hospitality industry, the remuneration level for profile with respect to industry, size of the company, profile of the position and person is much higher compared to remuneration being offered.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any: No pecuniary relationship directly or indirectly with the company or relationship with the other managerial personnel. His appointment is purely professional.

### III. Other information:

1. Reasons of loss or inadequate profits: The company is performing well and is aiming to do better. Since, the Company is on growth trajectory, the remuneration proposed is bit higher compared to limit set out as percentage of net profit and hence approval is being sought under Section II Part II of Schedule V of Companies Act, 2013. Further, he is also overseeing JV and subsidiary operation and hence consolidated account may be referred to which provides better financial.
2. Steps taken or proposed to be taken for improvement: Company is aiming to do well in future under his continued guidance.
3. Expected increase in productivity and profits in measurable terms: The financials for 2021-22 has been improved compared to previous financial year and Company has reached pre covid level. It is expected that standalone and consolidated performance would further improve over a period of time.

### IV. Disclosures

- i. all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors: Details provided above.
- ii. details of fixed component and performance linked incentives along with the performance criteria: Details provided above;
- iii. service contracts, notice period, severance fees: Details provided above
- 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: NA

He will perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the Board / Managing Director from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board / Managing Director and the functions of the Wholetime Director will be under the overall authority of the Managing Director/ Board.

- i. He shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Companies Act.
- ii. He shall adhere to the Company's Code of Conduct.
- iii. The office may be terminated by the Company or by him by giving the other 3 (three) months' prior notice in writing.

Mr. C.Natarajan has rich and varied experience in the industry and has been involved in the operations of the Company and has also served last three years as WTD and CEO. It would be in the interest of the Company to avail his considerable expertise. Accordingly, approval of the members is sought for passing a Special Resolution for re-appointment of Mr. C.Natarajan as a Whole-time Director and Chief Executive Officer.

None of the Directors/ Key Managerial Personnel of the Company/ their relatives other than Mr. C.Natarajan are, in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the members.

## Item No. 7

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investments in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporates as and when required. Members may note that pursuant to Section 186 of the Companies Act, 2013 ("Act"), the Company can give loan or give any guarantee or provide security in connection with a loan to any other body corporate or person and acquire securities of any other body corporate, in excess of 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, with approval of Members by special resolution passed at the general meeting.

In view of the aforesaid, it is proposed to take approval under Section 186 of the Companies Act, 2013, by way of special resolution, up to a limit of Rs.100 Crores, as proposed in the Notice. The above proposal is in the interest of the Company and the Board recommends the Resolution as set out at Item No. 7 for approval by the members of the Company.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise in the resolution at Item no. 7 of the accompanying notice. The Board recommends the resolution at Item no.7 to be passed as Special Resolution.

By Order of the Board,  
**For Apollo Sindoori Hotels Limited**

Sd/-  
Surabhi Pasari  
Company Secretary & Compliance Officer

Place: Chennai  
Date : 12<sup>th</sup> August 2022



## Annexure to Notice and Explanatory Statement

### Brief particulars of the directors who are proposed to be appointed/ re-appointed as required under Regulation 36(3) of SEBI (LODR) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2)

1. **Mrs. Suneeta Reddy**

Mrs. Suneeta Reddy is Managing Director of Apollo Hospitals Enterprise Limited. She has been associated with Apollo Hospitals Group from 1989 in various positions like Executive Director -Finance, Joint Managing Director and Managing Director. A key influencer in the Indian healthcare industry, Mrs. Suneeta Reddy is a widely recognized for her contributions and has held leadership positions including Co-Chairperson of Healthcare Sub Committee - Confederation of Indian Industry (CII) and is a member in National Committee on Healthcare. She is also a member of the Harvard Business School India Advisory Board (IAB). Mrs. Suneeta Reddy received her Bachelor of Arts degree in Public Relations, Economics and Marketing from Stella Maris College in Chennai. She holds a Diploma in Financial Management from the Institute of Financial Management and Research, Chennai and has completed the Owner / President Management Program at Harvard Business School (HBS), Boston, USA.

2. **Mr. P.Vijayakumar Reddy**

Mr.P.Vijayakumar Reddy is the founder of PPN Power Generating Company Private Limited which having the capacity of 330.5 MW, Gas cum Naphtha fired, Combined Cycle Power Plant at Villages Pillaiperumalnallur and Manickapangu, Tharangambadi Taluk, Nagapattinam District, Tamil Nadu. Mr.P.Vijayakumar Reddy is also associated with Entertainment Electronics, Hospitality, Dry cell Batteries, Real estate, Home appliances, Generation of Electric Power, Healthcare, Info Tech, Infrastructure etc. Mr.P.Vijayakumar Reddy has completed Bachelor degree in Commerce.

3. **Mr. C.Natarajan**

Mr. Chithambaranathan Natarajan is experienced in Specific Functional Areas over 40 years of experience in hospitality, catering, management services, restaurants etc. He was also a Vice President & Unit Head, Apollo Hospitals, Vanagaram, Chennai (300-bedded). 2001-2011 – Vice President-Operations /Sr. General Manager, Apollo Hospitals Enterprise Ltd-Main hospital, Greams Road, Chennai (600-bedded). He holds Master's degree in Commerce, University of Madras, Master's degree in Business Administration, University of Madras and Master's degree in Law (Labour And Industrial Relations Administrative Law), Annamalai University, India. He has also got various Certifications like:

- Executive Management Program on Hospital Management, Indian Institute of Management, Ahmedabad
- Executive Education on General Management, Indian Institute of Management, Bangalore
- Executive Management Program on Project Management, Indian Institute of Management, Ahmedabad
- Basic and Advanced certification in HR process Management, Indian society of Applied Behavioural science
- JCIA/NABH Lead Auditor Training – Confederation of Indian Industries
- Quality System Certification, Singapore Quality Assurance
- Certification in Leadership, McGrath Institute of Leadership training
- Certification in General Management, McGrath Institute of Leadership training
- National Disaster Preparedness Course, Indian Academy of Traumatology, British High Commission and British Council, India

### B. Other Details

| Name                           | Mrs. Suneeta Reddy     | Mr. P.Vijayakumar Reddy | Mr. C.Natarajan           |
|--------------------------------|------------------------|-------------------------|---------------------------|
| Director Identification Number | 00001873               | 01097295                | 06392905                  |
| Designation                    | Non-Executive Director | Non-Executive Director  | Whole-time Director & CEO |
| Date of Birth                  | 03/04/1959             | 28/06/1951              | 03/07/1961                |

|   |   |   |   |
|---|---|---|---|
| Date of First Appointment on the Board    | 13/11/1998  | 21/08/2000  | 30/05/2019  |
| Experience in Specific Functional Area    | Function area Strategy, Hospital Operations, Corporate Services viz., Finance & Accounts, Procurement, HR, Legal, MIS, Internal Audit, ERM  | Associated with Entertainment, Electronics, Hospitality, Real estate, Power, Healthcare, etc.   | Associated with Hospital, Engineering, Hospitality, Real estate, Power, Healthcare, etc.  |
| Qualification                             | Bachelor of Arts, Diploma in Financial Management, Management Program at Harvard Business School  | Bachelor in Commerce  | Post-graduate Diploma in Personnel Management & Industrial Relations (Hons), Madras Social of Social Work, Chennai. Master's degree in Business Administration, University of Madras. Master's degree in Commerce, University of Madras. Master's degree in Law (Labour and Industrial Relations Administrative law), Annamalai University, India |
| Details of remuneration sought to be paid | No remuneration   | No remuneration   | As mentioned in explanatory statement   |
| Last Remuneration Drawn                   | No remuneration   | No remuneration   | As mentioned in explanatory statement   |
| Relationship with other directors and KMP | Daughter of Sucharitha Reddy, Sister in law of Pottipati Vijayakumar Reddy and Mother of Sindoori Reddy   | Brother in law of Suneeta Reddy, Son in law of Sucharitha Reddy, Uncle of Sindoori Reddy  | NA  |
| Directorship in Companies                 | <ol style="list-style-type: none"> <li>1. Apollo Sindoori Hotels Limited</li> <li>2. Chennai International Centre</li> <li>3. Helios Holdings Private Limited</li> <li>4. Medics International Lifesciences Limited</li> <li>5. Garuda Energy Private Limited</li> <li>6. PHD Chamber Of Commerce And Industry</li> <li>7. Indraprastha Medical Corporation Limited</li> <li>8. Apollo Multispeciality Hospital Limited</li> <li>9. Apollo Hospitals Enterprise Limited</li> <li>10. Apeejay Surrendra Park Hotels Limited</li> </ol> | <ol style="list-style-type: none"> <li>1. Apollo Sindoori Hotels Limited</li> <li>2. A.H Medired Innovative Solutions Private Limited</li> <li>3. Apollo Advanced Manufacturing Services Private Limited</li> <li>4. Aapex Power and Industries Private Limited</li> <li>5. Preetha Investments Private Limited</li> <li>6. PPN Holdings Private Limited</li> <li>7. Vikarsh Strategic Investments Private Limited</li> </ol> | <ol style="list-style-type: none"> <li>1. Apollo Sindoori Hotels Limited</li> <li>2. Faber Sindoori Management Services Private Limited</li> <li>3. Olive &amp; Twist Hospitality Private Limited</li> </ol>  |

|   |  |        |     |
|---|--|--------|-----|
| Chairman/ Member in the Committee of the Boards of Other Public Companies | <p>Chairman:<br/>Risk Management Committee<br/>(i) Apollo Hospitals Enterprises Limited</p> <p>Member:</p> <p>Audit Committee:<br/>(i) Indraprastha Medical Corporation Limited</p> <p>Nomination and Remuneration Committee:<br/>(i) Medics International Lifesciences Limited</p> <p>CSR Committee:<br/>(i) Apollo Hospitals Enterprises Limited</p> <p>Investment Committee:<br/>(i) Apollo Hospitals Enterprises Limited<br/>(ii) Indraprastha Medical Corporation Limited</p> <p>Share Transfer Committee:<br/>(i) Apollo Hospitals Enterprises Limited</p> <p>Stakeholders Relationship Committee:<br/>(i) Apollo Hospitals Enterprises Limited<br/>(ii) Apeejay Surrendra Park Hotels Limited</p> | Nil    | Nil |
| No of Shares held in Company  | 99,870   | 51,170 | Nil |
| Number of meetings of the Board attended during the year                  | 1  | 1      | 4   |

## DIRECTORS' REPORT

Your Directors are pleased to present the Twenty-Fourth Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended 31st March 2022.

### 1. Corporate Overview:

Apollo Sindoori is a leading hospitality service management and support services company. We manage the entire gamut of hospitality services right from food services to kitchen planning and management. Apollo Sindoori has built its heritage by combining its corporate and professional prowess with experience and expertise in catering and hospitality. We strive constantly to achieve "Excellence in Hospitality".

### 2. Operations / State of the Company's Affairs:

Your Company's revenue from operation has increased from Rs.165 Crores as in the previous Financial Year (FY) 2020-21 to Rs.203 Crores in FY 2021-22. The Covid lockdown impact on revenue generations have been reduced and we have restored ourselves to normal position.

EBITDA for the FY 2021-22 stood at Rs.16.58 Crores compared to Rs.11.77 Crores for FY 2020-21 and PBT (Profit Before Tax) for FY 2021-22 is Rs.12.79 crores against Rs.7.89 Crores for FY 2020-21.

### Financial overview:

#### (i) Standalone Financials

(Rs. in Lakhs)

|      | Particulars  | For the period 01.04.21<br>to 31.03.22 | For the period 01.04.20<br>to 31.03.21 |
|------|--|--|--|
|      | <b>INCOME:</b>   |  |  |
| I    | Revenue from operations (I)  | 19,939.19                              | 16,127.84                              |
| II   | Other Income (II)  | 356.39                                 | 398.52                                 |
| III  | <b>Total Income ( I + II )</b>                                       | <b>20295.58</b>                        | <b>16,526.36</b>                       |
| IV   | <b>EXPENDITURE:</b>  |  |  |
|      | Consumption of Provisions & Stores                                   | 7,464.80                               | 5,436.18                               |
|      | Employee benefit expense   | 9,941.16                               | 8,778.59                               |
|      | Finance Cost   | 109.15                                 | 117.95                                 |
|      | Depreciation and amortization expense                                | 269.70                                 | 270.14                                 |
|      | Other expenses   | 1,232.06                               | 1,134.54                               |
|      | <b>Total Expenses (IV)</b>   | <b>19016.87</b>                        | <b>15737.40</b>                        |
| V    | Profit before exceptional and extraordinary items and tax (III – IV) | 1278.71                                | 788.96                                 |
| VI   | Exceptional Items  | -                                      | -                                      |
| VII  | Profit before extraordinary items and tax                            | 1278.71                                | 788.96                                 |
| VIII | Extraordinary Items  | -                                      | -                                      |
| IX   | <b>Profit before tax</b>   | <b>1278.71</b>                         | <b>788.96</b>                          |
| X    | Tax expense:   |  |  |
|      | (1) (a) Current tax  | 249.94                                 | 160.00                                 |
|      | (b) Previous year tax  | 0                                      | -46.64                                 |
|      | (2) Deferred tax   | 4.78                                   | 21.49                                  |
| XI   | <b>Net Profit(Loss) for the period (IX – X)</b>                      | <b>1023.99</b>                         | <b>654.11</b>                          |

|      |  |                |               |
|------|--|----------------|---------------|
| XII  | Other Comprehensive Income                                   |                |               |
|      | (i) Items that will not be reclassified to profit or loss    |                |               |
|      | Remeasurement of Defined Benefit Obligation (net of tax)     | 49.42          | -73.44        |
|      | (ii) Items that will be reclassified to profit or loss       | -              | -             |
| XIII | <b>Total Comprehensive Income for the period (XI + XII)</b>  | <b>1073.41</b> | <b>580.67</b> |
| XIV  | Earning per equity share:                                    |                |               |
|      | Weighted average no. of shares outstanding during the period | 26,00,400      | 26,00,400     |
|      | Nominal Value per Equity Share                               | 5              | 5             |
|      | Earnings per share before extra-ordinary item                |                |               |
|      | - Basic & Diluted EPS  | 39.38          | 25.15         |
|      | Earnings per share after extra-ordinary item                 |                |               |
|      | - Basic & Diluted EPS  | 39.38          | 25.15         |

(ii) Consolidated Financials

(Rs. in Lakhs)

|      | Particulars   | For the period 01.04.21 to 31.03.22 | For the period 01.04.20 to 31.03.21 |
|------|---|-------------------------------------|-------------------------------------|
|      | <b>INCOME:</b>  |                                     |                                     |
| I    | Revenue from operations                                   | 20,793.56                           | 16,873.89                           |
| II   | Other Income  | 277.08                              | 364.97                              |
| III  | <b>Total Income</b>                                       | <b>21,070.64</b>                    | <b>17,238.86</b>                    |
| IV   | <b>EXPENDITURE:</b>                                       |                                     |                                     |
|      | Consumption of Provisions & Stores                        | 7,898.94                            | 5,841.25                            |
|      | Employee benefit expense                                  | 10,248.94                           | 9,120.01                            |
|      | Finance Cost  | 239.94                              | 190.52                              |
|      | Depreciation and amortization expense                     | 486.06                              | 463.77                              |
|      | Other expenses  | 1,481.69                            | 1,434.30                            |
|      | <b>Total Expenses (IV)</b>                                | <b>20355.57</b>                     | <b>17,049.86</b>                    |
| V    | Profit before exceptional and extraordinary items and tax | 715.07                              | 189.00                              |
| VI   | Share of profits of joint ventures                        | 1046.81                             | 913.23                              |
| VII  | Exceptional Items   | -                                   | -                                   |
| VIII | Profit before extraordinary items and tax                 | <b>1761.88</b>                      | <b>1,102.23</b>                     |
| IX   | Extraordinary Items                                       | -                                   | -                                   |
| X    | <b>Profit before tax (VIII - IX)</b>                      | <b>1761.88</b>                      | <b>1,102.23</b>                     |
| XI   | Tax expense:  |                                     |                                     |
|      | (1) (a) Current tax                                       | 249.94                              | 160.00                              |
|      | (b) Previous year tax                                     | 0                                   | -46.64                              |
|      | (2) Deferred tax  | 31.37                               | 32.30                               |
| XII  | <b>Net Profit(Loss) for the period (X – XI)</b>           | <b>1480.57</b>                      | <b>956.57</b>                       |

|      |  |                |               |
|------|--|----------------|---------------|
| XIII | Other Comprehensive Income                                   |                |               |
| A    | (i) Items that will not be reclassified to profit or loss    |                |               |
|      | Remeasurement of Defined Benefit Obligation (net of tax)     | -1.39          | -20.25        |
| B    | (ii) Items that will be reclassified to profit or loss       | -              | -             |
| XIV  | <b>Total Comprehensive Income for the period (XI + XII)</b>  | <b>1479.18</b> | <b>936.32</b> |
| XV   | Earning per equity share:                                    |                |               |
|      | Weighted average no. of shares outstanding during the period | 26,00,400      | 26,00,400     |
|      | Nominal Value per Equity Share                               | 5              | 5             |
|      | Earnings per share before extra-ordinary item                |                |               |
|      | - Basic & Diluted EPS  | 56.94          | 36.79         |
|      | Earnings per share after extra-ordinary item                 |                |               |
|      | - Basic & Diluted EPS  | 56.94          | 36.79         |

### 3. Change in nature of business:

During the year, no changes in the nature of business have taken place and Company continues its earlier business and operations.

### 4. Dividend:

The operations of the Company during the period under review, has improved compared to last year. Considering the same, your Directors recommend a final dividend of Rs. 1.50/- (One Rupee and Fifty Paise Only) for the FY 2021-22, i.e., 30% of the face value of Rs. 5 per share. Same is subject to approval of the members at the ensuing Annual General Meeting.

### 5. Transfer to Reserves:

The Company has not made any transfer to reserves and has carried the profit in profit and loss account.

### 6. Deposits:

The Company has not accepted any public deposits and as such no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

### 7. Listing:

Your Company is listed on National Stock Exchange of India Limited, Mumbai.

### 8. Share Capital:

The paid-up equity share capital as on March 31, 2022 is Rs. 1,30,02,000/- divided into 26,00,400 equity shares of Rs. 5/- each. During the year under review, your Company has not issued any shares including equity shares with differential rights or sweat equity. Further, Company has no outstanding preference shares or debentures and has not made any redemption of these.

### 9. Significant or Material Orders Passed by Regulators/Courts:

During the year under review, there were no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

## 10. Material Changes and Commitment affecting financial position:

There are no material changes and commitments affecting financial position of the Company which has occurred between the end of the financial year of the Company i.e. 31<sup>st</sup> March 2022 and till the date of this Directors' Report.

## 11. Corporate Social Responsibility Report:

Your Company has developed and implemented Corporate Social Responsibility initiatives and has spent approximately Rs. 23,24,975/- approved CSR projects during the period under review.

Report on Corporate Social Responsibility including details as Per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed with this report as **Annexure A**.

## 12. Joint Venture Company:

Your Company has a joint venture, namely, Faber Sindoori Management Services Private Limited. The joint venture has been entered based on MOU dated July 14, 2006 with Faber Medi-Serve SDN BHD ("FMS") whereby FMS and Apollo Sindoori Hotels have agreed to form a joint venture company in Chennai for the purpose of setting up a project upon mutually agreed objectives in the domain of bio-medical engineering (maintenance), facility engineering (maintenance), cleansing, housekeeping, janitorial services and hospital support services (other than catering services) and management information services (other than patient information). Accordingly, the joint venture company Faber Sindoori Management Services Private Limited has been incorporated on 27th August 2007 with FMS holding 51% and Apollo Sindoori Hotels holding 49%. Details of the same is provided in AOC-1 under **Annexure- B**.

## 13. Subsidiary:

Your company has a wholly owned subsidiary, Olive & Twist Hospitality Private Limited. The subsidiary has been established with a view to carry on elite catering, convention centers & event management. The subsidiary has completed its third full year of the operation and its financials for the financial year ended 31st March 2022 has been consolidated in consolidated accounts of the Company. Details of the subsidiary is also provided in AOC-1 under **Annexure- B**.

## 14. Consolidation of Accounts:

Your Company has prepared Consolidated Financial Statements as per Ind AS prescribed under Section 129 read along with Section 133 and prescribed rules of Companies Act, 2013. The consolidated financial statements reflect the financial position of the Company, its Subsidiary and Associates. As required by Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (hereinafter referred to as SEBI (LODR) Regulations, 2015 or SEBI LODR), the Audited Consolidated Financial Statements together with the Independent Auditor's Report thereon are annexed and form part of this Annual Report.

## 15. Contract or Arrangement with Related Party:

All contracts or arrangements or transactions pursuant to such contract or arrangement with related party during the financial year are in the ordinary course of business and on an arm's length basis and are on similar terms and conditions as applicable to non-related parties. All the related party transactions are pre-approved by the Audit Committee. Wherever required, Company also obtains the approval of members in compliance to the Companies Act, 2013 and/ or SEBI (LODR) Regulations, 2015. Disclosure as required in form AOC-2 has been provided as **Annexure- C** to this Directors Report.

The details of the transaction with Related Party are also provided in the accompanying financial statements and notes to account as per AS and may be treated as part of Directors Report.

In the last AGM, Company has sought approval of members for material related party transactions in terms of Regulation 23 of SEBI (LODR) Regulations, 2015.

## 16. Annual Return web link:

In terms of Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 and rules thereto, the Annual Return of the Company in Form MGT – 7 for the financial year ended on as on March 31, 2022 will be available on the Company's website at [www.apollosindoori.com](http://www.apollosindoori.com). The Annual Return will be electronically submitted to the Registrar of Companies within the timelines prescribed under the Act.

## 17. Composition of Board:

The Board of the Company comprises of optimum combination of Executive, Non-Executive and Independent Directors. Your Board as on date of this report has two executive directors, three non-executive directors and three independent directors. No change took place in the board composition during the period under review. Mr. C Natarajan, WTD and CEO of the Company has been reappointed at the last Annual General Meeting for a period of one year w.e.f 30th May, 2022

The composition of the Board is as below:

| S.No | Name of the Director            | Designation                                     | Executive/ Non-Executive/ Independent |
|------|---------------------------------|---|---------------------------------------|
| 1    | Mrs. Sucharitha Reddy           | Managing Director                               | Executive                             |
| 2    | Mr. C.Natarajan                 | Whole-time Director and Chief Executive Officer | Executive                             |
| 3    | Mr. Pottipati Vijayakumar Reddy | Director  | Non- Executive                        |
| 4    | Mrs. Suneeta Reddy              | Director  | Non- Executive                        |
| 5    | Mrs. Sindoori Reddy             | Director  | Non- Executive                        |
| 6    | Mr. G.Venkatraman               | Chairman  | Independent Director                  |
| 7    | Mr. George Eapen                | Director  | Independent Director                  |
| 8    | Mr. Suresh Raj Madhok           | Director  | Independent Director                  |

## 18. Attendance of Directors at Board Meetings and Annual General Meeting:

The Board of Directors met four times during the financial year 2021-22 on 29th June, 2021, 14th August, 2021, 12th November, 2021 and 14th February 2022.

Details of attendance of Directors at the Board Meetings held during the financial year 2021-22 and the last Annual General Meeting (AGM) held on 28th September 2021 is as below:

| Name of the Director  | Attendance at Board Meeting |          | Attendance at AGM Dated |
|-----------------------|-----------------------------|----------|-------------------------|
|                       | Held                        | Attended | 28th September 2021     |
| Mrs. Sucharitha Reddy | 4                           | 3        | No                      |
| Mr. C.Natarajan       | 4                           | 4        | Yes                     |
| Mr. Vijayakumar Reddy | 4                           | 1        | No                      |
| Mrs. Suneeta Reddy    | 4                           | 1        | No                      |
| Mrs. Sindoori Reddy   | 4                           | 4        | No                      |
| Mr. G.Venkatraman     | 4                           | 4        | Yes                     |



|                       |   |   |     |
|-----------------------|---|---|-----|
| Mr. George Eapen      | 4 | 4 | Yes |
| Mr. Suresh Raj Madhok | 4 | 4 | Yes |

### 19. Committees of Board:

Your Board has constituted four Committees in compliance to the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 namely, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. Board also ensures separate meeting of Independent Directors without the presence of non-independent directors in compliance to the above provisions.

During the financial year 2021-22, following meetings of Committees were held:

- Audit Committee met four times on 29th June, 2021, 14th August, 2021, 12th November, 2021 and 14th February 2022.
- Nomination & Remuneration Committee met twice on 29th June, 2021 and 14th February 2022
- Stakeholders Relationship Committee met once on 14th February 2022.
- Corporate Social Responsibility Committee met once on 14th February 2022.
- Separate meeting of Independent Directors was held on 14th February 2022.

Details of attendance of Directors at the Committee Meetings held during the financial year 2021-22 is as below:

| Name of the Directors | Attendance at Committee Meeting |          | Attendance at Independent Directors Meeting |
|-----------------------|---------------------------------|----------|---|
|                       | Held                            | Attended |   |
| Mrs. Sindoori Reddy   | 2                               | 2        | -   |
| Mr. G.Venkatraman     | 7                               | 7        | Yes   |
| Mr. George Eapen      | 7                               | 7        | Yes   |
| Mr. Suresh Raj Madhok | 6                               | 6        | Yes   |

### 19. Audit Committee:

Company has Audit Committee in compliance to the Section 177 of Companies Act, 2013 and SEBI (LODR) Regulations, 2015. There were no such incidences where the Board has not accepted the recommendations of the Audit committee during the year. The details about composition of the Audit Committee, its terms of reference, meetings, attendance, etc. have been provided in the Corporate Governance Report forming part of the Directors Report.

### 20. Nomination & Remuneration Committee:

Company has Nomination and Remuneration Committee in compliance to the Section 178 of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015. The Company strongly believes that human resources which manage the other resources have infinite potential and therefore, their development is the key to organizational effectiveness. The Company commit to integrate human resources with organizational growth and development for mutual benefit.

The details about composition of the Nomination and Remuneration Committee, its terms of reference, meetings, attendance and all other details have been provided in the Corporate Governance Report forming part of the Directors Report.

## 21. Stakeholders Relationship Committee:

Company has Stakeholders Relationship Committee in compliance to the Section 178 of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015. The Committee has been constituted to specifically look into various aspects of interest of shareholders, debenture holders and other security holders and resolve the grievances of security holders.

The details about composition of the Stakeholders Relationship Committee, its terms of reference, meetings, attendance and all other details have been provided in the Corporate Governance Report forming part of the Directors Report.

## 22. Corporate Social Responsibility Committee:

Company has Corporate Social Responsibility (CSR) Committee in compliance to the Section 135 of the Companies Act, 2013.

The details about composition of the CSR Committee, meetings and attendance have been provided in the Corporate Governance Report forming part of the Directors Report. A report on CSR as required is also provided separately forming part of this report.

## 23. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

### (i) Conservation of Energy:

The Company values the significance of conservation of energy and hence continuous efforts are made for judicious use of energy at all levels of operations by utilizing energy efficient systems and processes. Towards achievement of this objective, steps have been initiated including use of energy efficient LED lights and energy management systems at our kitchen/offices. Further, certain initiatives are being implemented for optimization of electricity and LPG usage.

Some of the actions planned in phase number include replacement of energy intensive pumps with high efficiency systems, replacement of energy intensive fans with energy efficient fans. Operational measures include close monitoring and control of energy consumption and frequent energy audits by the hotel Engineering Department.

Your Company remains focused on giving importance towards conservation of energy, which results in savings of electricity consumption, a significant component of the energy cost, in an ongoing process. Company has not made any specific estimate of capital investment for energy conservation equipment.

### (ii) Technical Absorption:

The Company continues to absorb and upgrade modern technologies and advanced hotel management techniques in various guest contact areas, which includes wireless internet connectivity in all the Guest House. The company has not imported any technology in last four years. Further, Company has not incurred any expenditure on research and development.

| Particulars | March 31, 2022 (Rs.) | March 31, 2021 (Rs.) |
|-------------|----------------------|----------------------|
| Outgo       | 16,54,153            | 21,67,777            |
| Earned      | ----                 | ---                  |

### (iii) Foreign Exchange Earnings and outgo:

Foreign Exchange earned in terms of actual inflows and the Foreign Exchange outgo in terms of actual outflows during the year is as under:

## **24. Insurance:**

All insurable interest of the Company including, buildings, furniture and fixtures and other insurable interest are adequately insured.

## **25. Auditors:**

### **(i) Statutory Auditors:**

M/s. P. Chandrasekhar, Chartered Accountants, Statutory Auditors of the Company has been appointed at the 19th Annual General Meeting and holds office until the conclusion of 24th Annual General Meeting. The tenure of M/s P. Chandrasekhar, Chartered Accountants will expire in the ensuing Annual General Meeting. The Board in their meeting held on 29th July, 2022 recommended the re-appointment of M/s. P. Chandrasekhar, Chartered Accountants as the statutory auditors of the Company to hold office from the conclusion of 24th Annual General Meeting till the conclusion of 29th Annual General Meeting of the Company.

### **(ii) Internal Auditors:**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and The Companies (Accounts) Rules, 2014, the Company has appointed M/s. Viswanathan & Co, Chartered Accountant as Internal Auditors to undertake the Internal Audit of the Company for the FY 2021-22.

### **(iii) Secretarial Auditors:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed BGSMISHRA & Associates, Company Secretaries LLP as Secretarial Auditors for the financial year 2021-22. The Secretarial Audit Report is attached forming part of the report.

### **(iv) Cost Auditor:**

As per Section 148(1) of the Companies Act, 2013, the requirement of cost audit is not applicable to the company.

## **26. Internal Control Systems and their Adequacy:**

The Company has an internal control system which commensurate with size, scale and complexity of its operations. Further, Company has appointed an external Internal Auditor. The scope and authority of the internal Audit function is well defined in the organization. To maintain its objectivity and independence, the Internal Auditor reports to the Audit Committee of the Board.

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 control. Significant audit observations and corrective actions suggested are presented to the Audit Committee of the Board.

## **27. Directors' Responsibility Statement:**

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

(a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year 31st March 2022 and of the profit and loss of the Company for that period;

(c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) The Annual Accounts are prepared on a going concern basis;

(e) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

(f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and these systems are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors and external consultant(s) and the reviews made by the Management and the relevant Committees, including the Audit Committee, Board is of the opinion that the Company's internal financial controls were adequate and operationally effective during the financial year 2021-22.

### **28. Directors Appointment / Re-appointment:**

In terms of the provisions of Section 152 (6) (d) of the Companies Act, 2013 Ms. Suneeta Reddy and Mr. P. Vijayakumar Reddy, Directors of the Company retires by rotation at this Annual General Meeting and being eligible offer themselves for re-appointment.

Further, Company is seeking approval for re- appointment of Mr. C.Natarajan as Whole-time Director and Chief Executive officer at this Annual General Meeting for a period of six months from 30th May 2023. The Company is seeking approval of shareholder by way of special resolution as per the provisions of Section 196 read with Schedule V of Companies Act, 2013.

The Board, recommends his re-appointment as Whole-time Director and Chief Executive Officer.

### **29. Independent Directors:**

Mr. Ganesan Venkatraman, Mr. Suresh Raj Madhok and Mr. Puthen Veetil George Eapen are Independent Directors on Board of the Company and has been appointed for a period of five years from 25th July 2019 to hold office till the conclusion of 26th Annual General Meeting of the Company. They have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013, which has been duly appraised and noted by the Board.

Company pays commission not exceeding 1% of net profit of the Company to the independent directors as approved by Board/ Nomination and Remuneration Committee. The details of the commission paid during the financial year is also provided in this report. Weblink of familiarization programme undertaken for IDs as available on website is <http://www.apollosindoori.com/pdf/Details%20of%20familiarization%20programme%20imparted%20to%20independent%20directors.pdf>

### **30. Changes in Key Managerial Personnel:**

During the year, Ms. Rupali Sharma, Company Secretary resigned and Ms. Surabhi Pasari got appointed as Company Secretary and Compliance Officer w.e.f 14.02.2022. There has been no other change in Key Managerial Personnel. Mrs. Sucharitha Reddy, Managing Director; Mr. C.Natarajan, Whole-time Director and Chief Executive Officer; Mr. Meyyappan Subramanian, Chief Financial Officer remain to be the key managerial personnel of the Company.

### **31. Particulars of Loans, Guarantees or Investments:**

Company has made investment in Joint Venture and Wholly Owned Subsidiary, details of which is available in the form AOC – 1 provided in **Annexure B**. Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are provided in the notes to the Financial Statements and may

be treated as forming part of the Directors Report.

### **32. Vigil Mechanism / Whistle Blower Policy:**

Pursuant to Section 177(9) and 177(10) of the Companies Act, 2013, the Company has established vigil mechanism for the directors and employees to report genuine concerns. The Board of Directors have adopted Whistle Blower Policy.

The Whistle Blower Policy aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Directors and all permanent employees of the Company are covered under the Whistle Blower Policy. The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or Policy or ethics.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

The mechanism provides for adequate safeguards against victimization of Directors and employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The said Whistle-Blower Policy has been hosted on the website of the Company and is available at the website at weblink [http://www.apollosindoori.com/pdf/Details%20of%20establishment%20of%20vigil%20mechanism\\_Whistle%20Blower%20policy.pdf](http://www.apollosindoori.com/pdf/Details%20of%20establishment%20of%20vigil%20mechanism_Whistle%20Blower%20policy.pdf)

### **33. Policy on Director's appointment and remuneration:**

The policy of the Company on Director's appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under Section 178 of the Companies, Act, 2013 is available at the website at weblink <http://www.apollosindoori.com/pdf/Nomination%20and%20Remuneration%20Policy.pdf>

### **34. Board Evaluation:**

As per the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (LODR) Regulations, 2015, the evaluation process for the performance of the Board, its committees and individual directors are carried out internally. Each Board member submitted a detailed evaluation form on the functioning and overall level of engagement of the Board and its Committees on parameters such as composition, execution of specific duties, quality, quantity and timeliness of flow of information, deliberations at the meeting, independence of judgment, decision making, management actions etc.

One-on-one meeting of the individual directors with the Chairman of the Board was also conducted as a part of self-appraisal and peer group evaluation and the engagement and impact of individual directors was reviewed on parameters such as contribution, attendance, decision making, inter-personal relationship, actions oriented, external knowledge, etc. The directors were also asked to provide their valuable feedback and suggestions on the overall functioning of the Board and its Committees and the areas of improvement for a higher degree of engagement with the management. The independent directors met on 14th February 2022 to review the performance evaluation of non-independent directors, Board including the Chairman, while considering the views of the Executive and Non-Executive Directors. The independent directors were satisfied with the overall functioning of the Board, its various Committees and other non-executive and executive directors. The Board expressed its satisfaction with the Evaluation results, which reflects the high degree of engagement of the Board and its Committees with the company and its management.

### **35. Compliance to Secretarial Standards:**

The company has complied with the Secretarial Standards SS-1 and SS-2 issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings. Company also endeavor and ensure compliance of other secretarial standards.

### 36. Risk Management Policy:

Risk Management is an integral part of the business process. The risk management process, inter alia provides for review of the risk assessment and mitigation procedures and timely report to the management and review of the identified risks at periodical interval to assess the progress of control measures.

The Audit Committee and the Board reviews the risk management efforts periodically. The Committee has formulated a Risk Management Policy which is uploaded on the Company's website at weblink <http://www.apollosindoori.com/pdf/Risk%20Mgt%20Policy.pdf> Risk Management Policy of the Company outlines different kinds of risks and risk mitigating measures. The risks are reviewed for the change in the nature and extent of major risks identified since the last assessment. It also provides control measures for risks and future action plans. Your Board is satisfied that there are adequate systems and procedures in place to identify, assess, monitor and manage risks. The Company believes that the overall risk exposure of present and future risks remains within its risk capacity.

### 37. Receipt of Commission by MD / WTD from Company or Subsidiary:

During the financial year 2021-22, Managing Director / Whole-time Director of the Company has not received any commission from Company or Subsidiary of the Company.

### 38. Human Resources:

Your Company takes pride in the commitment, competence and dedication shown by its employees in all areas of its business. It considers people as its biggest assets. It has put concerted efforts in talent management and succession planning practices, strong performance management and learning and training initiatives to ensure that your Company consistently develops inspiring, strong and credible leadership. Your Company has a structured induction process at all its locations and management development programs to upgrade skills of managers.

### 39. Statutory Auditors Report:

The Standalone as well as Consolidated Financial Statements are accompanied with the Statutory Auditors Report. The Auditors Report do not contain any qualification/ observations. The Auditors Report read with the Notes and Schedules to Accounts forming part of the financial statements are self-explanatory.

### 40. Reporting of Frauds by Auditors:

During the year under review, neither the Statutory Auditors nor the Internal Auditors has reported to the Audit Committee under Section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees.

### 41. Secretarial Auditors Report:

A detailed Secretarial Auditors Report is provided in **Annexure- D**.

The reply to the observation provided in Secretarial Audit Report is as under:

- i. Observation: Certain compliances as required to be made under Secretarial Standard in relation to Board / Committee Meetings has been missed

Company Representation: Owing to restrictions imposed due to COVID-19 such as meetings being carried out through video conferencing and Directors attending the same remotely, posed challenges leading to improper compliance of Secretarial Standards in few cases.

Observation: The majority of the revenue of the Company is from related party transaction which as per the representation from the Company is in ordinary course of business and on arm's length basis Company Representation: The Company is providing clinical nutritional services to several hospitals and many of them are related parties. However, Company is also providing these services to other non-related parties as well at the same terms and conditions. All these transactions are in the ordinary course of business and at arm's length basis. Since majority of the customer are related parties, major revenue is from related

party transactions. Hence, this is statement of fact and do not point out to any violation. Further, these related party transactions are entered into, after due approval of Audit Committee as required under Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Company has also obtained the approval of members by means of Special Resolution passed in Annual General Meeting held on 28th Sep, 2021.

- iii. Observation: The gap between two meetings of the Board and Audit Committee dated 13th February 2021 and 29th June 2021 is beyond 120 days and is at variance to the provisions of Regulation 17 and 18 of SEBI (LODR) Regulations, 2015

Company Representation: The Ministry of Corporate Affairs vide its Circular No. 08/2021 dated 03-05-2021 extended the gap between two Board meetings to 180 days during the quarter Apr-June 2021 and July-Sept 2021 instead of 120 days. Hence, the same was duly complied as per the provisions of Companies Act, 2013. However, the Company mistook it, to be a compliance as per SEBI (LODR) Regulations, 2015 as well. This is an inadvertent mistake on part of the Company.

- iv. Observation: The intimation to stock exchange for Board Meeting for approval of the financial results for the financial year 2020-21 dated 29th June 2021 has been made with four (4) days clear days prior notice as against the five (5) clear days (excluding date of intimation and date of meeting) required under Regulation 29 of SEBI (LODR) Regulations, 2015

Company Representation: The alleged non-compliance was totally unintentional and arose due to unfortunate situation of the previous Company Secretary being not available in station due to the sudden demise of (mother) close family member due to Covid. Owing to the pandemic, NSE has also not levied any penalty.

- v. Observation: The intimation to stock exchange for consideration of declaration dividend at the Board dated 29th June 2021 has been made with one (1) working days prior notice as against the two (2) working days (excluding date of intimation and date of meeting) required under Regulation 29 of SEBI (LODR) Regulations, 2015 and National Stock Exchange as per the Standard Operating Procedure vide SEBI Circular SEBI/HO/CFD/CMD/CIR/P/2020/12 dated 22 January 2020 has levied a fine of Rs.10,000/-, which has been paid by the Company

Company Representation: The alleged non-compliance was totally unintentional and the Company has paid a penalty of Rs. 11,800 (including GST) to National Stock Exchange.

- vi. Observation: Continued disclosure as required under Regulation 30 of SEBI (SAST) Regulations, 2011 has been submitted beyond the timeline of the seven working days on 12th April 2021

Company Representation: The alleged non-compliance was totally unintentional and the delay was caused due to concerned staff working from home and covid cases at office. However, NSE has ignored the same and levied no penalty.

#### **42. Managerial Remuneration:**

Disclosures pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been provided in **Annexure E**.

#### **43. Disclosure as per Listing Regulations:**

Disclosures pursuant to Regulation 34 read with Schedule V of the SEBI (LODR) Regulation, 2015 has been provided in **Annexure F**.

#### **44. Corporate Governance:**

As per Schedule V of SEBI (LODR) Regulation, 2015, a separate section on corporate governance practices followed by the Company, report on Corporate Governance together with a certificate confirming compliance on corporate governance provisions and CEO/CFO Certificate forms an integral part of this Directors' Report and has been provided in **Annexure G**

#### **45. Management Discussion and Analysis Report:**

Management discussion and analysis report forming part of directors' report pursuant to Regulation 34 read with Schedule V of the SEBI (LODR) Regulation, 2015 has been provided in **Annexure H**.

#### **46. Particulars of Employees:**

The Company has about 4193 employees in its roll. Since employees contribute in achieving the goal of the Company, periodical training programs are carried out to meet the challenges in providing services to the best of Customer Satisfaction.

#### **47. Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013:**

The Company has a Policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace and matters connected therewith or incidental thereto covering all the aspects as contained under The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013. During the year under review, the Company has not received any complaints under the Policy.

#### **48. Transfer to Investor Education and Protection Fund:**

The disclosure related to Investor Education and Protection Fund (IEPF) has been made in the notice to the Annual General Meeting. It contains details of the transfer of the unclaimed/ unpaid dividend, year wise, which are liable to be transferred to the IEPF. The details are also available on the website of the Company.

#### **49. Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016**

As per the information of the Company as on date of this report, no proceeding is pending against the Company under the Insolvency and Bankruptcy Code 2016.

#### **50. Companies (Auditor's Report) Order, 2020**

The Report as provided is self- explanatory.

#### **51. Acknowledgement:**

Your Directors take this opportunity to thank the Company's customers, shareholders, suppliers, bankers, financial institutions and the Central and State Governments for their unstinted support. The Directors would also like to place on record their appreciation to employees at all levels for their hard work, dedication and commitment.

**For and on Behalf of Board of Directors**

Place: Chennai  
Date: 12<sup>th</sup> August, 2022

**Sucharitha Reddy**  
Managing Director

**G. Venkatraman**  
Chairman



**ANNEXURE- A**  
**Corporate Social Responsibility (CSR)**

1. Brief outline on CSR Policy of the Company: As part of the CSR program, the company executes projects which are socially relevant and demanding in the locality surrounding its corporate office area and other locations where the company has branches or other place of business.

**CSR Mission Statement:**

- Create a meaningful and lasting impact on the communities in remote areas by helping them transcend barriers of socio-economic development.
- Extending Comprehensive Integrated Healthcare Services to the community.
- Develop the skills of the youth through high quality education and research in healthcare services.

2. Composition of CSR Committee:

| Sl. No. | Name of Director   | Designation / Nature of Directorship | No of meetings of CSR Committee held during the year | No of meetings of CSR Committee attended during the year |
|---------|--------------------|--------------------------------------|--|--|
| 1       | Ms. Sindoori Reddy | Promoter/Non-Executive / Chairman    | 1  | 1  |
| 2       | Mr. George Eapen   | Independent/ Member                  | 1  | 1  |
| 3       | Mr. G. Venkatraman | Independent/ Member                  | 1  | 1  |

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company: The CSR policy of the Company is available in the Company's website and Web-link is <http://www.apollosindoori.com/pdf/CSR%20Policy.pdf>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): Not applicable to Company.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: No amount is c/f for set off

6. Average net profit of the company as per section 135(5): Rs.11,61,68,766/-

7. Details below:

(a) Two percent of average net profit of the company as per section 135(5): Rs. 23,23,375/-

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year, if any: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 23,23,375/

Details below:

- 8.

(a) CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year. (in Rs.) | Amount Unspent (in Rs.)  |                   |  |         |                   |
|---|--|-------------------|--|---------|-------------------|
|   | Total Amount transferred to Unspent CSR Account as per section 135(6). |                   | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). |         |                   |
|   | Amount.  | Date of transfer. | Name of the Fund   | Amount. | Date of transfer. |
| 23,24,975   | Nil  | -                 | -  | -       | -                 |

(b) Details of CSR amount spent against ongoing projects for the financial year: Nil

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

| (1)     | (2)                                    | (3)  | (4)                  | (5)   |          | (6)                                   | (7)                                      | (8)  |                         |
|---------|--|--|----------------------|---|----------|---------------------------------------|--|--|-------------------------|
| Sl. No. | Name of the Project                    | Item from the list of activities in schedule VII to the Act  | Local area (Yes/ No) | Location of the project                                   |          | Amount spent for the project (in Rs.) | Mode of implementation - Direct (Yes/No) | Mode of implementation - Through implementing agency |                         |
|         |  |  |                      | State   | District |                                       |  | Name   | CSR registration number |
| 1.      | Expenditure incurred for COVID-19      | Promotion of healthcare, including preventive health and sanitation  | Yes                  | Tamil Nadu, Karnataka, Gujarat, Andhra Pradesh, Telangana |          | 21,24,975                             | Yes                                      |  |                         |
| 2.      | SreeKrishna Mariamman Charitable Trust | Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water | Yes                  | State of Registered Office Tamil Nadu                     |          | 2,00,000                              | Yes                                      |  |                         |
|         | Total                                  |  |                      |   |          | 23,24,975                             |  |  |                         |

Company has duly complied with the circulars issued on CSR by Ministry of Corporate Affairs.

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 23,24,975/-

(g) Excess amount for set off, if any: Nil

9. (a) Details of Unspent CSR amount for the preceding three financial years:

| Sl. No. | Preceding Financial Year. | Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.) | Amount spent in the reporting Financial Year (in Rs.) | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any |                |                  | Amount remaining to be spent in succeeding financial years. (in Rs.) |
|---------|---------------------------|--|---|---|----------------|------------------|--|
|         |                           |  |   | Name of the Fund  | Amount (in Rs) | Date of transfer |  |
| 1.      | 2020-21                   | Nil  | 29,91,248   | -   | -              | -                | Nil  |
| 2.      | 2019-20                   | Nil  | 19,50,000   | -   | -              | -                | Nil  |
| 3.      | 2018-19                   | Nil  | 12,49,023   | -   | -              | -                | Nil  |
|         | Total                     |  | 61,90,271   |   |                |                  |  |

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Nil

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Company has fully spent the amount that it was required to spend for CSR. Company has spent excess amount of Rs. 1600/- in addition to amount prescribed.

**For and on behalf of CSR Committee and Board**

Place: Chennai  
Date: 12th Aug, 2022

**Mrs. Sucharitha Reddy**  
Managing Director

**Ms. Sindoori Reddy**  
Chairman of CSR Committee

## ANNEXURE-B

### Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

### Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

#### Part "A": Subsidiary

The Company has only one wholly owned subsidiary, which was incorporated to carry on business of elite catering, convention centers & event management. The Company has completed its third full financial year during 2021-22.

Information in respect of subsidiary is provided in the table below:

|    |   |   |
|----|---|---|
| 1  | Name of the subsidiary  | Olive & Twist Hospitality Private Limited |
| 2  | The date since when subsidiary was acquired   | 25.02.2019                                |
| 3  | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | 31.03.2022                                |
| 4  | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | Not Applicable                            |
| 5  | Share capital   | Rs.8,50,00,000/-                          |
| 6  | Reserves & surplus  | Rs. (11,73,02,632)                        |
| 7  | Total Assets  | Rs. 17,66,62,996/-                        |
| 8  | Total Liabilities   | Rs. 20,89,65,628/-                        |
| 9  | Investments   | Nil                                       |
| 10 | Turnover  | Rs. 25,59,77,870                          |
| 11 | Profit/ (Loss) before Taxation  | Rs. (2,89,68,674)                         |
| 12 | Provision for taxation  | Rs. 26,59,031                             |
| 13 | Profit/ (Loss) after Taxation   | Rs. (3,16,27,705)                         |
| 14 | Proposed Dividend   | Nil                                       |
| 15 | % of shareholding   | 100%                                      |

During the financial year wholly owned subsidiary had losses and Company has not received any dividend from it.

Further:

1. Names of subsidiaries which are yet to commence operations: NIL
2. Names of subsidiaries which have been liquidated or sold during the year: NIL

## Part “B”: Associates and Joint Ventures

### Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

The Company has only one joint venture Faber Sindoori Management Services Private Limited and does not have any associate. Information in respect of joint venture is provided in the table below:

|    | Name of associates/Joint Ventures  | Faber Sindoori Management Services Private Limited |
|----|--|--|
| 1. | Latest audited Balance Sheet Date  | 31.03.2022   |
| 2. | Date on which the Associate or Joint Venture was associated or acquired    | 27.08.2007   |
| 3. | Shares of Associate or Joint Ventures held by the company on the year end: |  |
|    | No.  | 45265 equity shares                                |
|    | Amount of Investment in Associate or Joint Venture                         | Rs. 4,52,650                                       |
|    | Extend of Holding (in percentage)  | 49%  |
| 4. | Description of how there is significant influence                          | Joint venture                                      |
| 5. | Reason why the associate/joint venture is not consolidated                 | Accounts have been consolidated                    |
| 6. | Net worth attributable to shareholding as per latest audited Balance Sheet | Rs.6,050.19 Lakhs                                  |
| 7. | Profit/Loss for the year   |  |
|    | i. Considered in Consolidation   | Rs.1,046.81 Lakhs                                  |
|    | ii. Not Considered in Consolidation  | Rs.1,089.54 Lakhs                                  |

The Company has received dividend of Rs. 273.96 lakhs/- from the joint venture during the year.

Further:

1. Names of associates or joint ventures which are yet to commence operations – Nil
2. Names of associates or joint ventures which have been liquidated or sold during the year- Nil

Place: Chennai  
Date: 12th August, 2022

**For Apollo Sindoori Hotels Limited**  
**Sucharitha Reddy**  
Managing Director

**Suresh R. Madhok**  
Director

**G. Venkatraman**  
Chairman

**C.Natarajan**  
Whole-time Director &  
Chief Executive Officer

**Surabhi Pasari**  
Company Secretary

**M.S.P. Meyyappan**  
Chief Financial officer

## ANNEXURE- C

### Particulars of contracts/arrangements made with related parties

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

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

#### 1. Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2022 which were not at arm's length basis.

#### 2. Details of material contracts or arrangement or transactions at arm's length basis

The company has only one material contract or arrangement or related party transaction during year ended 31st March 2022 as per the provisions of Regulation 23 of SEBI (LODR) Regulation, 2015 as per stipulated benchmark. This contract is in ordinary course of business and at arm's length. The contract with Apollo Hospital Enterprises Limited (AHEL) has been entered in earlier years and it only gets renewed every year subject to competitive price revision which is at arm's length price and in ordinary course of business.

Company has entered into contract with AHEL for a period of three years from 01st April, 2021 with an increase of up to 15% over and above the consolidated value of transactions in the previous financial year. The contract for AHEL with ASHL was approved by shareholders for three years in the AGM held on 28th September, 2021.

The Company has also obtained the omnibus approval for related party transactions from the Audit Committee constituted solely of independent directors for the FY 2021-22. They have duly noted that the transactions are in the ordinary course of business and at arm's length and in the best interest of the Company.

Following are the details of material related party transactions during the FY 2021-22:

| S. No. | Particulars   | Details  |
|--------|---|--|
| 1      | Name (s) of the related party & nature of relationship                                    | Apollo Hospital Enterprises Limited              |
| 2      | Nature of contracts/arrangements/transaction  | Service agreement                                |
| 3      | Duration of the contracts/arrangements/transaction  | 3 years  |
| 4      | Salient terms of the contracts or arrangements or transaction including the value, if any | To provide Food & Beverage and Manpower services |
| 5      | Date of approval by the Board   | 14th August, 2021                                |
| 6      | Amount paid as advances, if any   | Nil  |

All related party transactions including material related party transactions are provided in notes to accounts forming part of financial statement and may be treated as part of the Board Report. As pointed out, all the related party transactions of the company are in ordinary course of business and at arm's length and beneficial to the company.

All the related party transactions including material related party transaction has been duly approved by Audit Committee/ Board/ Shareholders as required.

**For and on behalf of Board of Directors**

Place: Chennai  
Date: 12th August 2022

**Sucharitha Reddy**  
Managing Director

**G. Venkatraman**  
Chairman

## ANNEXURE- D

### **SECRETARIAL AUDIT REPORT For the Financial Year Ended 31st March 2022**

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

To,  
The Members  
Apollo Sindoori Hotels Limited  
No. 43/5, Hussain Mansion,  
Greams Road, Thousand Lights,  
Chennai- 600006, Tamil Nadu

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Apollo Sindoori Hotels Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, 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 the spread of the COVID-19 pandemic, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) 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;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018;

(vi) The list of major heads/ group of Acts, Law and Regulations as applicable to the Company as per management declaration and representation, is mentioned below. In relation to these laws we have relied on the representation made by the Company and its Officers for system and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations as applicable to the Company.

#### 1. Labour Laws:

- i. The Employees Provident Funds And Miscellaneous Provision's Act, 1952.
- ii. Employees' State Insurance Act, 1948.
- iii. Minimum Wages Act, 1946.
- iv. Contract Labour (Regular and Abolition) Act, 1970.
- v. Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979.
- vi. Maternity Benefit Act, 1960.
- vii. Industrial Disputes Act, 1961.
- viii. Payment of Bonus Act, 1965.
- ix. Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by Certain Establishments) Act, 1988.
- x. Child Labour (Prohibition & Regulation) Act, 1986.
- xi. Equal Remuneration Act, 1976.
- xii. Payment of Gratuity Act, 1979.

#### 2. Industrial Employment (Standing Orders) Act, 1946

#### 3. The Negotiable Instruments Act, 1881.

#### 4. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

- 1. Certain compliances as required to be made under Secretarial Standard in relation to Board / Committee Meetings has been missed;
- 2. The majority of the revenue of the Company is from related party transaction which as per the representation from the Company is in ordinary course of business and on arms length basis;



3. The gap between two meetings of the Board and Audit Committee dated 13th February 2021 and 29th June 2021 is beyond 120 days and is at variance to the provisions of Regulation 17 and 18 of SEBI (LODR) Regulations, 2015;
4. The intimation to stock exchange for Board Meeting for approval of the financial results for the financial year 2020-21 dated 29th June 2021 has been made with four (4) days clear days prior notice as against the five (5) clear days (excluding date of intimation and date of meeting) required under Regulation 29 of SEBI (LODR) Regulations, 2015;
5. The intimation to stock exchange for consideration of declaration dividend at the Board dated 29th June 2021 has been made with one (1) working days prior notice as against the two (2) working days (excluding date of intimation and date of meeting) required under Regulation 29 of SEBI (LODR) Regulations, 2015 and National Stock Exchange as per the Standard Operating Procedure vide SEBI Circular SEBI/HO/CFD/CMD/CIR/P/2020/12 dated 22 January 2020 has levied a fine of Rs.10,000/-, which has been paid by the Company; and
6. Continued disclosure as required under Regulation 30 of SEBI (SAST) Regulations, 2011 has been submitted beyond the timeline of the seven working days on 12th April 2021.

### **We 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.

All decisions of the Board and Committees were unanimous and the same was captured and recorded as part of the minutes and hence no dissent is recorded in minutes, however, we have been represented that dissent, if any, are captured and recorded as part of the minutes.

**We 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.

**For BGS MISHRA & Associates, Company Secretaries LLP**

Sd/-  
Gouri Shanker Mishra, Designated Partner  
M. No: F 6906; C P No. 13581  
Peer Review: 1545/2021

UDIN: F006906D000759878  
Place: Chennai  
Date: 8<sup>th</sup> August 2022

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

## ANNEXURE

To,  
The Members  
Apollo Sindoori Hotels Limited  
No. 43/5, Hussain Mansion,  
Greams Road, Thousand Lights,  
Chennai- 600006, Tamil Nadu

Our Secretarial Audit Report of even date is to be read along with this letter.

Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

Due to spread of the COVID-19 pandemic, we have verified the documents electronically and wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

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.

**For BGSMISHRA & Associates, Company Secretaries LLP**

Sd/-  
Gouri Shanker Mishra, Designated Partner  
M. No: F 6906; C P No. 13581  
Peer Review: 1545/2021

Place : Chennai  
Date : 8<sup>th</sup> August 2022

## ANNEXURE – E

### **Disclosure in the Directors' Report under Section 197(12) of Companies Act, 2013 read with Rule 5 (1) & (2) of Companies (Appointment & Remuneration) Rules, 2014**

#### **I. Details of the remuneration:**

- i. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2021-22 : 1:8
- ii. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the financial year 2021-22:

| Employees               | Percentage of increase, if any |
|-------------------------|--------------------------------|
| Directors               | NIL                            |
| Chief Executive Officer | NIL                            |
| Chief Financial Officer | 20.59%                         |
| Company Secretary       | NIL                            |

- iii. The percentage increase in the median remuneration of employees in the financial year 2021-22: 9%
- iv. There were 4193 employees which includes permanent staff, FTC's Contracted/outsourced staff/Deputed staff as on March 31, 2022
- 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 point out if there are any exceptional circumstances for increase in the managerial remuneration: No increase in managerial remuneration was given to Managing Director or other Directors.
- vi. Directors confirm that remuneration being granted is as per the remuneration policy of the company
- vii. Statement showing the name of top ten employees in terms of remuneration drawn: 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 provided in a separate annexure. However, in terms of first proviso to Section 136(1) of the Companies Act, 2013, the Annual report and the accounts are being sent to the members of the Company excluding the aforesaid annexure. The said annexure is open for inspection at the Registered Office of the Company during working hours and any member interested in obtaining a copy of the same may write to the Company Secretary.
- viii. None of the employees other than Mrs. Sucharitha Reddy holds any share in the Company and are not relative of director or manager of company. Shareholding of directors are provided at other place and same may be considered to be part of this.
- ix. There were no employees of the company, who-
  - (i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees;
  - (ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakhs and fifty thousand rupees per month;
  - (iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

## **II. Remuneration to Non-Executive Directors:**

Non-Executive Directors are entitled to sitting fees for attending the meetings of the Board and the Committee in addition to the commission that they will be entitled within limit approved by the members. Sitting fees is payable on the basis of meetings attended.

Further, Independent Directors are entitled to commission which was already approved by the shareholders in the AGM dated 31st July 2018. This has been decided with a view to sufficiently remunerate the Independent Directors for their effective participation. Commission is paid on an annual basis based on approval of the Board within the permissible limit of 1% of net profit as provided in Companies Act, 2013.

## **III. Remuneration to other employees:**

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent job.

## ANNEXURE - F

### [Disclosure pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015]

#### 1. Related Party Disclosure:

- i. The Company has made relevant disclosure pursuant to and in compliance with the Accounting Standards on "Related Party Disclosures" which is provided in notes to account in the financial statement and may be deemed to be part of the directors' report.
- ii. The brief disclosure in relation to the disclosure requirements as follows has been provided in the financial statement at appropriate place:

| S. No. | In the accounts of | Disclosures of amounts at the year end and the maximum amount of loans/ advances/ Investments outstanding during the year.   |
|--------|--------------------|--|
| 1      | Holding Company    | <ul style="list-style-type: none"><li>• Loans and advances in the nature of loans to subsidiaries by name and amount.</li><li>• Loans and advances in the nature of loans to associates by name and amount.</li><li>• Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.</li></ul> |
| 2      | Subsidiary         | Same disclosures as applicable to the parent company in the accounts of subsidiary company.  |
| 3      | Holding Company    | Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan.   |

- iii. Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the listed entity, in the format prescribed in the relevant accounting standards for annual results is provided in notes to account in the financial statement and may be deemed to be part of the directors report.

#### 2. Management discussion and analysis report:

Management discussion and analysis report forming part of director's report is separately provided as **Annexure H**.

#### 3. Corporate Governance Report:

Details as required under Para C, Para D and Para E of the Schedule V of the SEBI (LODR) Regulations, 2015, Report on Corporate Governance along with declaration by Chief Executive Officer on compliance with the code of conduct of Board of Directors and senior management and compliance certificate by auditor on compliance of conditions of corporate governance and other details are provided as **Annexure G**.

#### 4. Disclosures with respect to demat suspense/ unclaimed suspense account:

- a. aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: 52 shareholders and 29420 outstanding shares
- b. number of shareholders who approached listed entity for transfer of shares from suspense account during the year: 1 shareholder holding 400 shares
- c. number of shareholders to whom shares were transferred from suspense account during the year: 1 shareholder holding 400 shares

- d. aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: 51 shareholders and 29020 outstanding shares
- e. that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares- YES

## REPORT ON CORPORATE GOVERNANCE

## 1. Company's philosophy on code of Governance

The basic objective of corporate governance policies adopted by the Company is to attain the highest levels of transparency, accountability and integrity. This objective extends not merely to comply with statutory requirements but also to go beyond them by putting into place procedures and systems, which are in accordance with the best practices of governance.

The Company's philosophy on corporate governance is to ensure that its obligations are discharged in a fair and transparent manner in order to protect the interests of all stakeholders. The Company is committed to achieve good standards of Corporate Governance on a continuous basis by laying emphasis on ethical corporate citizenship and establishment of good corporate culture which aims at true Corporate Governance.

The Company believes that all its operations and actions must result in enhancement of the overall shareholder value in terms of maximizing shareholder's benefits, over a sustained period of time.

## 2. Board of Directors

## Composition of the Board

Companies' policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the balance and independence of the Board and to separate the Board functions of governance and management. The total strength of the Board comprised of eight directors, consisting of four promoter directors, one professional director and three independent directors.

As per the requirement of Regulation 17(1) of SEBI (LODR) Regulation, 2015, the company has an optimum combination of executive and non-executive directors. Out of eight directors, Company has two executive directors and six non-executive directors. Further, the Board has active participation of the woman directors with one executive director and two non-executive directors. Further, Chairman of the Board is an Independent Director and independent directors consists of more than one third of total strength.

The following is the present composition of our Board and their number of Directorships in other companies:

| Name of the Director            | Category | Date of appointment | Interse relationship   | Share holding |
|---------------------------------|----------|---------------------|--|---------------|
| Mrs. Suneeta Reddy              | PD/NED   | 13th Nov 1998       | Daughter of Sucharitha Reddy, Sister in law of Pottipati Vijayakumar Reddy and Mother of Sindoori Reddy  | 99,870        |
| Mrs. Sucharitha Reddy           | PD/ ED   | 20th July 2000      | Mother of Suneeta Reddy, Mother in law of Pottipati Vijayakumar Reddy and Grand Mother of Sindoori Reddy | 344,260       |
| Mr. Pottipati Vijayakumar Reddy | PD/NED   | 21st Aug 2000       | Brother in law of Suneeta Reddy, Son in law of Sucharitha Reddy, Uncle of Sindoori Reddy                 | 51,170        |
| Mrs. Sindoori Reddy             | PD/NED   | 24th July 2006      | Daughter of Suneeta Reddy, Grand Daughter of Sucharitha Reddy, Niece of Pottipati Vijayakumar Reddy      | 7,000         |
| Mr. Chithambarathan Natarajan   | PRD/ED   | 30th May 2019       | -  | -             |
| Mr. Suresh Raj Madhok           | ID       | 13th Aug 2014       | -  | -             |
| Mr. Ganesan Venkatraman         | ID       | 13th Aug 2014       | -  | -             |

|                                   |    |               |   |   |
|-----------------------------------|----|---------------|---|---|
| Mr. Puthen Veetil<br>George Eapen | ID | 13th Aug 2014 | - | - |
|-----------------------------------|----|---------------|---|---|

PD- Promoter Director; ED- Executive Director; NED-Non-Executive Director; ID- Independent Director; PRD – Professional Director

| Name of the Director  | Directorship in other Public companies*  | Directorship in Other Listed Entity  | Number of committee positions in other public companies                               |  |
|-----------------------|--|--|---|--|
|                       |  |  | Chairman  | Member   |
| Mrs. Suneeta Reddy    | <p>Apeejay Surrendra Park Hotels Limited</p> <p>Apollo Hospitals Enterprise Limited</p> <p>Indraprastha Medical Corporation Ltd</p> <p>Medics International Lifesciences Limited</p> <p>Apollo Multispeciality Hospitals Limited</p> | <p>Apollo Hospitals Enterprise Limited<br/>Category: Managing Director</p> <p>Indraprastha Medical Corporation Ltd<br/>Category: Non-Independent Non- Executive Director</p> | <p><b><u>Risk Management Committee</u></b></p> <p>Apollo Hospitals Enterprise Ltd</p> | <p><b><u>Audit Committee-</u></b></p> <p>Indraprastha Medical Corporation Ltd</p> <p><b><u>Stakeholders Relationship Committee-</u></b></p> <p>Apollo Hospitals Enterprise Ltd</p> <p>Apeejay Surrendra Park Hotels Ltd</p> <p><b><u>Nomination and Remuneration Committee</u></b></p> <p>Medics International Lifesciences Limited</p> <p><b><u>Corporate Social Responsibility</u></b></p> <p>Apollo Hospitals Enterprise Ltd</p> <p><b><u>Risk Management Committee</u></b></p> <p>Indraprastha Medical Corporation Ltd</p> <p><b><u>Investment Committee</u></b></p> <p>Indraprastha Medical Corporation Ltd</p> <p>Apollo Hospitals Enterprise Ltd</p> <p><b><u>Share Transfer Committee</u></b></p> <p>Apollo Hospitals Enterprise Ltd</p> |
| Mrs. Sucharitha Reddy | <p>Lifetime Wellness RX International Limited</p> <p>Indian Hospitals Corporations Limited</p> <p>Total Health</p>   | Nil  | Nil   | Nil  |



|                                 |   |     |     |     |
|---------------------------------|---|-----|-----|-----|
| Mr. Pottipati Vijayakumar Reddy | Nil   | Nil | Nil | Nil |
| Mrs. Sindoori Reddy             | Apollo Educational Infrastructure Services Limited  | Nil | Nil | Nil |
| Mr. Chithambaranathan Natarajan | Nil   | Nil | Nil | Nil |
| Mr. Suresh Raj Madhok           | Empee Sugar and Chemicals Limited<br><br>Reil Electrical India Limited<br><br>Empee International Hotels and Resorts Limited<br><br>Empee Hotels Limited                    | Nil | Nil | Nil |
| Mr. Ganesan Venkatraman         | Apollo Hospitals International Limited<br><br>Assam Hospitals Limited<br><br>Medics International Lifesciences Limited<br><br>Imperial Hospital and Research Centre Limited | Nil | Nil | Nil |
| Mr. Puthen Veetil George Eapen  | Nil   | Nil | Nil | Nil |

\* The directorship does not include directorship in Private Limited, Section 8 Companies and Companies incorporated outside India.

As required by SEBI (LODR) Regulation, 2015, none of the Directors on the Board are members of more than ten Board-level committees and Chairman of more than five such Committees, across all such companies in which he/she is a Director.

### Directors Profile

Brief profile of directors are provided as below:

**Mrs. Suneeta Reddy** is Managing Director of Apollo Hospitals Enterprise Limited. She has been associated with Apollo Hospitals Group from 1989 in various position like Executive Director -Finance, Joint Managing Director and Managing Director. A key influencer in the Indian healthcare industry, Mrs. Suneeta Reddy is widely recognized for

her contributions and has held leadership positions including Co-Chairperson of Healthcare Sub Committee - Confederation of Indian Industry (CII) and is a member in National Committee on Healthcare. She is also a member of the Harvard Business School India Advisory Board (IAB). Mrs. Suneeta Reddy received her Bachelor of Arts degree in Public Relations, Economics and Marketing from Stella Maris College in Chennai. She holds a Diploma in Financial Management from the Institute of Financial Management and Research, Chennai and has completed the Owner / President Management Program at Harvard Business School (HBS), Boston, USA. Mrs. Suneeta Reddy has expertise in Specific Functional areas Strategy, Hospital Operations, Corporate Services viz., Finance & Accounts, Procurement, HR, Legal, MIS, Internal Audit, ERM.

**Mrs. Sucharitha Reddy** is having over three decades of rich experience particularly in hospital industry and the Company has shown significant progress in terms of business growth, operations and profitability during her tenure.

**Mr. Pottipati Vijayakumar Reddy** is the founder of PPN Power Generating Company Private Limited which having the capacity of 330.5 MW, Gas cum Naphtha fired, Combined Cycle Power Plant at Villages Pillaiperumalnallur and Manickapangu, Tharangambadi Taluk, Nagapattinam District, Tamil Nadu. Mr. P. Vijayakumar Reddy is also associated with Entertainment Electronics, Hospitality, Dry cell Batteries, Real estate, Home appliances, Generation of Electric Power, Healthcare, Info Tech, Infrastructure etc., Mr. P. Vijayakumar Reddy has completed Bachelor degree in Commerce.

**Mrs. Sindoori Reddy** is experienced in Specific Functional Area Served as Joint Managing Director at Apollo Sindoori Hotels Limited and serves as its Director since July 24, 2006. She has done her BS in International Business and Finance from Pepperdine University. Earlier she has served as Joint Managing Director in Company and hence very helpful for the marketing, new clients, pricing and review of operations of the Company.

**Mr. Chithambaranathan Natarajan** is experienced in Specific Functional Areas and have over 40 years of experience in hospitality, catering, management services, restaurants etc. He was also a Vice President & Unit Head, Apollo Hospitals, Vanagaram, Chennai (300-bedded). 2001-2011 – Vice President-Operations /Sr. General Manager, Apollo Hospitals Enterprise Ltd-Main hospital, Greams Road, Chennai (600-bedded). He holds Master's degree in Commerce, University of Madras, India apart from Master's degree in Law (Labour And Industrial Relations Administrative Law), Annamalai University, India.

**Mr. Suresh R Madhok** is a Senior Hospitality Professional with over 40 years varied and diverse experience in Managing hotel business at Senior Management Levels in leading global hospitality brands. He is a Hotel Management Student from Oberoi Hotel Schools, Swiss Hotel Schools and Cornell University, USA. He has worked in senior positions in Oberoi Hotels and ITC Sheraton Hotel Groups including on tenures as Vice President-ITC Sheraton Business Hotels, Managing Director of Five Star Deluxe Kakatia Sheraton, Hyderabad and Regional Director for South India. Presently, he is Director of the Empee Hilton, Chennai. He is also a Member of the Executive Committee of the South India Hotel Association and he is also on the Board of various other Hotel Companies and on the Board of Governors of various Hotel Schools.

**Mr. Ganesan Venkatraman** is an Economics graduate and Post Graduate in law from University of Bombay and a Certified Associate of the Indian Institute of Banker (CAIIB). Mr. Ganesan Venkatraman served with IDBI and retired as its Chief General Manager in November 2004 after 39 years of varied experience in developmental banking. He headed the Chandigarh Branch Office of IDBI and Zonal Office of IDBI for three years each. He represented IDBI on the Boards of large Corporates during the tenure of his service.

**Mr. Puthen Veetil George Eapen** has about 25 years of experience as a highly qualified professional in the hotel industry. He began his career with the ITC Welcome group, serving in various management categories including GM of several ITC Welcome group hotels in the country. He is known for his expertise in the field of Operations, Marketing, Front Office Management and Food and Beverages. He then moved to the healthcare industry and has behind him nearly two decades of experience in setting up and running hospitals while heading the Chennai Division of the Apollo Hospitals Group as CEO, including Apollo First Med Hospitals, Apollo Clinics and Apollo Heart Centre. He is recognized internationally for his contribution to Medical Tourism in India and domestic marketing in healthcare. He led the management team in securing the JCI and NABH Accreditations for Apollo Hospitals, Chennai.

## Attendance of Directors at Board Meetings and at Annual General Meeting (AGM)

Following are the attendance of directors in the Board Meetings and at previous AGM:

| Name of the Director            | No. of Board Meetings held | Board Meetings Attended | Attendance at Previous AGM |
|---------------------------------|----------------------------|-------------------------|----------------------------|
| Mrs. Suneeta Reddy              | 4                          | 1                       | No                         |
| Mrs. Sucharitha Reddy           | 4                          | 3                       | No                         |
| Mr. Pottipati Vijayakumar Reddy | 4                          | 1                       | No                         |
| Mrs. Sindoori Reddy             | 4                          | 4                       | No                         |
| Mr.Chithambaranathan Natarajan  | 4                          | 4                       | Yes                        |
| Mr. Suresh Raj Madhok           | 4                          | 4                       | Yes                        |
| Mr. Ganesan Venkatraman         | 4                          | 4                       | Yes                        |
| Mr. Puthen Veetil George Eapen  | 4                          | 4                       | Yes                        |

### Board Meetings held during the year

The Board of Directors met four times during the year under review on 29th June, 2021, 14th August 2021, 12th November 2021 and 14th February 2022. The interval between two meetings was within the maximum period mentioned under section 173 of the Companies Act, 2013 and the SEBI (LODR) Regulation, 2015 as extended vide relaxation granted by MCA/ SEBI.

### Committee of Directors

The Board has constituted the following four statutory committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholder's Relationship Committee
- Corporate Social Responsibility (CSR) Committee

### 3. Audit Committee

#### Composition, Meetings and Attendance

The Audit Committee of the Board of Directors is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 and Part C of Schedule V of SEBI (LODR) Regulation, 2015. Audit Committee consists of only independent Directors and all members of the Audit Committee are financially literate and have adequate knowledge in the fields of finance, economics, and risk. Mr. Ganesan Venkatraman, Independent Director is the Chairman of the Audit Committee and have expertise in the finance domain. The other members of the Audit Committee include Mr. Suresh R Madhok and Mr. Puthen Veetil George Eapen. The constitution of the Audit Committee has not changed during the year. There were no incidences where Board has not accepted the recommendation of the Audit Committee during the year.

The Audit Committee met four times during the financial year on 29th June 2021, 14th August 2021, 12th November 2021 and 14th February 2022.

The composition of the Audit Committee and particulars of meetings attended by the members of the Audit Committee are given below:

| Name                           | Category/ Status       | Meetings Held | Meetings Attended |
|--------------------------------|------------------------|---------------|-------------------|
| Mr. Ganesan Venkatraman        | Independent / Chairman | 4             | 4                 |
| Mr. Suresh R Madhok            | Independent/ Member    | 4             | 4                 |
| Mr. Puthen Veetil George Eapen | Independent/ Member    | 4             | 4                 |

### Terms of reference

The terms of reference has been set for the Audit Committee by Board in compliance to the Section 177 of Companies Act, 2013 and Regulation 18(3) & Part C of Schedule II SEBI (LODR) Regulation 2015. The following are, inter alia, the main terms of reference provided by the Board of Directors to the Audit Committee:

1. Regular review of accounts, accounting policies and disclosures.
2. Review the major accounting entries based on exercise of judgment by management and review of significant adjustments arising out of audit.
3. Review any qualifications in the draft audit report.
4. Establish and review the scope of the independent audit including the observations of the auditors and review of the quarterly, half-yearly and annual financial statements before submission to the Board.
5. Upon completion of the audit, attend discussions with the independent auditors to ascertain any area of concern.
6. Establish the scope and frequency of the internal audit, review the findings of the internal auditors and ensure the adequacy of internal control systems.
7. Examine reasons for substantial defaults in payment to depositors, debenture holders, shareholders and creditors.
8. Examine matters relating to the Director's Responsibility Statement for compliance with Accounting Standards and accounting policies.
9. Oversee compliance with Stock Exchange legal requirements concerning financial statements, to the extent applicable.
10. Examine any related party transactions, i.e. transactions of the Company that are of a material nature with promoters or management, their subsidiaries, relatives, etc., that may have potential conflict with the interests of the Company.
11. Appointment and remuneration of statutory and internal auditors.
12. Risk assessment and minimization procedures.
13. Management discussion and analysis of financial condition and results of operations
14. Statement of significant related party transactions (as defined by the audit committee), submitted by the management.
15. Management letters / letters of internal control weaknesses issued by the statutory auditors.
16. Internal audit reports relating to internal control weaknesses.
17. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
18. Statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to

stock exchange(s) in terms of Regulation 32(1).

- (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

#### 4. Nomination and Remuneration Committee

##### Composition, Meetings and Attendance

The Nomination and Remuneration Committee comprises of three Independent Directors, Mr. Puthen Veetil George Eapen, Mr. Suresh R Madhok and Mr. Ganesan Venkatraman. Mr. Puthen Veetil George Eapen is the Chairman of the Committee.

The composition of Nomination and Remuneration Committee is in compliance to the provisions of Section 178 of the Companies Act, 2013, and Regulation 19(1) of the SEBI (LODR) Regulations, 2015.

The Nomination and Remuneration Committee met twice during the financial year on 29th June, 2021 and 14th February, 2022.

The composition of the Nomination and Remuneration Committee and particulars of meetings attended by the members are given below:

| Name                           | Category/ Status       | Meetings Held | Meetings Attended |
|--------------------------------|------------------------|---------------|-------------------|
| Mr. Puthen Veetil George Eapen | Independent / Chairman | 2             | 2                 |
| Mr. Suresh R Madhok            | Independent / Member   | 2             | 2                 |
| Mr. Ganesan Venkatraman        | Independent / Member   | 2             | 2                 |

##### Terms of reference

The terms of reference has been set for the Nomination and Remuneration Committee by Board in compliance to the Section 178 of Companies Act, 2013 and Regulation 19(4) & Part D of Schedule II of SEBI (LODR) Regulation 2015. The terms of reference are of Regulation 19(4). The terms of reference of the Nomination and Remuneration Committee as set by the Board of Directors inter alia includes following:

1. To determine the remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered).
2. To recommend to the Board appointment/reappointment and removal and evaluation of Independent Directors and the Board.
3. To review the Remuneration policy payable to Non-Executive Directors.
4. Establish and administer employee compensation and benefit plans.
5. Such other matters as may be required from time to time under any statutory, contractual or other regulatory requirement.

##### The role of Nomination and Remuneration Committee inter-alia includes the following:

1. To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
2. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
3. To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
4. To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

5. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
6. To devise a policy on Board diversity.
7. To develop a succession plan for the Board and to regularly review the plan.
8. To determine the remuneration, review performance and decide on fixed and variable pay of Executive Directors.

### **Mechanism for Performance Evaluation of Board, Committees and Independent directors**

Evaluation of all Board members is done on an annual basis. Committee has also done the evaluation of Board/ Committees and individual directors. Further, the evaluation is also done by the Board and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors.

#### **(A) Criteria for evaluation of Board of Directors:**

1. Attendance & active participation in Board, Committee & General Meetings.
2. Adequate preparation for all such meetings.
3. Constructive contribution to formulation of strategy & translation into plans, policies and annual goals.
4. Achievement of sales, productivity & financial goals.
5. Active involvement in quality systems & improvement activities for future growth.
6. Updating knowledge in area of expertise, overall business & industry environment.
7. Open communication with Board members and down the line.
8. Awards & recognitions received by the Company.
9. Conduct in ethical manner consistent with the applicable laws.
10. Brand building through contribution to and discharge of social responsibilities.

#### **(B) Criteria for evaluation of the Independent Directors:**

- i. Qualifications & skills to understand corporate culture, business & its complexities
- ii. Adequate preparation for Board, Committee and General Meetings and updating knowledge in area of expertise.
- iii. Attendance and active participation in above meetings.
- iv. Objective & constructive participation in informed and balanced decision making.
- v. No abuse of position detrimental to Company's/ shareholder's interest and/or personal advantage, direct or indirect.
- vi. Ability to monitor management performance and integrity of financial controls & systems.
- vii. Active and timely execution of any tasks assigned by the Board.
- viii. Communication in open and fair manner.
- ix. Credibility, directions and guidance on key issues in the best interest of Company.
- x. Ethical conduct consistent with applicable laws, rules and regulations.

## 5. Remuneration to Directors

The details of remuneration paid/payable, sitting fees and commission paid to each of the directors during the year ended 31st March 2022 are given below:

| Name of the Director   | Remuneration | Sitting Fees | Commission | Consultancy Charges | No. of Shares held |
|--|--------------|--------------|------------|---------------------|--------------------|
| Mrs. Sucharitha Reddy, Managing Director   | 12,07,000    | -            | -          | -                   | 3,44,260           |
| Mr. Chithambaranathan Natarajan, Whole-time Director and Chief Executive Officer | 1,20,66,970  | -            | -          | -                   | -                  |
| Mr. Pottipati Vijayakumar Reddy, Non- Executive Director                         | -            | 59,000       | -          | -                   | 51,170             |
| Mrs. Sindoori Reddy, Non- Executive Director                                     | -            | 3,54,000     | -          | 24,00,000           | 7,000              |
| Mrs. Suneeta Reddy, Non- Executive Director                                      | -            | 59,000       | -          | -                   | 99,870             |
| Mr. Suresh Raj Madhok, Independent Director                                      | -            | 6,49,000     | 3,10,340   | -                   | -                  |
| Mr. Ganesan Venkatraman, Independent Director                                    | -            | 6,49,000     | 3,10,340   | -                   | -                  |
| Mr. Puthen Veetil George Eapen, Independent Director                             | -            | 7,08,000     | 3,10,340   | -                   | -                  |

The company does not pay remuneration to any of its Non-executive Directors barring sitting fees for attending the meeting(s). The sitting fees paid are Rs. 50,000/- for each Meeting of Board or Committee. However, one of the Non-executive Director is paid Consultancy Charges or Professional Fee for providing additional professional service. Further, Independent Directors are paid Commission in aggregate not exceeding 1% of net profit.

The Company pays remuneration to its Directors as per the salary or benefits or commission or other emoluments approved by the shareholders.

The employment of Mrs. Sucharitha Reddy, Managing Director and Mr. Chithambaranathan Natarajan, Whole-time Director and Chief Executive Officer is contractual and for a period of five years and one year respectively. While the appointment of Mrs. Sucharitha Reddy is not due for next three years, Company is seeking approval for re-appointment of Mr. Chithambaranathan Natarajan for a period of six months from 30th May 2023. The contract is terminable by either party after giving prior notice as per notice period agreed. No severance fee as such has been agreed.

Managing Director is paid a fixed salary of Rs. 1 Lakhs per month. Whole-time Director and Chief Executive Officer is provided with Basic Salary, HRA, Utility Bills Reimbursement, Leave Travels, Other Perquisite as per the terms of employment. The Company does not have stock option plans for any of its Directors. The details of payment made to directors are provided above. Managing Director and Whole-time Directors are not provided with commission.

No stock option has been provided to any director of the Company and hence no such option has accrued which

can be exercised by the directors at later stage.

## 6. Stakeholders Relationship Committee:

### Composition, Meetings and Attendance

Stakeholders Relationship Committee comprises of three Directors. Mr. Suresh R Madhok, Independent Director, Mrs. Sindoori Reddy, Non-Executive Director and Mr. Puthen Veetil George Eapen, Independent Director. Mr. Suresh R Madhok, Independent Director is the Chairman of the Committee.

The Composition of Stakeholders' Relationship Committee is in compliance to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations, 2015.

The Stakeholders' Relationship Committee met once during the financial year on 14th February 2022.

The composition of the Stakeholders' Relationship Committee and particulars of meetings attended by the members are given below:

| Name                           | Category/ Status                | Meetings Held | Meetings Attended |
|--------------------------------|---------------------------------|---------------|-------------------|
| Mr. Suresh R Madhok            | Non-Executive/ Chairman         | 1             | 1                 |
| Mrs. Sindoori Reddy            | Promoter/ Non-Executive/ Member | 1             | 1                 |
| Mr. Puthen Veetil George Eapen | Independent/ Member             | 1             | 1                 |

### Terms of Reference

The terms of reference has been set for the Stakeholders' Relationship Committee by the Board in compliance to the Section 178 of Companies Act, 2013 and Regulation 20(4) & Part D of Schedule II of SEBI (LODR) Regulation 2015.

The terms of reference to the committee includes:

- a) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of securities, non-receipt of annual reports, non-receipt of declared dividend, issue of new/duplicate certificates, general meetings etc.
- b) To review the measures taken for effective exercise of voting rights by the shareholders.
- c) The Committee oversees performance of Registrars and Share Transfer Agents of the Company and recommends remedial measures to improve quality of investors' services.
- d) To review the measures and initiatives taken for reducing quantum of unclaimed dividend and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

### Compliance Officer:

Mrs. Surabhi Pasari, Company Secretary has been designated and acts as Compliance Officer of the Company w.e.f 14.02.2022

### Stakeholder's Grievance Redressal

During the year ended 31st March 2022, no investor complaints/ grievances were received.



## 7. Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility (CSR) Committee comprises of three Directors Mrs. Sindoori Reddy, Non-Executive Director, Mr. Ganesan Venkatraman, Independent Director, and Mr. Puthen Veetil George Eapen, Independent Director. Mrs. Sindoori Reddy, Non-Executive Director is the Chairman of the Committee.

The Composition of CSR Committee is in compliance to Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company has formulated CSR Policy, which is uploaded on the website of the Company. A report on CSR is provided forming part of the Board Report elsewhere.

The Committee had met once during the financial year 14th February 2022. The composition of the Corporate Social Responsibility Committee and particulars of meetings attended by the members are given below:

| Name                           | Category/ Status                   | Meetings Held | Meetings Attended |
|--------------------------------|------------------------------------|---------------|-------------------|
| Mrs. Sindoori Reddy            | Promoter/ Non-Executive / Chairman | 1             | 1                 |
| Mr. Ganesan Venkatraman        | Independent/ Member                | 1             | 1                 |
| Mr. Puthen Veetil George Eapen | Independent/ Member                | 1             | 1                 |

## 8. Risk Management Committee

The provisions of Regulation 21 of SEBI (LODR) Regulations, 2015, is not applicable on your Company. Hence, there is no requirement of Risk Management Committee. The Audit Committee only has been granted the additional responsibility to foresee and implement the risk management. The terms of reference includes framing, implementation and monitoring of the risk management plans of the Company. The Committee has constituted a Risk Management Team consisting of senior management officials for identifying the internal and external risk faced by our Company and to suggest measures for risk mitigation.

## 9. Independent Directors

Independent Directors meet out the criteria of independence. In opinion of the Board, the Independent Directors fulfill the conditions specified in these regulations and are independent of the management. Further, all Independent Directors have furnished the declaration of independence.

## 10. Separate Meeting of Independent Directors

As stipulated by the Code of Independent Directors under the Companies Act, 2013 and the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 14th February 2022 to review the performance of Non-independent Directors (including the Chairman) and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees, which is necessary to effectively and reasonably perform and discharge their duties.

## 11. Familiarisation Programme for Directors

At the time of appointing a Director, a letter of appointment is issued incorporating the role, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the compliance required from him under the Companies Act, 2013, SEBI (LODR) Regulation, 2015 and other relevant regulations and affirmation taken with respect to the same. A meeting is arranged with Executive Directors, Chief Executive Officer and Chief Financial Officer to discuss with the newly appointed Director to familiarize him with the Company's operations. Further the Company has put in place a system to familiarize the independent directors about the company, its business and the on-going events relating to the Company. The details of the familiarization programmes imparted to independent directors is available at the website of Company at weblink <http://www.apollosindoori.com/pdf/Details%20of%20familiarization%20programme%20imparted%20to%20independent%20directors.pdf>.

However, we would like to inform that presently all the non-executive directors on the Board of the Company are for more than three years and hence well aware with all details of the Company.

## 12. Skills/ expertise/ competence of Directors

Following table contains the core skills/expertise/competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board:

| Name of the Director            | Designation                                     | Skill/ Expertise/ Competency   |
|---------------------------------|---|--|
| Mrs. Suneeta Reddy              | Non-Executive Director                          | Mrs. Suneeta Reddy received her Bachelor of Arts degree in Public Relations, Economics and Marketing from Stella Maris College in Chennai. She holds a Diploma in Financial Management from the Institute of Financial Management and Research, Chennai and has completed the Owner / President Management Program at Harvard Business School (HBS), Boston, USA.<br>Mr. Suneeta Reddy has expertise in Specific Function area Strategy, Hospital Operations, Corporate Services viz., Finance & Accounts, Procurement, HR, Legal, MIS, Internal Audit, ERM.   |
| Mrs. Sucharitha Reddy           | Managing Director                               | Mrs. Sucharitha Reddy is having over three decades of rich experience particularly in hospital industry and the Company has shown significant progress in terms of business growth, operations and profitability during her tenure.  |
| Mr. Pottipati Vijayakumar Reddy | Non-Executive Director                          | Mr. Pottipati Vijayakumar Reddy is the founder of PPN Power Generating Company Private Limited which having the capacity of 330.5 MW, Gas cum Naphtha fired, Combined Cycle Power Plant at Villages Pillaiperumal-nallur and Manickapangu, Tharangambadi Taluk, Nagapattinam District, Tamil Nadu. Mr.P.Vijayakumar Reddy is also associated with Entertainment Electronics, Hospitality, Dry cell Batteries, Real estate, Home appliances, Generation of Electric Power, Healthcare, Info Tech, Infrastructure etc., Mr.P.Vijayakumar Reddy has completed Bachelor degree in Commerce.                  |
| Mrs. Sindoori Reddy             | Non-Executive Director                          | She has done her BS in International Business and Finance from Pepperdine University. Earlier she has served as Joint Managing Director in Company and hence very helpful for the marketing, new clients, pricing and review of operation of the Company.  |
| Mr. Chithambaranathan Natarajan | Whole-time Director and Chief Executive Officer | He has qualification of Post Graduate Diploma in Personnel Management & Industrial Relations (Hons), Madras Social of Social Work, Chennai and Master's Degree in Business Administration, University of Madras, apart from Master Degree in Law (Labour and Industrial Relations Administrative Law), Annamalai University, India. He has over 40 years of experience in hospitality, catering, management services, restaurants, etc. He had been Vice President & Unit Head of Apollo Hospitals. He is suited to the hospitality sector and is main person for business and operation in the Company. |

|                                |                      |  |
|--------------------------------|----------------------|--|
| Mr. Suresh Raj Madhok          | Independent Director | He is a senior hospitality professional with over 40 years varied and diverse experience in managing hotel business at Senior management levels in leading global hospitality brands. Presently, he is Director of the Empee Hilton, Chennai. He is also a Member of the Executive Committee of the South India Hotel Association and he is also on the Board of various other Hotel Companies and on the Board of Governors of various Hotel Schools. His competence and skill of hospitality industry helps the Company review its business and efficiency and also the marketing. |
| Mr. Ganesan Venkatraman        | Independent Director | He is an Economics graduate and Post Graduate in law from University of Bombay and a Certified Associate of the Indian Institute of Banker (CAIB). He retired as Chief General Manager of IDBI Bank. His financial competence helps the Company review its operations and its profitability.   |
| Mr. Puthen Veetil George Eapen | Independent Director | He has about 25 years of experience as a highly qualified professional in the hotel industry. He has served at senior positions including GM of several hotel groups and is known for his expertise in the field of Operations, Marketing, Front Office Management and Food and Beverages. He also has nearly two decades of experience in health care industry. His experience helps company in its hospitality industry.   |

### 13. Subsidiary Companies

Your company has a wholly owned subsidiary, Olive & Twist Hospitality Private Limited. The subsidiary has been established with a view to carry on elite catering, convention centers & event management. The subsidiary has completed its third full year of the operation and its financial for the financial year ended 31st March 2022 has been consolidated in consolidated account of the Company. During the year ended 31st March, 2022, the turnover was Rs. 25.59 crore and PBT (2.89) crores.

### 14. General Body Meeting

The details of the Annual General Meetings held during the preceding three years and the Special Resolutions passed there at as under:

| AGM              | Financial Year | Date & Time                              | Venue  | Details of Special Resolutions passed  |
|------------------|----------------|--|--|--|
| 21 <sup>st</sup> | 2018-19        | Thursday<br>25th July 2019<br>10.30 A.M. | Narada Gana Sabha - Mini Hall,<br>314 (Old No. 254), T.T.K. Road,<br>Alwarpet, Chennai-600 018 | <ol style="list-style-type: none"> <li>1. Appointment of Mr. Chithambaranathan Natarajan as a Whole-time Director and Chief Executive Officer;</li> <li>2. Re-appointment of Mr. Ganesan Venkatraman as an Independent Director;</li> <li>3. Re-appointment of Mr. Suresh Raj Madhok as an Independent Director; and</li> <li>4. Re-appointment of Mr. Puthen Veetil George Eapen as an Independent Director.</li> </ol> |

|                  |         |  |   |  |
|------------------|---------|--|---|--|
| 22 <sup>nd</sup> | 2019-20 | Thursday<br>17th September<br>2020<br>10.30 A.M. | Through VC/OAVM at No. 43/5,<br>Ground Floor, Hussain Man-<br>sion, Greams Road, Thousand<br>Lights, Chennai - 600006 | 1. Reappointment of Mrs.<br>Sucharitha Reddy (DIN<br>00003841) as Managing Di-<br>rector of the Company            |
| 23 <sup>rd</sup> | 2020-21 | Tuesday, 28th<br>September, 2021<br>11.00 A.M.   | Through VC/OAVM at No. 43/5,<br>Ground Floor, Hussain Man-<br>sion, Greams Road, Thousand<br>Lights, Chennai - 600006 | 1. Re-Appointment of Mr.<br>Chithambaranathan Natarajan<br>as a Whole-time Director and<br>Chief Executive Officer |

### Details/ Declaration

- No Extra-Ordinary General Meeting (EGM) was held during the year 2021-22.
- No Court Convened Meeting of Members was held during the year 2021-22.
- During the reporting financial year, there were no matters requiring approval of the members through Postal Ballot.
- None of the businesses proposed to be transacted at the ensuing AGM requires passing of a special resolution through postal ballot. Special Resolution, if any, to be passed through Postal Ballot will be taken up as and when necessary.

### 15. Means of Communication

In terms of Regulation 46 of SEBI (LODR) Regulation, 2015, the Company has been maintaining a functional website, containing basic information about the Company including details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances, etc. In case the presentation made, if any, would be submitted to stock exchanges as well as displayed on the website of the Company. Similarly, transcript of all the calls with the investors would be submitted to stock exchanges. The contents of the website are updated from time to time. There were no specific presentations made to Institutional investors or to analysts during the year.

The quarterly / yearly financial results of the Company are disseminated at once to the stock exchanges after the approval by the Board. These are published in Indian Express/Business Standard for English and Makkal Kural/Deena Mani/Maalaisudar for Tamil which are national and local dailies respectively, and also hosted on the website of the Company for the benefit of the stakeholders.

Results and reports of the company are also available in [www.nseindia.com](http://www.nseindia.com). Official news releases are made whenever it is considered necessary and are communicated to stock exchanges. Similarly, presentations made to investors including institutional investors or to analysts are also submitted to stock exchanges and also put on the website of the Company. The Company complies with all norms related to proper disclosure and dissemination of information and will keep adhering to same.

### 16. General Shareholder information:

#### a. Information about 24th Annual General Meeting:

**Date & Time:** 29th September 2022, Thursday at 11.00 A.M.

**Venue:** No. 43/5, Ground Floor, Hussain Mansion, Greams Road, Thousand Lights, Chennai – 600006.

**Note:** AGM is being held through video conferencing (VC) and hence participation in meeting can be only by way of VC and will be deemed to be held at Registered Office of Company.

#### b. Financial Year

The financial year of the Company commences with 1st April every year and ends with 31st March in the succeeding year.

## Financial Calendar (Tentative)

Results for the quarter ending:

|                    |   |                                  |
|--------------------|---|----------------------------------|
| June 30, 2022      | - | By second week of August, 2022   |
| September 30, 2022 | - | By second week of November, 2022 |
| December 31, 2022  | - | By second week of February, 2023 |
| March 31, 2023     | - | By Fourth week of May, 2023      |

The dates of each of the meeting would be in compliance to SEBI (LODR) Regulations, 2015.

### c. Date of Book Closure

The Register of Members and Share Transfer Books shall be closed for a period of 7 days starting from Friday, 23rd September 2022 to Thursday, 29th September 2022 (Inclusive of both days).

### d. Dividend payment date

Dividend, if declared by the members shall be paid on or before thirty days from AGM, i.e. from 29th September 2022.

### e. Listing on Stock Exchanges

The Equity shares of the Company are listed on the National Stock Exchange of India Limited (NSE).

### f. Stock Exchange Security Code and other related information

|  |                       |
|--|-----------------------|
| National Stock Exchange of India Limited | APOLSINHOT            |
| Depository ISIN Number                   | INE451F01024          |
| Corporate Identification Number (CIN)    | L72300TN1998PLC041360 |

### g. Payment of Listing and Depository Fees

The Company has paid the annual listing fees for the year 2021-22 to NSE. The Company has also paid custodial fees for the year 2021-22 to National Securities Depository Limited and Central Depository Services (India) Limited.

### h. Market Price Data:

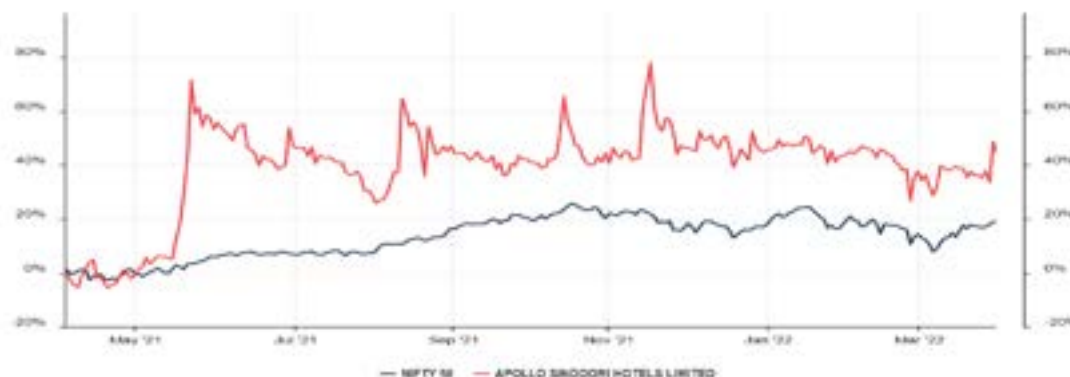
High/Low (Rs.) during each month of 2021-22 at NSE

| Month- Year | High   | Low    |
|-------------|--------|--------|
| Apr-21      | 678    | 525.25 |
| May-21      | 990    | 556    |
| Jun-21      | 948    | 775.5  |
| Jul-21      | 867    | 725.6  |
| Aug-21      | 1008.7 | 706.4  |
| Sep-21      | 896.75 | 761.35 |
| Oct-21      | 995    | 772.6  |
| Nov-21      | 1069.7 | 757    |

|        |        |        |
|--------|--------|--------|
| Dec-21 | 899    | 776.25 |
| Jan-22 | 876.25 | 753.1  |
| Feb-22 | 844.90 | 706    |
| Mar-22 | 850.00 | 712.25 |

### i. Share Performance in Comparison to Indices

The following charts compare Company share prices with the NSE Nifty:



### j. Registrars and Share Transfer Agents

M/s Cameo Corporate Services Limited,  
 “Subramanian Building”  
 No. 1, Club House Road,  
 Chennai 600 002, Tamil Nadu  
 Phone: 044 - 28460390 to 395  
 Email: [investor@cameoindia.com](mailto:investor@cameoindia.com)

### k. Share Transfer Process:

The Company’s shares are traded on the stock exchange only in electronic mode. In view of applicability of SEBI notification dated 08th June, 2018, all requests for transfer of securities shall take place only in dematerialized form w.e.f 01st April, 2019. Out of total capital only 96,272 shares representing 3.70% are held in physical form as on 31st March 2022. The share transfers earlier in physical form were registered and share certificates were issued within the period of 15 days of receipt if documents were in order. However, now the same is not done and company has to comply with the conditions / restrictions on transfer of physical shares as imposed under Companies Act, 2013 and SEBI.

### l. Reconciliation of Share Capital Audit:

Share Capital Audit to reconcile the admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total issued and listed capital is done at intervals as provided by SEBI. The Share Capital Audit Report confirms that the total issued / paid-up capital is intact with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. All the shares of the Company is listed and admitted with depository and no difference exists between issued and listed capital.

**m. Shareholding Pattern as on 31<sup>st</sup> March 2022:**

| Category                                      | No. of shares held | Percentage of holding |
|---|--------------------|-----------------------|
| <b>Promoter and Promoter Group</b>            |                    |                       |
| <b>A. Individuals/HUF</b>                     |                    |                       |
| Prathap C Reddy                               | 3,67,260           | 14.12                 |
| Sucharitha Reddy                              | 3,44,260           | 13.24                 |
| Sangita Reddy                                 | 3,03,696           | 11.68                 |
| Shobana Kamineni                              | 1,58,172           | 6.08                  |
| Suneeta Reddy                                 | 99,870             | 3.84                  |
| Preetha Reddy                                 | 48,864             | 1.88                  |
| Sindoori Reddy                                | 7,000              | 0.27                  |
|   |                    |                       |
| <b>B. Central Government/State Government</b> | -                  | -                     |
| <b>C. Financial Institutions/Bank</b>         | -                  | -                     |
| <b>D. Any Other</b>                           |                    |                       |
| <b>Body Corporate</b>                         |                    |                       |
| PCR Investments Limited                       | 2,84,000           | 10.92                 |
| <b>Directors and their relatives</b>          |                    |                       |
| Vijay Kumar Reddy                             | 51,170             | 1.97                  |
| Karthik Anand                                 | 10,400             | 0.40                  |
| Upasana Konidela                              | 6,000              | 0.23                  |
| Dwaraknath Reddy                              | 1,170              | 0.04                  |
| Anil Kamineni                                 | 20                 | 0                     |
|   |                    |                       |
| <b>Sub Total (A)</b>                          | <b>16,81,882</b>   | <b>64.68</b>          |
|   |                    |                       |
| <b>Public Shareholders</b>                    |                    |                       |
| FPI   | 1,600              | 0.06                  |
| Banks   | -                  | -                     |
| Mutual Funds                                  | -                  | -                     |
| Resident Individuals                          | 5,66,721           | 21.80                 |
| Corporate Bodies                              | 1,33,218           | 5.12                  |
| Clearing Members                              | 3,175              | 0.12                  |
| HUF   | 8,403              | 0.32                  |

|                      |                  |               |
|----------------------|------------------|---------------|
| IEPF                 | 1,77,080         | 6.81          |
| Non-Resident Indians | 28,321           | 1.09          |
|                      |                  |               |
| <b>Sub Total (B)</b> | <b>9,18,518</b>  | <b>35.32</b>  |
|                      |                  |               |
| <b>Total (A+B)</b>   | <b>26,00,400</b> | <b>100.00</b> |

**n. Distribution of Holdings as on 31st March 2022:**

| Share holding     | Share holders |               | Share Amount    |               |
|-------------------|---------------|---------------|-----------------|---------------|
|                   | No of shares  | Number        | % of total      | Rs.           |
| 5-5000            | 2894          | 96.47         | 1197545         | 9.21          |
| 5001-10000        | 51            | 1.70          | 394400          | 3.03          |
| 10001-20000       | 23            | 0.77          | 359040          | 2.76          |
| 20001-30000       | 4             | 0.13          | 111985          | 0.86          |
| 30001-40000       | 7             | 0.23          | 252040          | 1.94          |
| 40001-50000       | 3             | 0.10          | 142735          | 1.10          |
| 50001-100000      | 3             | 0.10          | 215260          | 1.66          |
| 100001- And above | 15            | 0.50          | 10328995        | 79.44         |
| <b>Total</b>      | <b>3000</b>   | <b>100.00</b> | <b>13002000</b> | <b>100.00</b> |

**o. Dematerialization of shares and liquidity:**

Dematerialization status of equity shares as on 31st March 2022:

| Particulars                                 | No. of Shares    | % to Share capital |
|---|------------------|--------------------|
| Central Depository Services (India) Limited | 2,16,665         | 8.33               |
| National Securities Depository Limited      | 22,87,463        | 87.97              |
| Physical                                    | 96,272           | 3.70               |
| <b>Total</b>                                | <b>26,00,400</b> | <b>100.00</b>      |

Out of total capital only 96,272 shares representing 3.70% are held in physical form as on 31st March 2022 and balance 96.3% are held in dematerialized mode. Further, since the shares of the Company are traded only in dematerialized form and the shares are frequently traded, the shares of the Company are highly liquid.

**p.** There are no Outstanding GDRs/ADRs/Warrants or any Convertible instruments as on 31st March 2022.

**q.** There are no commodity price risk or foreign exchange risk and hedging activities associated with the Company.

**r.** Plant Location: The Company carries out its activities at various sites and has restaurants at Chennai and one hotel in Bangalore. Details of the business is available at the website of the Company.



s. Credit Rating: The Company has not obtained any rating during financial year 2021-22.

t. Website: Company maintains a functional website containing the all the required information as required to be maintained at <http://www.apollosindoori.com>

#### u. Address for Investor Correspondence:

Apollo Sindoori Hotels Limited,  
Secretarial Department,  
Registered Office: No. 43/5,  
Hussain Mansion, Greams Road,  
Thousand Lights, Chennai- 600006,  
Tamil Nadu  
Phone: +91 44 49045000; +91 44 49045016; +91 44 49045005  
Fax: N.A.  
Email: [secretary@apollosindoori.com](mailto:secretary@apollosindoori.com)

### 17. Disclosures

#### a. Related Party Transactions

None of the transactions with any of the related parties viz., Promoters, Directors or the Senior Management, their Subsidiaries or relatives were in conflict with the interest of the Company. Suitable disclosures as required by the Accounting Standard (AS 18) relating to “Related Party Transactions” have been made separately in the Annual Report.

All related party transactions are at arm’s length and on ordinary course of business and does not have any potential conflict with the interest of Company and are based on consideration of business necessity.

#### b. Details of Non Compliances

During the last three years, no penalties or strictures have been imposed on the company by Stock Exchanges, SEBI or any statutory authority for non-compliance on any matter relating to the capital markets.

During the FY 2021-22, following non-compliances have been informed to the Company by NSE as below:

- i. As per Regulation 29(2) of SEBI LODR, Regulations 2015- The listed entity shall give 2 working days (excluding date of intimation and date of meeting) prior intimation to stock exchange about the meeting of the board of directors in which dividend is declared or recommended. Date of Board meeting in which dividend was declared was 29/06/2021; however the intimation date was 26/06/2021 (only 1 working day gap). NSE levied a penalty of Rs. 10,000 for non-compliance of Regulation 29(2)/(3) for the quarter ended 30th June 2021. The Company paid the penalty of Rs. 11,800/- (including GST) to NSE.

#### c. Whistle Blower Policy

The Company had adopted the Whistle Blower Policy. Employees can report to the Management concerned about unethical behavior, act or suspected fraud or violation of the Company’s Code of Conduct policy. No personnel have been denied access to the Audit Committee. A copy of the Whistle Blower Policy is also hosted on the website of the Company.

#### d. Mandatory and Non-Mandatory Compliances

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The Company continues to follow the principles of good corporate governance and the Board of Directors lays strong emphasis on transparency, accountability and integrity. Your Company has complied with all the mandatory requirements laid down by SEBI (LODR) Regulation, 2015. The non-mandatory requirements compliance have been disclosed at the relevant places.

#### **e. Policy on Material Subsidiaries**

In terms of SEBI (LODR) Regulation, 2015, the Board of Directors have adopted a policy with regard to the determination of material subsidiaries and this policy has also been hosted on the Company's website at weblink: <http://www.apollosindoori.com/pdf/Policy%20for%20determining%20%E2%80%98material%E2%80%99%20subsidiaries.pdf>

#### **f. Policy on Related Party Transactions**

In terms of SEBI (LODR) Regulation, 2015, the Board of Directors of the Company have adopted a policy on related party transactions and also hosted the same on the website at weblink: <http://www.apollosindoori.com/pdf/Policy%20on%20dealing%20with%20related%20party%20transactions.pdf>

#### **g. Commodity price risks and commodity hedging activities**

Company has its process to safeguard itself from increase in prices of the essential commodity required by it. However, the Company has no commodity price risks and has not done any commodity hedging activities.

#### **h. Utilization of funds raised**

Company has not raised any money during the financial year 2021-22.

#### **i. Dis-qualification of director**

A certificate from Gouri Shanker Mishra, Partner, BGSMISHRA & Associates, Company Secretaries dated 08th August 2022 that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is attached at the end of this report.

#### **j. Recommendation of Committee**

The board has accepted recommendations of Committee, wherever required and no specific event has arose during the financial year, where the Board has not accepted their recommendations.

#### **k. Fee paid to Statutory Auditor**

Company has paid an amount of Rs. 9,94,000/- comprising of GST Audit fees of Rs. 2,00,000/-; Tax Audit fee of Rs. 1,00,000/-, Limited Review of Rs. 1,00,000/- and Statutory Audit fee of Rs. 5,94,000/- plus applicable taxes & re-imbursement of out of pocket expenses for the FY 2021-22. (This is the total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part)

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

The Company has not received any complaints pertaining to sexual harassment during the year and none of the complaint were pending at the beginning of the financial year.

#### **m. Disclosure by listed entity and its subsidiaries of 'Loans and advances' in the nature of loans to firms/ companies in which directors are interested by name and amount: NIL**

### **18. Secretarial Audit and Annual Secretarial Compliance Report**

The Company is in compliance to Section 204 of the Companies Act, 2013 and Regulation 24A of SEBI (LODR) Regulation, 2015. The Company has appointed Mr. Gouri Shanker Mishra, Partner, BGSMISHRA & Associates, Company Secretaries LLP as Secretarial Auditor who has conducted Secretarial Audit for the financial year ended on 31st March 2022 and provided his report dated 08th August 2022 which forms part of Board Report.

Further, Company has also obtained Annual Secretarial Compliance Report for the financial year ended on 31st March 2022 from Mr. A Mohan Kumar, Partner, Mohan Kumar & Associates dated 19th May, 2022. The report as provided has been submitted to the Stock Exchange within the due date.

## 19. Non-compliance of any requirement of corporate governance

The Company is in compliance to all mandatory requirements in relation to the Corporate Governance Norms and the same has been stated at relevant places as required as per SEBI (LODR) Regulations, 2015 and there are no instances of non-compliance in relation to same other than specified above.

## 20. Compliance to discretionary requirement of corporate governance

The Company has complied with all the mandatory requirements in relation to the Corporate Governance and is also compliant to most of the discretionary requirements and has also discussed about possible implementation of remaining discretionary requirement.

The details of implementation of discretionary requirements are provided below:

- a. Chairman of the Board is Non-executive Independent Director. Company has provided for the office. Further, Company is also okay with reimbursement of expenses for maintenance of an office by him.
- b. Company ensures proper disclosure and dissemination of information. The quarterly financial results is provided to stock exchanges for dissemination to shareholders. However, Company does not circulate any half-yearly declaration of financial performance or summary of the significant events of six-months to shareholders.
- c. The company's audit report is without any qualification. All the financial statement for the financial year were with unmodified audit opinion during the year.
- d. Your Company has separate posts of Chairperson, the Managing Director and Chief Executive Officer. The Chairman of the Board is a non-executive Independent Director and is not related to the Managing Director or the Chief Executive Officer as per the definition of the term "relative" defined under the Companies Act, 2013.
- e. Internal auditor reports are directly placed to the Audit Committee and the Committee reviews the reports and discuss with the internal auditor.

## 21. Disclosures of the compliance with corporate governance requirements

The Company has made all required disclosures in relation to the compliance with corporate governance requirements specified in regulations 17 to 27 and clause (b) to clause (i) of sub-regulation (2) of regulation 46.

## 22. Details of Unclaimed and Unpaid dividend:

As at 31<sup>st</sup> March 2022, dividend amounting to Rs. 27,41,839.25/- has not been claimed by shareholders. The Company has been intimating the shareholders to lodge their claim for dividend from time to time.

As per the provisions of Section 124 of the Companies Act, 2013, dividends remaining unclaimed for a period of seven years from the date of transfer to the unpaid dividend account are credited to the IEPF. The Company provides all information of unpaid dividend and dividend/ shares transferred to IEPF on its website.

The following statements showing the details of unclaimed dividend:

| S. No. | Financial Year    | Amount Due | Proposed date of transfer to IEPF |
|--------|-------------------|------------|-----------------------------------|
| 1.     | 2014-15           | 9,86,511   | 18.09.2022                        |
| 2.     | 2016-17 (Interim) | 1,36,172   | 05.11.2023                        |
| 3.     | 2016-17           | 3,23,690   | 27.08.2024                        |

|    |         |             |            |
|----|---------|-------------|------------|
| 4. | 2017-18 | 3,81,525    | 06.09.2025 |
| 5. | 2018-19 | 4,63,884    | 31.08.2026 |
| 6. | 2019-20 | 2,80,264    | 24.10.2027 |
| 7. | 2020-21 | 1,69,793.25 | 04.11.2028 |

### 23. Disclosure of the Demat Suspense Account

Company has 29020 shares in the Demat Suspense/Unclaimed Suspense Account in the name of Apollo Sindoori Hotels Ltd.-Unclaimed Suspense Account. Details mentioned in **Annexure F**.

### 24. Code of Conduct

The Board has laid down a Code of Conduct covering the ethical requirements to be complied with covering all the Board Members and Senior Management Personnel of the Company. An affirmation of compliance with the code is received from them on an annual basis. The Code is also hosted on the website of the Company.

A declaration about compliance with Code of Conduct and Ethics for the Board of Directors and Senior Management is provided at the end of this report.

### 25. CEO/CFO Certification

The Whole-time Director & Chief Executive Officer and Chief Financial Officer have issued certificate pursuant to Regulation 17(8) of SEBI (LODR) Regulation, 2015 certifying that the financial statements as on 31st March, 2022 do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs.

A CEO and CFO Certificate as per Regulation 17(8) of SEBI (LODR) Regulations, 2015, is attached at the end of this report.

### 26. Certificate on Compliance of Corporate Governance

Pursuant to Regulation 15(2) of SEBI (LODR) Regulation, 2015, a certificate from Mr. Gouri Shanker Mishra, Partner, BGS MISHRA & Associates, Company Secretaries LLP dated 08th August 2022 certifying the compliance by the Company with the provisions of the Corporate Governance is annexed with this report.

**For and on behalf of the Board of Directors**

**Sd/-**

**G.Venkatraman**  
Chairman  
DIN 00010063

Place : Chennai  
Date : 12<sup>th</sup> August 2022

### Declaration

As provided under SEBI (LODR) Regulation, 2015, the members of Board of Directors and the Senior Management Personnel have affirmed compliance with Companies Code of Conduct and Ethics for the Board of Directors and senior management for the year ended 31<sup>st</sup> March 2022.

Place : Chennai  
Date : 12<sup>th</sup> August 2022

**Mr. Chithambaranathan Natarajan**  
Whole-time Director & Chief Executive Officer  
DIN: 06392905

## CEO and CFO Certificate

The Board of Directors  
Apollo Sindoori Hotels Limited

Dear Directors,

We, Chithambaranathan Natarajan, Whole-time Director and Chief Executive Officer and M SP Meyyappan, Chief Financial Officer of Company certify that:

- a) we have reviewed financial statements and the cash flow statement for the Financial Year ended 31st 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) There are, to the best of our knowledge and belief no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we 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 that there are no:
  - i) significant changes in internal control over financial reporting during the year;
  - ii) significant changes in accounting policies during the year and that 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 the involvement therein, if any, of the management or an employee having significant role in the company's internal control system over financial reporting.

**Mr. C.Natarajan**  
WTD & CEO  
DIN: 06392905

**Mr. M.SP. Meyyappan**  
CFO

Place : Chennai  
Date : 28<sup>th</sup> May 2022

## Certificate on Compliance with the conditions of Corporate Governance

To,  
The Members  
Apollo Sindoori Hotels Limited  
No. 43/5, Hussain Mansion,  
Greams Road, Thousand Lights,  
Chennai- 600006, Tamil Nadu

We have examined the compliance of conditions of Corporate Governance by Apollo Sindoori Hotels Limited ("the Company") for the year ended 31st March 2022 as per Regulation 15 (2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) as stipulated in Regulation 34(3) read with Schedule V of Listing Regulations.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementations thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as per relevant provisions of the Listing Regulations for the period 1st April 2021 to 31st March 2022.

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 BGS MISHRA & Associates, Company Secretaries LLP**

Sd/-

Gouri Shanker Mishra, Designated Partner

M. No: F 6906; C P No. 13581

Peer Review: 1545/2021

UDIN: F006906D000760065

Place: Chennai

Date: 08<sup>th</sup> August 2022

## 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  
Apollo Sindoori Hotels Limited  
No. 43/5, Hussain Mansion,  
Greems Road, Thousand Lights,  
Chennai- 600006, Tamil Nadu

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Apollo Sindoori Hotels Limited (“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 our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st 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 as on date of this report:

| Sr. No. | Name of Director                | DIN      | Date of Appointment in Company |
|---------|---------------------------------|----------|--------------------------------|
| 1       | Mrs. Suneeta Reddy              | 00001873 | 13/11/1998                     |
| 2.      | Mrs. Sucharitha Reddy           | 00003841 | 20/07/2000                     |
| 3.      | Mr. Suresh Raj Madhok           | 00220582 | 20/07/2000                     |
| 4.      | Mr. Pottipati Vijayakumar Reddy | 01097295 | 21/08/2000                     |
| 5.      | Mr. Ganesan Venkatraman         | 00010063 | 30/12/2005                     |
| 6.      | Ms. Sindoori Reddy              | 00278040 | 24/07/2006                     |
| 7.      | Mr. Puthen Veetil George Eapen  | 00658389 | 12/04/2010                     |
| 8.      | Mr. Chithambaranathan Natarajan | 06392905 | 30/05/2019                     |

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

**For BGS MISHRA & Associates, Company Secretaries LLP**

Sd/-

Gouri Shanker Mishra, Designated Partner

M. No: F 6906; C P No. 13581

Peer Review: 1545/2021

UDIN: F006906D000760111

Place: Chennai

Date: 08<sup>th</sup> August 2022

## ANNEXURE- H

### MANAGEMENT DISCUSSION & ANALYSIS REPORT

#### **CAUTIONARY STATEMENT**

The statements in the “Management Discussion and Analysis Report” describe the Company’s objectives, projections, expectations, estimates or forecasts which may be “forward-looking statements” within the meaning of the applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied therein due to risks and uncertainties.

Important factors that could influence the Company’s operations, inter alia, include global and domestic demand and supply conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic, political developments within the country and other factors such as litigations and industrial relations.

#### **COVID-19 UPDATE**

COVID-19 has drastically changed the world, and many believe that some of those changes may last even after the pandemic is over. This reality and future expectations certainly apply to the food service industry as well.

The food services industry, which encompasses any establishment, including a vast number of micro and small eateries, serving food to customers outside their homes, was on course to post-Covid recovery faster than one would have likely imagined. This sector, which took a massive hit in financial year (FY) 2020-21 due to the lockdown restrictions and Covid-appropriate consumer behavior, had taken an end in the current FY 2021-22, not only with the size more than double from last FY but also surpassing FY 2020-21 levels.

Clinical nutrition and food & beverage services, the sector in which your Company operates, was classified under essential goods and services and operations were allowed even during the 2nd wave of Covid-19 in FY 2021-22.

At your Company, the management and the employees worked with effective co-ordination and agility to adjust to the changing and the evolving situation. The Company also efficiently leveraged technology for seamless interactions and conducted business through virtual meetings with multiple stakeholders including distributors, vendors, dealers.

#### **OPERATING ENVIRONMENT**

##### **Growth**

India’s economic growth slowed in the January-March period of 2021-22 to 4.1 per cent, a four-quarter low, reflecting in part the impact of the Omicron wave of the Covid-19 pandemic on the manufacturing sector and contact-intensive services. For the full financial year of 2021-22, the National Statistical Office marginally pruned its year-on-year gross domestic product (GDP) growth forecast to 8.7 per cent, down from 8.9 per cent estimated in February. The economy had witnessed a 6.6 per cent contraction in 2020-21.

The fourth quarter GDP growth was lower than the 5.4 per cent growth seen in October-December quarter, but more than the 2.5 per cent growth rate in January-March 2021.

The GDP print for FY22 is significant as it shows growth in the recovery year after the onset of the Covid-19 pandemic in 2020. The latest GDP growth estimate is lower than the second advance estimate of 8.9 per cent (released on February 28) and first advance estimate of 9.2 per cent (released in January). For 2022-23, the Reserve Bank of India (RBI) has projected India’s GDP growth rate to be 7.2 per cent.

Chief Economic Adviser V Anantha Nageswaran said that the growth momentum of the economy “is intact”, although challenges remain from the continuing Russia-Ukraine war and tightening of monetary policies by developed countries. He said out of the 7 per cent retail inflation rate, about 2 per cent is coming from imported price pressures. With crude oil prices rising, inflationary pressures will remain elevated but the risk of stagflation “is quite low” for India compared to the rest of the world.



Gross Value Added — GDP minus net product taxes — grew at 8.1 per cent for FY22 as against a contraction of 4.8 per cent a year ago. The GDP in nominal terms, which factors in inflation, is seen growing 19.5 per cent as against a contraction of 1.4 per cent last year.

## Economic scenario

With an improvement in the economic scenario, there have been investments across various sectors of the economy. The private equity - venture capital (PE-VC) sector recorded investments worth US\$ 5.8 billion across 117 deals in February 2022, 24% higher than in January 2022. Some of the important recent developments in the Indian economy are as follows:

- The gross Goods and Services Tax (GST) revenue collection hit an all-time high of Rs. 1.68 trillion (US\$ 21.73 billion) in April 2022. This is a 20% increase over the previous year.
- Consumer Food Price Index (CFPI) – Combined inflation was 2.9% in 2021-22 (April-December) against 9.1% in the corresponding period last year.
- Consumer Price Index (CPI) – Combined inflation was 5.20% in 2021-2022 (April-December) against 6.6% in 2020-21
- Foreign portfolio investors (FPIs) invested Rs.50,009 crore (US\$ 6.68 billion) in the Calendar year 2021.
- The wheat procurement in Rabi 2021-22 and the anticipated paddy purchase in Kharif 2021-22 would include 1208 lakh (120.8 million) metric tonnes of wheat and paddy from 163 lakh (16.7 million) farmers, as well as a direct payment of MSP value of Rs. 2.37 lakh crore (US\$ 31.74 billion) to their accounts.

## Market size

- India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY22.
- According to data from the Department of Economic Affairs, as of January 28, 2022, foreign exchange reserves in India reached the US\$ 634.287 billion mark.

## Inflation

Inflation has reappeared as a global issue in both advanced and emerging economies. The surge in energy prices, non-food commodities, input prices, disruption of global supply chains, and rising freight costs stoked global inflation during the year.

In India, Consumer Price Index (CPI) inflation moderated to 5.2 per cent in 2021-22 (April-December) from 6.6 per cent in the corresponding period of 2020-21. It was 5.6 per cent (YoY) in December 2021, which is within the targeted tolerance band. The decline in retail inflation in 2021-22 was led by easing of food inflation. Wholesale Price Inflation (WPI), however, has been running in double-digits. The inflation in 'fuel and power' group of WPI was above 20 per cent reflecting higher international petroleum prices. Although the high WPI inflation is partly due to base effects that will even out, India does need to be wary of imported inflation, especially from elevated global energy prices.

India's food inflation is likely to top 9 per cent in the second half of 2022 on the back of higher feedstock costs and uptick in minimum support prices according to a Nomura report. The food inflation will average over 8 per cent year-on-year in 2022 from 3.7% in 2021, the report stated.

“Retail food inflation has been higher than non-food and the difference may be partly attributed to the onset of summer heat waves as retail vegetable inflation, with a weight of 6 per cent in CPI basket, increased to 18.26 per cent in May 2022,” the finance ministry report added.

Not just vegetables, even high edible oil prices have led to a higher food inflation. India imports nearly 60% of its edible oil and with supply disruptions continuing due to the Russia-Ukraine war, the prices have surged.

During 2021-22 (April to December 2021), the contribution of 'food and beverages' declined from 59 per cent to 31.9 per cent, states the Economic Survey. While the outbreak of Covid-19 caused the prices to rise during April 2021, certain factors led to a fall in prices after the second wave of Covid-19 was over.

## Interest rates

India Short Term Interest Rate: Month End: India: MIBOR: 3 Months was reported at 5.18 % pa in Jun 2022, compared with 4.75 % pa in the previous month. India Short Term Interest Rate data is updated monthly, available from Dec 1998 to Jun 2022.

In the latest reports, India Government Securities Yield: 10 Years was reported at 7.18 % pa in Apr 2022. The cash rate (Policy Rate: Month End: Repo Rate) was set at 4.90 % pa in Jun 2022. India Exchange Rate against USD averaged 78.09 (INR/USD) in Jun 2022.

## Financial markets

The financial system is always a possible area of stress during turbulent times. However, India's capital markets, have done exceptionally well and have allowed record mobilization of risk capital for Indian companies. The Sensex and Nifty scaled up to touch its peak at 61,766 and 18,477 on October 18, 2021. Among major emerging market economies, Indian Markets outperformed its peers in April-December 2021. The year 2021-22 so far has been an exceptional year for the primary markets with a boom in fundraising through IPOs by many new age companies/tech start-ups/unicorns. More significantly, the banking system is well capitalized and the overhang of NPAs seems to have structurally declined even allowing for some lagged impact of the pandemic.

## Industry structure and development

The hospitality and catering industry in India has been scoring a moderate growth number from the past few years and has great potential to score an even greater number in the future. The food catering industry in India is a vast and growing business. It is becoming an increasingly preferable choice in events, family functions, corporate offices, and residential complexes. The demand for healthy home-cooked food is one of the primary reasons this industry is thriving.

According to the Federation of Indian Chambers of Commerce & Industry (FICCI), the Indian Food Service industry is expected to cross Rs. 5,52,000 crore by the end of 2022. With a steady annual growth rate of 10%, the catering industry will become one of the most profitable food industries in the country.

Additionally, internet penetration, AI, and an increase in smartphone usage have significantly improved the accessibility of catering services. It has brought down the costs and driven up value. Another major impact has been on delivery time. Faster and wider scope of delivery has made it easier to order food from anywhere in the country.

With rapid urbanization, food catering services have become a necessity among densely populated neighbourhoods. Apartment and office complexes are two of the most dominant markets for the catering industry.

Additionally, the Indian hospitality and tourism sector witnessed a rapid and strong recovery post the third wave in January 2022, driven by growth in demand for leisure, wedding, and business travel. As a result, Revenue Per Available Room (RevPAR) witnessed a growth of 39.1 % year-on-year (YoY) in Q1, 2022 (Jan-March). However, the sector witnessed a 15.9% negative growth at a pan-India level in RevPAR in Q1 2022 compared to Q4 2021, due to the third wave of the pandemic, according to JLL's Hotel Momentum India (HMI) Q1, 2022.

## Government initiatives

- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 lakh crore (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity

linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of AtmaNirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 lakh crore (US\$ 401.49 billion) in the next five years.

- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- In May 2021, the Government of India allocated Rs. 2,250 crore (US\$ 306.80 million) for the development of the horticulture sector in 2021-22.
- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system and help fuel liquidity and boost the Indian economy.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In June 2021, RBI Governor Mr. Shaktikanta Das announced the policy repo rate unchanged at 4%. He also announced various measures, including Rs. 15,000 crores (US\$ 2.05 billion) liquidity support to contact-intensive sectors such as tourism and hospitality.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is going to increase public health spending to 2.5% of the GDP by 2025.

## Road Ahead

- Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution Mr. Piyush Goyal, on January 21, 2022 said that Indian industry to raise 75 unicorns in the 75 weeks leading up to the country's 75th anniversary next year.
- Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal said that India will achieve exports worth US\$ 1 trillion by 2030.
- As per the data published in a Department of Economic Affairs report, in the first quarter of FY22, India's output recorded a 20.1% YoY growth, recovering >90% of the pre-pandemic output in the first quarter of FY20. India's real gross value added (GVA) also recorded an 18.8% YoY increase in the first quarter of FY22, posting a recovery of >92% of its corresponding pre-pandemic level (in the first quarter of FY20). Also, in FY21, India recorded a current account surplus of 0.9% of the GDP. The growth in the economic recovery is due to the government's continued efforts to accelerate vaccination coverage among citizens. This also provided an optimistic outlook to further revive industrial activities.
- As per RBI's revised estimates for July 2021, the real GDP growth of the country is estimated at 21.4% for the first quarter of FY22. The increase in the tax collection, along with the government's budget support to states, strengthened the overall growth of the Indian economy.

*The core business of your company is the catering, management service, hospitality and restaurants. As set out in Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, Company provides the following details relating to Management Discussion and Analysis:*

## 1. Segment-wise or product-wise performance

We not only showed improvement in the financial frontier but also on company's share performance in the market.

## 2. Discussion on financial performance with respect to operational performance

The segment and product wise performance is as below: 31<sup>st</sup> March, 2022

| S. No. | Particulars                    | As at 31 <sup>st</sup> March, 2022 | As at 31 <sup>st</sup> March, 2021 |
|--------|--------------------------------|------------------------------------|------------------------------------|
|        | Catering & Management Services |                                    |                                    |
| 1.     | Sale of Food & beverages       | 13386.14                           | 10628.24                           |
| 2.     | Management Service Charges     | 6428.13                            | 5408.11                            |
| 3.     | Room Revenue                   | 124.92                             | 91.49                              |
|        | <b>Total</b>                   | <b>19939.19</b>                    | <b>16127.84</b>                    |

Your directors feel that the financial performance of the Company has improved in the FY 2021-22 compared to last year and the Company has restored itself to pre covid level position.

## 3. Business development

The major development during the year was as under:-

- Since Indian healthcare companies are entering into merger and acquisitions with domestic and foreign companies, we will drive growth and gain new markets
- Implementation of innovation in the marketing efforts of the company. This was instrumental in delivering the sales growth during the year
- Huge improvement initiative with respect to IT Dept.
- Consolidating the sales and distribution operations in the existing geographies

The major work plan for the current year is as under:-

- To expand the footprint in all the geographies
- Exploring new opportunity
- To further invest in the organizational capacity and capability of the business in Non Apollo Business

## 4. Opportunities & threats

Company perceives following as opportunities and threats:

- Major players in the market prefers to outsource F&B services to industrial caterers
- Few players in the market has the niche of providing customized menu for patients and hospitals
- Expansion or growth in hospital or health care sectors provides us an opportunity to expand business
- Regulated work and regulatory environment

## 5. Risks and concern

As organized retail needs to comply with various regulations including FSSAI, APMC and other local regulations, this leads to unfair competition with unorganized retail as the cost of compliance adds additional burden to the low margins. An efficient food supply chain is critical for organized food retail as food products need to be made available fresh and at good quality.

Currently, this is turning out to be expensive due to lack of adequate cold storage/chillers and cost of power.

## 6. Outlook

The continued efforts to develop the business should stand it in good stead. However, the inflation prevailing within the country and continuous increase in raw materials costs have a significant role to play in the actual performance.

## 7. Internal controls and their adequacy

The company has proper and adequate internal control system to ensure that all that all the assets are safeguarded and that all transactions are authorized, recorded and reported correctly. Regular internal audits and check are carried out to ensure that the responsibilities are executed systems and procedures to ensure the efficient conduct of business the Audit Committee of the Board oversees the internal controls within the organization. Further, as per Statutory Auditor also the internal control commensurate with the size and complexity of the operation of the Company.

## 8. Material developments in Human Resources / Industrial Relations front, including number of people employed.

Our employees form the backbone of our organization. Your company takes pride in the commitment, competence and dedication shown by its employees in all areas of operation. Industrial relations have remained harmonious throughout the year. Your company endeavors to follow best HR practices across all areas. These cover recruitment, induction, development and training and appraisal systems which are tied in with defined key result areas. There are 4193 employees which includes the permanent staff, FTC's Contracted/outsourced staff/Deputed staff as on March 31, 2022

## 9. Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefore, including:

| Ratio Analysis            |   | FY 21-22    | FY 20-21    |
|---------------------------|---|-------------|-------------|
| Debtors Turnover Ratio    | Turnover/Avg A/c's receivable                           | 5.69 times  | 4.65 times  |
| Inventory Turnover Ratio  | Cost of goods sold/Avg Inventory                        | 88.44 times | 92.38 times |
| Interest Coverage Ratio   | EBIT/Interest   | 12.72 times | 7.69 times  |
| Current Ratio             | Current Assets/Current Liabilities                      | 2.60 times  | 2.55 times  |
| Debt Equity Ratio         | Total Liability/Shareholders Equity+ Reserves & Surplus | 0.48 times  | 0.57 times  |
| Operating profit Margin % | EBIT / Net Sales  | 6.96%       | 5.62%       |
| Net Profit Margin %       | Net Profit/Total revenue                                | 5.14%       | 4.06%       |

(EBIT- Earnings before Interest & Taxes)

Your Company's financial performance has improved in the FY 2021-22 compared to last year's. The revenue from operations has increased from 161.27 crores in FY 2020-21 to 199.39 crores in FY 2021-22. There has been an increase of 23.6% in the revenue as compared to last year, because of which there has been a change in most of the ratios.

## 10. Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof:

| Return on net worth          |                         | FY 21-22 | FY 20-21 |
|------------------------------|-------------------------|----------|----------|
| Return on Capital Employed % | EBITDA/Capital employed | 28.38%   | 24.44%   |

(EBITDA- Earnings before Interest, Taxes, Depreciation and amortization)

Your Company's financial performance has improved in the FY 2021-22 compared to last year's. The revenue from operations has increased from 161.27 crores in FY 2020-21 to 199.39 crores in FY 2021-22. There has been an

increase of 23.6% in the revenue as compared to last year, because of which there has been a change in return on net worth.

**11. Disclosure of Accounting Treatment :**

In preparation of financial statements, the Company has followed the required Accounting Standards and has not deviated from treatment as prescribed under Accounting Standards.

## Report on the audit of the standalone financial statements

### Opinion

We have audited the standalone financial statements of Apollo Sindoori Hotels Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2022 and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and Notes to the Standalone Financial Statements, including a summary of the Significant Accounting Policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, the Profit (including Other Comprehensive Income), the cash flows and the changes in Equity 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 Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics, as amended, issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics, as amended. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

| S. No. | Key Audit Matter  | Response to Key Audit Matter   |
|--------|---|--|
| 1      | <p><u>Cash sales</u><br/>About 20% of the food and beverage sale is by way of cash sale at the food counters at various locations.<br/>Hence, this is considered significant as there are chances of under-booking of sales, delayed deposit of cash or misappropriation of cash.</p> | <p><u>Our audit procedures included:</u></p> <ul style="list-style-type: none"><li>• Assessment of checks and balances available - concurrent audit system in place and periodical rotation of cashiers.</li><li>• Assessment of controls over billing – software used as against hand-held devices.</li><li>• Assessment of controls over banking of cash collections – Bank representative picks up the cash on a daily basis.</li><li>• Assessment of controls over periodical stock-take and the related procedures.</li></ul> |

## **Information other than the Standalone Financial Statements and Auditor's report thereon**

- The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance Report and Shareholders' Information, but does not include the Standalone Financial Statements and our auditor's report thereon.
- Our opinion on the Standalone 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 during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone 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 responsibilities for the audit of the Standalone Financial Statements**

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements, 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 Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors (i) in planning the scope of our audit and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone 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 the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 purposes of our audit of the Standalone Financial Statements.
  - 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 Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.

- d. In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,2014.
- e. On the basis of the written representations received from the Directors as on 31st March 2022 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March 2022 from being appointed as a Director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure-B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid 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 explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv.
    - a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the notes to accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement

- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, to the extent it applies to payment of dividend.

As stated in Note 14 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

**For P Chandrasekar LLP**  
**Chartered Accountants**  
**FRN: 000580S/S200066**

**S Viswanathan**  
**Partner**  
**M.No 207632**  
**UDIN : 22207632AJUGVN8452**

**Place : Chennai**  
**Date : 28th May 2022**

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Apollo Sindoori Hotels Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - a.
    - The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and relevant details of right-of-use assets.
    - The Company has maintained proper records showing full particulars of intangible assets
  - b. As explained to us and the records produced to us for our verification, property, plant & equipment, according to the practice of the Company, are physically verified by the management at reasonable interval, in a phased verification manner, in our opinion, is reasonable looking to the size of the Company and the nature of its assets and no material discrepancies were noticed on such verification.
  - c. The company does not have any immovable properties and hence reporting under clause (i)(c) is not applicable
  - d. The Company has not revalued any of its property, plant and equipment including Right of Use assets and intangible assets during the year.
  - e. There are no proceedings initiated during the year or are pending against the Company as at 31 March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - A. The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
  - B. The company has been sanctioned working capital limit of Rs 1,700 lakhs (Both Fund and Non-fund based) by banks. The quarterly returns or statements filed by the company with the Banks or financial institutions are in agreement with the books of account of the company/ the differences are not material.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year, the Company has made investments in shares, but has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

However, the company has stood guarantee and the balance outstanding as on balance sheet date is given below:-

| Description   | Provided during the year | Balance Outstanding as on 31-3-2022 |
|---|--------------------------|-------------------------------------|
| Corporate Guarantee to Bankers for subsidiary company | NIL                      | Rs. 800 Lakhs                       |

- a. The terms and conditions of the investments and guarantees provided are, in our opinion, prima facie, are not prejudicial to the Company's interest.
- b. The company has not given loans and advances in the nature of loans hence clause iii (c), (d), (e) and (f) are not applicable
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of investments made and guarantees provided the Company.
- v. The Company has not accepted any deposit or amount which are deemed to be deposits as per the directives issued by the RBI and the provisions of sections 73 to 76 or any other relevant provision of the Companies Act and the rules made there under. Hence, reporting under clause (v) of the Order is not applicable.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the company. Hence, reporting under clause (vi) of the Order is not applicable.
- vii. In respect of statutory dues:
  - a. Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable

- b. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable

| Name of the Statute   | Nature of the dues | Amount (₹ lakh) | Forum where the dispute is pending | Period to which the dues belong to |
|-----------------------|--------------------|-----------------|------------------------------------|------------------------------------|
| Service Tax Act, 1994 | Service Tax        | 570.07          | Commissioner (Appeals)             | Apr 2013 to Jun 2017               |

- 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. The Company has not defaulted in repayment of interest or other borrowings or in the payment of interest thereon to any lender.
  - b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any authority.

- ix.
  - c. The Company has not taken any term loan during the year and the term loans were applied for the purpose for which the loans were obtained.
  - d. On an overall examination of the financial statements, the Company has not raised any funds on short-term basis, and hence, reporting under clause (ix)(d) of the Order is not applicable.
  - e. On an overall examination of the financial statements, the Company has taken any funds from any entity or person on account of or to meet the obligations of its subsidiary, associate or joint venture and hence, reporting under clause (ix)(e) of the Order is not applicable.
  - f. The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.
- x. The Company has not issued any of its securities (including debt instruments during the year and hence, reporting under clause (x) (a) of the Order is not applicable.

During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) and hence reporting under clause (x)(b) of the Order is not applicable to the Co.

- xi.
  - a. To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
  - b. To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
  - c. As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards
- xiv. The Company has an internal audit system commensurate with the size and nature of its business. We have considered the internal audit reports issued till date.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company, subsidiary company, associate company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi.
  - a. 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) and (c) of the Order is not applicable
  - b. The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi) (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. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, (Asset Liability Maturity (ALM) pattern) 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. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.
- xxi. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by other auditors for the company included in the Consolidated Financial Statements to which reporting under CARO is applicable, we report that except in case of Olive and Twist Hospitality Limited (wholly owned subsidiary) refer paragraph 3(xvii) of the Companies (Auditor's Report) Order, 2020 ("the Order") there are no qualifications or adverse remarks in these CARO reports.

**For P Chandrasekar LLP**  
**Chartered Accountants**  
**FRN: 000580S/S200066**

**S Viswanathan**  
**Partner**  
**M.No 207632**  
**UDIN : 22207632AJUGVN8452**

**Place : Chennai**  
**Date : 28th May 2022**

## **ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Apollo Sindoori Hotels Limited of even date)**

### **Report on the Internal Financial Controls with reference to financial statements under Section 143(3)(i) of the Companies Act,2013 (“ the Act”)**

We have audited the internal financial controls with reference to financial statements of Apollo Sindoori Hotels Limited (“the Company”) as of 31st March 2022 in conjunction with our audit of the Standalone 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 controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). 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 accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act,2013.

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements, 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 ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, 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 the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were in place and if such controls were operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to financial statements.

#### **Meaning of Internal Financial Controls with reference to Financial Statements**

A company’s internal financial controls with reference to financial statements are 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 controls with reference to financial statements includes those policies and procedures that



that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

- c. provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with reference to financial statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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, adequate internal financial controls with reference to the standalone financial statements and such internal financial controls were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For P Chandrasekar LLP**  
**Chartered Accountants**  
**FRN: 000580S/S200066**

**S Viswanathan**  
**Partner**  
**M.No 207632**  
**UDIN : 22207632AJUGVN8452**

**Place : Chennai**  
**Date : 28th May 2022**

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

(All Amounts are in Lakhs unless otherwise stated)

| Particulars |   | Note | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------------|---|------|----------------------|----------------------|
| (I)         | <b>Assets</b>   |      |                      |                      |
| (A)         | <b>Non- Current assets</b>  |      |                      |                      |
|             | 1) Property, Plant and Equipment  | 2    | 734.26               | 625.59               |
|             | 2) Right of use Asset   |      | 655.51               | 777.75               |
|             | 3) Intangible assets  | 2    | 0.93                 | 4.09                 |
|             | 4) Financial assets   |      |                      |                      |
|             | (i) Investments   | 3    | 854.53               | 104.53               |
|             | (ii) Loans  | 4    | 136.35               | 235.70               |
|             | 5) Deferred tax assets (Net)  | 5    | 314.80               | 336.20               |
|             | 6) Other non-current assets   | 6    | 274.02               | 234.18               |
|             |   |      | <b>2,970.40</b>      | <b>2,318.04</b>      |
| (B)         | <b>Current Assets</b>   |      |                      |                      |
|             | 1) Inventories  | 7    | 215.02               | 170.36               |
|             | 2) Financial Assets   |      |                      |                      |
|             | (i) Investments   |      |                      |                      |
|             | (ii) Trade receivables  | 8    | 3,567.44             | 3,551.14             |
|             | (iii) Cash and cash equivalents   | 9    | 2,520.25             | 2,189.02             |
|             | (iii) Bank balances other than (iii) above                                    | 10   | 31.49                | 29.90                |
|             | (iv) Loans  | 11   | 201.25               | 137.90               |
|             | (v) Other financial assets  | 12   | 567.54               | 743.45               |
|             | 3) Other current assets   | 13   | 28.57                | 86.56                |
|             |   |      | <b>7,131.56</b>      | <b>6,908.33</b>      |
|             | <b>Total Assets</b>   |      | <b>10,101.96</b>     | <b>9,226.37</b>      |
| (II)        | <b>Equity and Liabilities</b>   |      |                      |                      |
| (C)         | <b>Equity</b>   |      |                      |                      |
|             | (1) Share capital   | 14   | 130.02               | 130.02               |
|             | (2) Other equity  | 15   | 5,631.68             | 4,590.77             |
| (D)         | <b>Non- Current Liabilities</b>   |      |                      |                      |
|             | (1) Financial liabilities   |      |                      |                      |
|             | (i) Borrowings  | 16   | 64.55                | 79.09                |
|             | (ii) Lease Liability  | 16   | 753.21               | 855.82               |
|             | (2) Provisions  | 17   | 776.01               | 864.07               |
|             |   |      | <b>7,355.47</b>      | <b>6,519.77</b>      |
| (E)         | <b>Current Liabilities</b>  |      |                      |                      |
|             | (1) Financial Liabilities   |      |                      |                      |
|             | (i) Borrowings  | 18   | 14.84                | 17.08                |
|             | (ii) Lease Liability  | 18   | 87.84                | 86.60                |
|             | (ii) Trade Payables   |      |                      |                      |
|             | (a) Total outstanding dues of Micro Enterprises and Small Enterprises         | 19   | 9.53                 | 2.51                 |
|             | (b) Total outstanding dues other than Micro Enterprises and Small Enterprises | 19   | 1,340.12             | 1,289.05             |
|             | (iii) Other financial liabilities   | 20   | 713.12               | 715.87               |
|             | (2) Other current liabilities   | 21   | 316.14               | 313.23               |
|             | (3) Provisions  | 22   | 264.90               | 282.26               |
|             |   |      | <b>2,746.49</b>      | <b>2,706.60</b>      |
|             | <b>Total Equity and Liabilities</b>   |      | <b>10,101.96</b>     | <b>9,226.37</b>      |

Significant Accounting Policies and Notes on Accounts 1 to 42

The schedules referred to above and the notes thereon form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our report of even date.

**For P.Chandrasekar LLP**  
Chartered Accountants  
Firm Regn. No.: 000580S/S200066

**S.Viswanathan**  
Partner  
Membership No.: 207632

Place: Chennai  
Date: 28/05/2022

**For Apollo Sindoori Hotels Limited**

**Sucharitha Reddy**  
Managing Director

**G.Venkatraman**  
Chairman

**Surabhi Pasari**  
Company Secretary

**Suresh R Madhok**  
Director

**C.Natarajan**  
Whole-time Director &  
Chief Executive Officer

**Meyyappan M.SP.**  
Chief Financial Officer

Statement of Profit and Loss for the Year ended as on 31<sup>st</sup> March 2022

(All Amounts are in Lakhs unless otherwise stated)

| S.No. | Particulars  | Notes | Year ended<br>31 Mar 2022 | Year ended<br>31 Mar 2021 |
|-------|--|-------|---------------------------|---------------------------|
| I.    | Revenue from Operations  | 23    | 19,939.19                 | 16,127.84                 |
|       | Other income   | 24    | 356.39                    | 398.52                    |
| II.   | <b>Total Income</b>  |       | <b>20,295.58</b>          | <b>16,526.36</b>          |
| III.  | <b>Expenses :</b>  |       |                           |                           |
|       | Consumption of Provisions and Stores   | 25    | 7,464.80                  | 5,436.18                  |
|       | Employee benefits expense  | 26    | 9,941.16                  | 8,778.59                  |
|       | Finance costs  | 27    | 109.15                    | 117.95                    |
|       | Depreciation and Amortization expenses                                       | 28    | 269.70                    | 270.14                    |
|       | Other expenses   | 29    | 1,232.06                  | 1,134.54                  |
| IV.   | <b>Total Expenses (IV)</b>   |       | <b>19,016.87</b>          | <b>15,737.40</b>          |
| V.    | Profit/(Loss) before Exceptional items and tax (II - IV)                     |       | 1,278.71                  | 788.96                    |
| VI.   | Exceptional Items  |       | 0.00                      | 0.00                      |
| VII.  | Profit/(Loss) before tax   |       | <b>1,278.71</b>           | <b>788.96</b>             |
| VIII. | Tax expense:   |       |                           |                           |
|       | (1) Current tax  |       | 249.94                    | 160.00                    |
|       | (2) Previous Year Tax  |       | 0.00                      | (46.64)                   |
|       | (3) Deferred tax   |       | 4.78                      | 21.49                     |
| IX.   | Profit/(loss) for the Year (VI - VII)  |       | <b>1,023.99</b>           | <b>654.11</b>             |
| X.    | Other Comprehensive Income   |       |                           |                           |
| A.    | (i) Items that will not be reclassified to profit or loss                    |       |                           |                           |
|       | - Remeasurement of Defined Benefit Obligation                                |       | 66.04                     | (98.14)                   |
|       | - Income Tax relating to items that will not be reclassified to profit/ loss |       | (16.62)                   | 24.70                     |
| B.    | (i) Items that will be reclassified to profit or loss                        |       | 0.00                      | 0.00                      |
|       | <b>Total other Comprehensive Income/ (Loss) net off taxes</b>                |       | <b>49.42</b>              | <b>(73.44)</b>            |
| XI.   | <b>Total Comprehensive Income for the period (IX + X)</b>                    |       | <b>1,073.41</b>           | <b>580.67</b>             |
| XII.  | Earnings per equity share:   |       |                           |                           |
|       | Weighted average no. of shares outstanding during the period                 |       | 2,600,400                 | 2,600,400                 |
|       | Nominal value per Equity Share   |       | 5                         | 5                         |
|       | - Basic & Diluted EPS  |       | 39.38                     | 25.15                     |

Significant Accounting Policies and Notes on Accounts 1 to 42

The schedules referred to above and the notes thereon form an integral part of the Statement of Profit & Loss.

This is the Statement of Profit & Loss referred to in our report of even date.

**For P.Chandrasekar LLP**

Chartered Accountants  
Firm Regn. No.: 000580S/S200066

**S.Viswanathan**

Partner  
Membership No.: 207632

Place: Chennai  
Date: 28/05/2022

**For Apollo Sindoori Hotels Limited**

**Sucharitha Reddy**  
Managing Director

**G.Venkatraman**  
Chairman

**Surabhi Pasari**  
Company Secretary

**Suresh R Madhok**  
Director

**C.Natarajan**  
Whole-time Director &  
Chief Executive Officer

**Meyyappan M.SP.**  
Chief Financial Officer

**STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022**

(All Amounts are in Lakhs unless otherwise stated)

**A) EQUITY SHARE CAPITAL**

|   |               |
|---|---------------|
| <b>Balance as at April 1, 2020</b>              | <b>130.02</b> |
| Changes in equity share capital during the year | -             |
| <b>Balance as at March 31, 2021</b>             | <b>130.02</b> |
| Changes in equity share capital during the year | -             |
| <b>Balance as at March 31, 2022</b>             | <b>130.02</b> |

**B) OTHER EQUITY**

| Particulars   | Reserves and Surplus |                 |                   | Remeasurement of Defined Benefit plans | Cash flow hedge Reserve | Total           |
|---|----------------------|-----------------|-------------------|--|-------------------------|-----------------|
|   | Capital Reserve      | General Reserve | Retained Earnings |  |                         |                 |
| <b>Balance as at April 01, 2020</b>                       | 73.53                | 106.82          | 3,920.39          | -                                      | -                       | 4,100.74        |
| Profit for the year                                       | -                    | -               | 654.11            | -                                      | -                       | 654.11          |
| Other Comprehensive Income for the year net of Income Tax | -                    | -               | -                 | (73.44)                                | -                       | (73.44)         |
| P & L INDAS   | -                    | -               | (38.63)           | -                                      | -                       | (38.63)         |
| Payment of Dividend                                       | -                    | -               | (52.01)           | -                                      | -                       | (52.01)         |
| Transfer to General reserve                               | -                    | -               | -                 | -                                      | -                       | -               |
| <b>Balance as at March 31, 2021</b>                       | 73.53                | 106.82          | 4,483.86          | (73.44)                                | -                       | 4,590.77        |
| Profit for the year                                       | -                    | -               | <b>1,024.00</b>   | -                                      | -                       | <b>1,024.00</b> |
| Other Comprehensive Income for the year net of Income Tax | -                    | -               | -                 | 49.42                                  | -                       | 49.42           |
| Dividends   | -                    | -               | (32.51)           | -                                      | -                       | (32.51)         |
| Transfer to General reserve                               | -                    | -               | -                 | -                                      | -                       | -               |
| <b>Balance as at March 31, 2022</b>                       | <b>73.53</b>         | <b>106.82</b>   | <b>5,475.35</b>   | <b>(24.02)</b>                         | -                       | <b>5,631.68</b> |

**For P.Chandrasekar LLP**  
Chartered Accountants  
Firm Regn. No.: 000580S/S200066

**S.Viswanathan**  
Partner  
Membership No.: 207632

Place: Chennai  
Date: 28/05/2022

**For Apollo Sindoori Hotels Limited**

**Sucharitha Reddy**  
Managing Director

**G.Venkatraman**  
Chairman

**Surabhi Pasari**  
Company Secretary

**Suresh R Madhok**  
Director

**C.Natarajan**  
Whole-time Director &  
Chief Executive Officer

**Meyyappan M.SP.**  
Chief Financial Officer

**CASH FLOW STATEMENT FOR THE YEAR ENDED AS ON 31<sup>st</sup> MARCH 2022**

(All Amounts are in Lakhs unless otherwise stated)

| Particulars |   | Year ended<br>31 Mar 2022 | Year ended<br>31 Mar 2021 |
|-------------|---|---------------------------|---------------------------|
| <b>A</b>    | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                          |                           |                           |
|             | <b>Profit/(Loss) before tax</b>                                     | <b>1,278.72</b>           | <b>788.96</b>             |
|             | <b>Adjustments for:</b>   |                           |                           |
|             | Depreciation and Amortisation expenses                              | 269.70                    | 270.14                    |
|             | Dividend received   | (273.97)                  | (132.43)                  |
|             | Interest received on deposits                                       | (37.51)                   | (45.46)                   |
|             | Interest expense  | 109.15                    | 117.95                    |
|             | Provision for doubtful debts  | -                         | (27.09)                   |
|             | Actuarial gain/(loss)   | 66.04                     | (98.14)                   |
|             | (Profit)/loss on sale of assets                                     | 9.08                      | -                         |
|             | <b>Operating Profit before working capital changes</b>              | <b>1,421.21</b>           | <b>873.93</b>             |
|             | <b>Adjustments for changes in working capital</b>                   |                           |                           |
|             | (Increase)/Decrease in Trade Receivables                            | (16.30)                   | 247.66                    |
|             | (Increase)/Decrease in Inventory                                    | (44.65)                   | 73.34                     |
|             | (Increase)/Decrease in Other current assets                         | 57.98                     | 63.44                     |
|             | (Increase)/Decrease in Short term loans and advance                 | (64.94)                   | 62.13                     |
|             | (Increase)/Decrease in Other financial assets                       | 175.92                    | (88.04)                   |
|             | Increase/(Decrease) in Trade payables                               | 58.09                     | (729.28)                  |
|             | Increase/(Decrease) in Other financial liabilities                  | (3.75)                    | 40.88                     |
|             | Increase/(Decrease) in Other current liabilities                    | 2.91                      | (28.46)                   |
|             | Increase/(Decrease) in Employee benefit provisions                  | (17.36)                   | 106.41                    |
|             | (Increase)/Decrease in non-current assets                           | 227.14                    | (40.24)                   |
|             | Increase/(Decrease) in Long term provisions                         | (88.05)                   | 98.39                     |
|             | <b>Cash generated from operations after working capital changes</b> | <b>1,708.20</b>           | <b>680.16</b>             |
|             | Direct taxes paid   | (249.94)                  | (160.00)                  |
|             | <b>Cash generated from operations before Extra-ordinary items</b>   | <b>1,458.26</b>           | <b>520.16</b>             |
|             | Extra-ordinary Item   | -                         | 60.56                     |
|             | <b>Net Cash flow from Operating activities (A)</b>                  | <b>1,458.26</b>           | <b>580.72</b>             |
| <b>B</b>    | <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                          |                           |                           |
|             | Purchase of Fixed Assets  | (285.13)                  | (85.92)                   |
|             | Gratuity funded   | (322.33)                  | (263.47)                  |
|             | Sale of Fixed assets  | 85.36                     | 0.81                      |
|             | Dividend received   | 273.97                    | 132.43                    |
|             | (Increase)/Decrease in Deposit                                      | (7.95)                    | 1.83                      |
|             | (Increase)/Decrease in Investment                                   | (750.00)                  | -                         |
|             | Interest received on deposits                                       | 37.51                     | 45.46                     |
|             | <b>Net Cash flow used in Investing activities (B)</b>               | <b>(968.57)</b>           | <b>(168.86)</b>           |
| <b>C</b>    | <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                          |                           |                           |
|             | Term loan received from/paid to Bank (net)                          | (16.79)                   | (5.76)                    |
|             | Interest paid   | (109.15)                  | (117.95)                  |
|             | Dividend paid   | (32.51)                   | (52.01)                   |
|             | <b>Net Cash flow used in Financing activities (C)</b>               | <b>(158.45)</b>           | <b>(175.72)</b>           |
|             | Net Increase/(Decrease) in cash and cash equivalents                | 331.23                    | 236.14                    |
|             | Cash and cash equivalents at the beginning of the year              | 2,189.02                  | 1,952.87                  |
|             | Cash and cash equivalents at the close of the year                  | 2,520.25                  | 2,189.02                  |

The schedules referred to above and the notes thereon form an integral part of the Cash Flow Statement  
This is the Cash Flow Statement referred to in our report of even date.

**For P.Chandrasekar LLP**  
Chartered Accountants  
Firm Regn. No.: 000580S/S200066

**S.Viswanathan**  
Partner  
Membership No.: 207632

Place: Chennai  
Date: 28/05/2022

**For Apollo Sindoori Hotels Limited**

**Sucharitha Reddy**  
Managing Director

**G.Venkatraman**  
Chairman

**Surabhi Pasari**  
Company Secretary

**Suresh R Madhok**  
Director

**C.Natarajan**  
Whole-time Director &  
Chief Executive Officer

**Meyyappan M.SP.**  
Chief Financial Officer

## Note - 1 : CORPORATE INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

### 1. Corporate Information

Apollo Sindoori Hotels Limited (“the Company”), is a company incorporated under the Companies Act with its registered office at Chennai. The Company is in the business of managing food outlets at hospitals and reputed organisations. The Company also undertakes Outdoor Catering Services, skilled manpower to hospitals etc. The company’s shares are listed in BSE Ltd. The Company is classified under “Medium” category since 8th Oct, 2020 vide MSME UDYAM RegistrationNo.UDYAM-TN-02-0014743

#### 1.1 General Information and statement of compliance with IND AS

Effective April 1, 2017, the Company has adopted all the applicable Ind AS Standards and the adoption was carried out in accordance with Ind AS 101, First Time Adoption of Indian Accounting Standards, with April 1, 2016, as the transition date. The transition was carried out from Indian Accounting Principles Generally Accepted in India (IGAAP), as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

#### 1.2 Application of new and revised Indian Accounting Standards (Ind AS)

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the standalone financial statements are authorized have been considered in preparing these standalone financial statements.

#### 1.3 New Accounting Standards, amendments and interpretations not yet adopted Companies (Indian Accounting Standard) Amendment rules, 2022

Ministry of Corporate affairs (“MCA”) notifies new standard or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules issued on March 23, 2022, MCA amended the companies (Indian Accounting Standards Amendments rules, 2022, applicable for annual periods beginning on or after April 1, 2022.

Ind AS 101- First time adoption of Ind AS

Ind AS 103- Business Combination

Ind AS 109- Financial Instrument

Ind AS 16- Property, Plant and Equipment

Ind AS 37 –Provisions, Contingent Liabilities and Contingent Assets

Ind AS 41-Agriculture

Application of above standards are not expected to have any significant impact on the company’s financial statement.

### 2. Significant Accounting Policies and Key Accounting Estimates and Judgements

#### Use of estimates:

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future period.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas where significant estimates were made by the management are:

- i. Defined employee benefit obligations- Refer Note No 2.15
- ii. Estimation of useful life of Property, Plant and Equipment Refer Note No 2.6
- iii. Estimation and evaluation of provisions and contingencies relating to tax litigations Refer Note No 2.17
- iv. Recoverability/Recognition of Deferred Tax Assets Refer Note No 2.13 b

## 2.1 Statement of Compliance

The standalone financial statements of the company have been prepared in accordance with the Indian Accounting Standards (IND AS) notified under section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the act.

The standalone financial statements for the year ended 31st March 2022 were authorized and approved for issue by the Board of Directors on 28th May 2022 and is subject to adoption by shareholders in the ensuing Annual General Meeting

## 2.2 Overall Consideration

The Standalone financial statements of the Company have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the financial statements, in accordance with Indian Accounting Standards ("Ind AS") specified under Section 133 of the Companies Act, 2013 ("the Act"), read with Companies (Indian Accounting Standards) Rules, 2015, (as amended from time to time).

## 2.3 Basis of preparation and presentation

The standalone financial statements have been prepared on historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

## 2.4 Current / Non-Current Classification

An asset or liability is classified as current if it satisfies any of the following conditions

- (i) the asset / liability is expected to be realized / settled in the Company's normal operating cycle;
- (ii) the asset is intended for sale or consumption;

- (iii) the asset / liability is held primarily for the purpose of trading;
- (iv) the asset / liability is expected to be realized / settled within twelve months after the reporting period;
- (v) the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period;
- (vi) in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

## 2.5 Recent Accounting Pronouncements

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

**Ind AS 16–Property Plant and equipment** - The amendment clarifies treatment of revenue earned during trial runs. The company has not undertaken any major additions to PPE during the year. **Amendment to Division II to Schedule III:** MCA vide notification dated 24.03.2021 made minor modifications to the existing disclosure requirements and further additional disclosures to be made in the Financial statements are introduced under Division II Schedule III. This is applicable for the financial statements prepared for the period from 01.04.2021. The company has examined these amendments and has made necessary disclosures that are applicable. The comparatives have also been presented in line with the amendments made to Division II Schedule III.

## 2.6 Property Plant and equipment

### a. The cost of an item of Property, Plant and equipment (PPE) is recognized as assets if, and only if:

- It is probable that future economic benefits associated with the item will flow to the entity.
- The cost of the item can be reliably measured.
- The cost of property, plant and equipment at stated at cost, less accumulated depreciation, amortization and cumulative impairment.
- The cost of the Property, plant and equipment comprises of purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates and also includes any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

### Depreciation/ Amortization

- Cost of property, plant and equipment is depreciated on a straight line basis over the useful lives of the assets prescribed in Schedule II of the Companies Act, 2013.
- Residual value is generally considered between 0-5 percent of cost of assets.

### b. Intangible assets

#### Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life is reviewed annually with the effect of any changes in estimate being accounted for on a prospective basis.



## Useful lives of intangible assets

Intangible assets are amortized equally over the estimated useful life not exceeding five years.

Estimated useful life of Computer Software is five years.

## De-recognition of tangible and intangible assets

An item of tangible and intangible asset is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of tangible and intangible assets is determined as the difference between the sales proceeds if any and the carrying amount of the asset and is recognized in the statement of profit or loss.

## Impairment of tangible and intangible assets

The Company annually reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in Statement of Profit and Loss.

## 2.7 Revenue Recognition

Ind AS 115 "Revenue Recognition" deals with recognition of revenue and established principles for reporting useful information to users of financial statements about the nature, amount of timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a promised goods or services and thus has the ability to direct the use and obtain the benefits therein and reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. As per Ind AS 115 following is the process to be applied before revenue can be recognised:

- Identification of contracts with customers;
- Identification of the separate performance obligation;
- Determination of the transaction price of the contract;
- Allocation of the transaction price of the separate performance obligations; and
- Recognition of revenue as each performance obligation is satisfied.

Revenue from sale of traded goods recognised as follows:

Revenue is recognised when the control of the same is transferred to the customer and it is probable that the Company will collect the consideration to which it is entitled for the exchanged goods

#### **a. Revenue from services is recognized as follows:**

1. **Cost plus contracts:** Revenue from cost plus contracts is recognised over time and is determined with reference to the extent performance obligations have been satisfied. The amount of transaction price allocated to the performance obligations satisfied represents the recoverable costs incurred during the period plus the margin as agreed with the customer.
2. **Fixed Price Contracts:** Revenue from rendering of services is recognised over time as the customer receives the benefit of the Company's performance and the Company has an enforceable right to payment for services transferred.

#### **b. Interest Income:**

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying value of a financial asset. While calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options), but does not consider the expected credit losses.

#### **c. Dividend Income:**

Dividends are recognized in profit or loss only when the right to receive payment is established and the amount dividend can be reliably measured.

#### **d. Rental Income:**

Rental Income from operating leases is recognized on a straight-line basis over the lease term.

### **2.8 Inventories**

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Stock of provisions, stores and other consumables are valued at cost (average price) on FIFO basis

### **2.9 Leases**

The Company assesses at contract inception whether a contract is, or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### **a. Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### **b. Right to use assets**

The company recognises right of use assets as at the commencement date of lease (i.e., the date the underlying assets is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment of losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the assets. The right-of-use assets are also subject to impairment.

### **c. Lease Liabilities**

At the commencement date of the lease, the Company recognises the lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivables, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

In calculating the present value of lease payments, the Company uses Interest Rate 10% at the commencement date of because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset. The company's lease liabilities are included in interest bearing loans and borrowings.

### **d. Short-term leases and leases of low-value assets.**

The company applies the short-term lease recognition for leases that have a lease term 12 months or less from the commencement date and do not contain a purchase option.

## **2.10 Financial instruments Financial Assets**

### **a. Initial recognition and measurement**

All financial assets are recognized initially at fair value, in case financial assets are not recognized at fair value through profit and loss are recorded at transaction cost that is incurred for acquisition of a financial assets.

### **b. Subsequent measurement**

For the purpose of subsequent measurement financial assets are categorized under three categories:-

- Financial assets amortized at cost.
- Financial assets at fair value through profit and loss (FVTPL).
- Financial assets at fair value through other comprehensive income (FVTOCI).

### **c. Financial assets amortized at cost**

Financial assets are amortized at cost if both the following conditions are met:

- The assets are held in the business model whose objective is to hold assets for collecting contractual cash flows.
- Contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- Amortized cost are amounts at which the financial assets are measured using initial recognition minus the repayment plus the interest using effective interest rate method, the EIR recognized in the financial income under profit and loss statements. The losses arising out of impairment are recognized in Statement of Profit and loss.

### **d. Debt instrument at FVTOCI**

A debt instrument is measured at FVTOCI if both of the following conditions are met:

- The objective of the business model is achieved by collecting contractual cash flows and selling the financial assets, and the contractual cash flows represent slowly payment of principal and interest.
- Debt instrument included at FVTOCI category are initially as well as each reporting date at fair value. Fair value movements are recognized under other comprehensive income.

However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain and losses under profit and loss accounts. On de-recognition of the assets, cumulative gain and loss previously recognized in the OCI shall be reclassified to the Statement of Profit and Loss.

#### **e. Equity instruments at FVTOCI.**

Equity instruments in JV and associates

Investments in joint venture and associates are carried at cost in standalone financial statements.

#### **f. Debt Instruments and derivatives at FVTPL.**

FVTPL is a residual category for debt instruments. Any instrument fails to be categorized under FVTOCI are categorized under FVTPL.

Debt instruments included under the FVTPL category are measured at fair value with all the changes recognized under profit and loss statements, interest element under such instruments are presented under interest income.

#### **g. De-recognition of financial assets**

A financial instrument (where a part of financial assets or part of group of similar assets) is primarily derecognized when

- The right to receive cash flows are expired, or
- The company transferred the right to receive cash flows without delay, or the company has completely transferred the risk and reward of the assets.

#### **h. Impairment of financial assets**

- The Company has applied expected credit loss (ECL) for the measurement and recognition of the impairment loss of the following financial assets and credit exposure. The Company measures expected credit losses on a case to case basis.
- Financial assets are trade receivable, debt instruments, loans and cash deposits are measured at amortized cost.

#### **i. Financial Liabilities**

Financial liabilities are classified at initial recognition at fair value through profit and financial liabilities at amortized cost net of directly attributable amortized cost.

The Company's financial liabilities include trade payable, other liabilities and borrowings.

#### **j. Subsequent measurement**

The measurement of financial liabilities depends upon their classification:

##### **1. Financial liabilities at fair value through profit or loss**

Financial liabilities are recognized at fair value through profit and loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss.

##### **2. Financial liabilities at amortized cost**

Financial liabilities that are not held for trading or designated at initial recognition at fair value through profit and loss are measured at amortized cost at the end of the subsequent accounting period. The carrying amount of financial liabilities that are designated at amortized cost are determined based on effective interest rate method (EIR). Gain and losses are recognized in profit and loss when the liabilities are derecognized and through the EIR amortization process. Amortization cost is calculated by taking into account any discount or premium on acquisition fees and cost that are integral part of EIR. The EIR amortization is included as finance cost in statement of profit and loss.

### 3. De-recognition of financial liabilities

A financial liability is derecognized when the financial obligation is discharged or cancelled or expires, when the financial liability is replaced by the same lender on subsequently in different terms and the terms of the subsequent liabilities are modified, such an exchange or modification is treated as the original liability and recognition of the new liability. The difference in the respective carrying amount is recognized in statement of profit and loss statements.

#### k. Impairment of non-financial assets

At each reporting date the Company makes an assessment, whether there is an indication of impairment either internal or external exist, by which the actual carrying amount of the assets is higher than the recoverable amount of an assets or cash generating units. Recoverable amount is determined for individual assets, unless the assets don't generate cash flow that is largely independent of those from other assets or group of assets.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflect current market assessment of the time value money and the risk specific to the assets

#### 2.11 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets

#### 2.12 Foreign Currency Transactions

The Company's financial statements are presented in Indian rupee (Functional Currency)  
Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at rates of exchange on the balance sheet date.

Non- Monetary items denominated in foreign currencies (such as investments, fixed assets) are valued at the exchange rate on the date of acquisition of the assets or incurrence of the liabilities.

Exchange differences arising on foreign currency transactions are recognised in the profit and loss account.

#### 2.13 Taxes on income

##### a. Current Income Tax

Provision under current tax is made as per the provisions of the Income Tax Act, 1961.  
Current income tax assets or liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rate and tax laws used to compute the amount are those that are enacted or subsequently enacted at future date.

##### b. Deferred Tax

Deferred tax is recognized under balance sheet method for all taxable temporary differences between the tax bases of assets and liabilities and carrying amounts.

Deferred tax asset is recognized for all taxable temporary differences like Provision for employee benefits, unused tax losses and any unused tax credits.

The tax rate and tax laws used to compute the amount are those that are enacted or subsequently enacted at future date.

## 2.14 Earnings Per Share

Basic earnings per share amounts are computed by dividing net profit or loss for the year before comprehensive income attributable to equity shareholders by the weighted average number of shares outstanding during the year. Diluted earnings per share are computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year.

## 2.15 Employee Benefits

### a. Short-term Employee Benefits

Short-term Employee Benefits for Services rendered by employees are recognized as expenses during the period when the services are rendered.

### b. Post -Employment Benefits

#### Defined Contribution Plan

The Company makes Provident fund contributions for qualifying employees. Under the Provident Fund scheme, the Company is required to contribute a specified percentage of payroll cost to the Employees Provident Fund Scheme, 1952 to fund the benefits and interest as declared by the Government from time to time accrues to the credit of the employees under the scheme.

#### Defined Benefit Plan

The Company makes annual contributions to the Employees' Group Gratuity-cum-Life Assurance Scheme of an Insurer, a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Liability for unavailed leave for qualifying employees is actuarially valued and provided for but is partially funded.

### c. Termination Benefits

Payment made under Voluntary retirement scheme is charged to statement of profit and loss on incurrence.

### d. Re-measurement of post-employment defined benefit plans

Re-measurement comprises of actuarial gain and losses, the effect of changes in assets ceiling (excluding amount included in the net interest on net defined benefit liability) and the return on plan assets (excluding amounts included in net interest in net defined liability), are recognized immediately in the balance sheet with a corresponding debit or credit to the Other Comprehensive Income (OCI) in the period in which they occur, re measurement are not reclassified to profit and loss accounts subsequently.

## 2.16 Fair value measurement

The company measures financial instruments at fair value at each balance sheet date. 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:

- In the principal market for the asset or liability or
- 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 the market participants act in their economic best interest.

## 2.17 Provisions, Contingent Liabilities and Contingent Assets

### Provisions

A provision is recorded when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expenses.

### Contingent Liabilities

Wherever there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because:

it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

the amount of the obligation cannot be measured with sufficient reliability.

**Contingent assets are neither recognized nor disclosed.**

## 2.18 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### Cash and Cash Equivalents

Cash and Cash equivalents comprise cash in hand, demand deposits with banks or corporations and short term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amounts of cash and are subject to an insignificant risk of change in value.

## 2.19 Events after reporting period

Where events occurring after the Balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size of nature are only disclosed.

## 2.20 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

**Note – 2 : PROPERTY, PLANT AND EQUIPMENT  
Gross Block**

(All Amounts are in Lakhs unless otherwise stated)

| Particulars  | Vehicles      | Computers     | Electrical Installations | Furniture & Fittings | Kitchen Equipments | Temporary constructions | Office Equipments | Plant & Machinery | Total           | Software     |
|--|---------------|---------------|--------------------------|----------------------|--------------------|-------------------------|-------------------|-------------------|-----------------|--------------|
| Balance as at 1-4-2020                             | 220.90        | 109.67        | 68.48                    | 285.35               | 332.02             | 8.28                    | 21.06             | 45.29             | 1,091.05        | 46.26        |
| Additions  | 16.24         | 17.25         | 4.60                     | 27.30                | 13.18              | -                       | 3.29              | -                 | 81.86           | 4.07         |
| Disposals/ Deletion                                | (0.81)        | -             | -                        | -                    | -                  | -                       | -                 | -                 | (0.81)          | -            |
| <b>Balance as at 31-3-2021</b>                     | <b>236.33</b> | <b>126.92</b> | <b>73.08</b>             | <b>312.65</b>        | <b>345.20</b>      | <b>8.28</b>             | <b>24.35</b>      | <b>45.29</b>      | <b>1,172.10</b> | <b>50.33</b> |
| Additions  | 13.64         | 25.69         | 1.48                     | 182.11               | 56.83              | -                       | 3.05              | -                 | 282.80          | 2.32         |
| Disposals/ Deletion                                | (85.31)       | -             | -                        | (0.05)               | -                  | -                       | -                 | -                 | (85.36)         | -            |
| <b>Balance as at 31-3-2022</b>                     | <b>164.66</b> | <b>152.61</b> | <b>74.56</b>             | <b>494.71</b>        | <b>402.03</b>      | <b>8.28</b>             | <b>27.40</b>      | <b>45.29</b>      | <b>1,369.54</b> | <b>52.65</b> |
| <b>Accumulated Depreciation &amp; Amortisation</b> |               |               |                          |                      |                    |                         |                   |                   |                 |              |
| Balance as at 1-4-2020                             | 48.87         | 58.52         | 21.43                    | 65.41                | 157.64             | 8.28                    | 4.73              | 45.29             | 410.17          | 39.67        |
| Depreciation                                       | 27.08         | 24.12         | 7.32                     | 30.04                | 45.72              | -                       | 2.15              | -                 | 136.43          | 6.57         |
| Disposals/ Deletion                                | -0.10         | -             | -                        | -                    | -                  | -                       | -                 | -                 | -0.10           | -            |
| <b>Balance as at 31-3-2021</b>                     | <b>75.85</b>  | <b>82.64</b>  | <b>28.75</b>             | <b>95.45</b>         | <b>203.36</b>      | <b>8.28</b>             | <b>6.88</b>       | <b>45.29</b>      | <b>546.50</b>   | <b>46.24</b> |
| Depreciation                                       | 27.98         | 21.89         | 7.51                     | 37.65                | 44.13              | -                       | 2.82              | -                 | 141.98          | 5.48         |
| Disposals/ Deletion                                | (53.15)       | -             | -                        | (0.05)               | -                  | -                       | -                 | -                 | (53.20)         | -            |
| <b>Balance as at 31-3-2022</b>                     | <b>50.68</b>  | <b>104.53</b> | <b>36.26</b>             | <b>133.05</b>        | <b>247.49</b>      | <b>8.28</b>             | <b>9.70</b>       | <b>45.29</b>      | <b>635.28</b>   | <b>51.72</b> |
| Carrying Amount as on 31-3-2021                    | 160.48        | 44.28         | 44.33                    | 217.20               | 141.84             | -                       | 17.47             | -                 | 625.60          | 4.09         |
| Carrying Amount as on 31-3-2022                    | 113.98        | 48.08         | 38.30                    | 361.66               | 154.54             | -                       | 17.70             | -                 | 734.26          | 0.93         |



**Gross Block  
Right of Use Assets**

(All Amounts are in Lakhs unless otherwise stated)

| Particulars                    | Buildings       |
|--------------------------------|-----------------|
| Balance as at 1-4-2020         | 857.84          |
| Additions                      | 148.79          |
| Disposals/ Deletion            | -               |
| <b>Balance as at 31-3-2021</b> | <b>1,006.63</b> |
| Additions                      |                 |
| Disposals/ Deletion            |                 |
| <b>Balance as at 31-3-2022</b> | <b>1,006.63</b> |

**Accumulated Depreciation & Amortisation**

|                                 |               |
|---------------------------------|---------------|
| Balance as at 1-4-2020          | 101.67        |
| Depreciation                    | 127.21        |
| Disposals/ Deletion             |               |
| Balance as at 31-3-2021         | 228.88        |
| Depreciation                    | 122.24        |
| Disposals/ Deletion             |               |
| <b>Balance as at 31-3-2022</b>  | <b>351.12</b> |
| Carrying Amount as on 31-3-2021 | <b>777.75</b> |
| Carrying Amount as on 31-3-2022 | <b>655.51</b> |

**Note – 3 : Investments**

(All Amounts are in Lakhs unless otherwise stated)

| S.No. | Particulars   | No. and Particulars                                   | Non-current          |                      |
|-------|---|---|----------------------|----------------------|
|       |   |   | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
| 1     | <b>Investments in equity shares at cost (Unquoted)</b><br><b>Investment in Joint Venture Companies:</b><br>Faber Sindoori Management Services (P) Ltd | 45265<br>Equity Shares<br>of Rs.10 each<br>fully paid | 4.53                 | 4.53                 |
|       | <b>Investment in 100% Subsidiary Company</b><br>Olive & Twist Hospitality Pvt. Ltd.   |   | <b>850.00</b>        | <b>100.00</b>        |
|       | <b>Total</b>  |   | <b>854.53</b>        | <b>104.53</b>        |

**Note 4: Loans (Non-current)**

| S.No. | Particulars                                    | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|--|----------------------|----------------------|
| 1     | Security Deposits                              | 136.35               | 145.70               |
| 2     | Staff Advance<br>(Unsecured , Considered good) | -                    | 90.00                |
|       | <b>Total</b>                                   | <b>136.35</b>        | <b>235.70</b>        |

**Note 5: Deferred tax assets (net)**

| S.No. | Particulars                             | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|---|----------------------|----------------------|
|       | <b>Deferred Tax Assets</b>              |                      |                      |
| 1     | Attributable to Depreciation            | 37.91                | 30.16                |
| 2     | Tax on interest-free loans and advances | 46.71                | 41.45                |
| 3     | Tax on Provision for doubtful debts     | 22.83                | 22.83                |
| 4     | Tax on employee benefit expenses        | 207.35               | 241.76               |
|       | <b>Deferred Tax Assets (Net)</b>        | <b>314.80</b>        | <b>336.20</b>        |

**Note 6: Other Non-current assets**

| S.No. | Particulars    | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|----------------|----------------------|----------------------|
| 1     | TDS receivable | 274.02               | 234.18               |
|       | <b>Total</b>   | <b>274.02</b>        | <b>234.18</b>        |

**Note 7: Inventories**

| S.No. | Particulars   | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|---|----------------------|----------------------|
| 1     | <b>In Hand</b><br>Stock of Provision & Stores<br>(Valued at average cost price on FIFO basis) | 215.02               | 170.36               |
|       | <b>Total</b>  | <b>215.02</b>        | <b>170.36</b>        |

**Note 8: Trade receivables**

(All Amounts are in Lakhs unless otherwise stated)

| S.No. | Particulars                       | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|-----------------------------------|----------------------|----------------------|
| 1     | Unsecured, considered good        |                      |                      |
|       | From Related Parties (5)          | 3,177.35             | 3,063.76             |
|       | From Others                       | 480.81               | 578.10               |
|       | Less: Provision for doubtful debt | (90.72)              | (90.72)              |
|       | <b>Total</b>                      | <b>3,567.44</b>      | <b>3,551.14</b>      |

The credit period on sale of goods ranges from 0 to 30 days. No interest is charged on trade receivables

The Company uses available information in the public domain and on its own internal assessment and trading records before accepting any customer.

**Trade Receivables ageing schedule**

| Particulars                                   | Not Due     | As at 31-03-2022                     |                      |              |               |                      | Total          |
|---|-------------|--------------------------------------|----------------------|--------------|---------------|----------------------|----------------|
|   |             | Outstanding from due date of payment |                      |              |               |                      |                |
|   |             | Less than<br>6 months                | 6 months -<br>1 year | 1-2 years    | 2-3 years     | More than<br>3 years |                |
| <b>UNDISPUTED</b>                             |             |                                      |                      |              |               |                      |                |
| (i) Considered good                           | -           | 3302.07                              | 119.02               | 92.21        | 105.41        | 39.46                | 3,658.17       |
| (ii) Have significant increase in credit risk | -           | -                                    | -                    | -            | -             | -                    | -              |
| (iii) Credit impaired                         | -           | -                                    | -                    | -            | -             | -                    | -              |
| <b>DISPUTED</b>                               |             |                                      |                      |              |               |                      |                |
| (iv) Considered good                          | -           | -                                    | -                    | -            | -             | -                    | -              |
| (v) Have significant increase in credit risk  | -           | -                                    | -                    | -            | -             | -                    | -              |
| (vi) Credit impaired                          | -           | -                                    | -                    | -            | -             | -                    | -              |
|   | <b>0.00</b> | <b>3302.07</b>                       | <b>119.02</b>        | <b>92.21</b> | <b>105.41</b> | <b>39.46</b>         | <b>3658.17</b> |
| Less : Allowance for bad and doubtful debts   |             |                                      |                      |              | 66.59         | 24.14                | 90.73          |
|   | <b>0.00</b> | <b>3302.07</b>                       | <b>119.02</b>        | <b>92.21</b> | <b>38.82</b>  | <b>15.32</b>         | <b>3567.44</b> |

**Trade Receivables ageing schedule**

| Particulars                                   | Not Due     | As at 31-03-2021                     |                      |               |              |                      | Total           |
|---|-------------|--------------------------------------|----------------------|---------------|--------------|----------------------|-----------------|
|   |             | Outstanding from due date of payment |                      |               |              |                      |                 |
|   |             | Less than<br>6 months                | 6 months -<br>1 year | 1-2 years     | 2-3 years    | More than<br>3 years |                 |
| <b>UNDISPUTED</b>                             |             |                                      |                      |               |              |                      |                 |
| (i) Considered good                           | -           | 3319.45                              | 108.50               | 120.73        | 69.05        | 24.14                | 3,641.87        |
| (ii) Have significant increase in credit risk | -           | -                                    | -                    | -             | -            | -                    | 0.00            |
| (iii) Credit impaired                         | -           | -                                    | -                    | -             | -            | -                    | 0.00            |
| <b>DISPUTED</b>                               |             |                                      |                      |               |              |                      |                 |
| (iv) Considered good                          | -           | -                                    | -                    | -             | -            | -                    | 0.00            |
| (v) Have significant increase in credit risk  | -           | -                                    | -                    | -             | -            | -                    | 0.00            |
| (vi) Credit impaired                          | -           | -                                    | -                    | -             | -            | -                    | 0.00            |
|   | <b>0.00</b> | <b>3,319.45</b>                      | <b>108.50</b>        | <b>120.73</b> | <b>69.05</b> | <b>24.14</b>         | <b>3,641.87</b> |
| Less : Allowance for bad and doubtful debts   |             |                                      |                      |               | 66.59        | 24.14                | 90.73           |
|   | <b>0.00</b> | <b>3319.45</b>                       | <b>108.50</b>        | <b>120.73</b> | <b>2.46</b>  | <b>0.00</b>          | <b>3551.14</b>  |

**Note 9: Cash and cash equivalents****(All Amounts are in Lakhs unless otherwise stated)**

| S.No. | Particulars                                | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|--|----------------------|----------------------|
| 1     | Cash on hand                               | 33.98                | 26.81                |
| 2     | <b>Bank balances with Scheduled Banks:</b> |                      |                      |
|       | Balance with Bank in Current a/c           | 1,230.60             | 897.00               |
|       | Balance with Bank in Deposit a/c           | 1,255.67             | 1,265.21             |
|       | <b>Total</b>                               | <b>2,520.25</b>      | <b>2,189.02</b>      |

**Note 10: Other Bank balances**

| S.No. | Particulars                       | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|-----------------------------------|----------------------|----------------------|
| 1     | Balance with Bank in Dividend a/c | 31.49                | 29.90                |
|       | <b>Total</b>                      | <b>31.49</b>         | <b>29.90</b>         |

**Note 11: Loans - Current (Unsecured, considered good)**

| S.No. | Particulars       | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|-------------------|----------------------|----------------------|
| 1     | Staff Advance     | 26.90                | 8.60                 |
| 2     | Security Deposits | 174.35               | 129.30               |
|       | <b>Total</b>      | <b>201.25</b>        | <b>137.90</b>        |

**Note 12: Other financial assets (Current)**

| S.No. | Particulars                             | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|---|----------------------|----------------------|
| 1     | Unbilled revenue                        | 460.64               | 70.00                |
| 2     | Advances recoverable in Cash or in kind | 106.90               | 673.46               |
|       | <b>Total</b>                            | <b>567.54</b>        | <b>743.46</b>        |

Notes: Loan to Olive &amp; Twist Rs.0.76 Crores (Current Year) under purchase advance.

**Note 13: Other Current assets (Unsecured, considered good)**

| S.No. | Particulars      | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|------------------|----------------------|----------------------|
| 1     | Supplier Advance | 9.87                 | 72.82                |
| 2     | Prepaid Expenses | 18.70                | 13.73                |
|       | <b>Total</b>     | <b>28.57</b>         | <b>87.55</b>         |

**Note 14: Equity Share Capital**

| S.No. | Particulars   | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|---|----------------------|----------------------|
| 1     | <b>Authorized Capital</b><br>Equity<br>1,00,00,000 Equity shares of Rs.5/- each           | 500.00               | 500.00               |
| 2     | <b>Issued, Subscribed &amp; Paid up Capital</b><br>26,00,400 Equity shares of Rs.5/- each | 130.02               | 130.02               |
|       | <b>Total</b>  | <b>130.02</b>        | <b>130.02</b>        |

**Note - A : Reconciliation of number of share at beginning and at the end of the year**

(All Amounts are in Lakhs unless otherwise stated)

| Particulars                        | Number of shares | As at 31 Mar 2022 | As at 31 Mar 2021 |
|------------------------------------|------------------|-------------------|-------------------|
| Opening Balance                    | 26,00,400        | 130.02            | 130.02            |
| Share Issue during the year        | -                | -                 | -                 |
| Shares bought back during the year | -                | -                 | -                 |
| <b>Closing Balance</b>             | <b>26,00,400</b> | <b>130.02</b>     | <b>130.02</b>     |

**Note - B : Terms / rights attached to Equity Shares:**

The Company has equity shares having a nominal value of `5 each. All equity shares rank equally with regard to dividend and share in the Company's residual assets. Each holder of equity shares is entitled to one vote per share. The equity shares are entitled to receive dividend as declared from time to time. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

**Note - C : Details of shareholder holding more than 5% shares**

| Particulars                 | Number of shares | As at 31 Mar 2022 | As at 31 Mar 2021 |
|-----------------------------|------------------|-------------------|-------------------|
| Mr. Prathap C Reddy         | 3,67,260         | 18.36             | 18.36             |
| Mrs. Sucharitha P Reddy     | 3,44,260         | 17.21             | 17.21             |
| Mrs. Sangita Reddy          | 3,03,696         | 15.18             | 15.18             |
| M/s PCR Investments Limited | 2,84,000         | 14.20             | 14.20             |
| Mrs. Shobana Kamineni       | 1,58,172         | 7.91              | 7.91              |
| <b>Total</b>                | <b>14,57,388</b> | <b>72.86</b>      | <b>72.86</b>      |

**Note - D : Details of Shares held by promoters at the end of the year**

| Promoter Name     | No of Shares as on March 31, 2022 | % of Total Shares as on March 31, 2022 | No of Shares as on March 31, 2021 | % of Total Shares as on March 31, 2021 | % of change during the year |
|-------------------|-----------------------------------|--|-----------------------------------|--|-----------------------------|
| SUNEETA REDDY     | 99,870                            | 3.84%                                  | 99,870                            | 3.84%                                  | -                           |
| PREETHA REDDY     | 48,864                            | 1.88%                                  | 48,864                            | 1.88%                                  | -                           |
| SINDOORI REDDY    | 7,000                             | 0.27%                                  | 7,000                             | 0.27%                                  | -                           |
| VIJAY KUMAR REDDY | 51,170                            | 1.97%                                  | 51,170                            | 1.97%                                  | -                           |
| KARTHIK ANAND     | 10,400                            | 0.40%                                  | 10,400                            | 0.40%                                  | -                           |
| UPASANA KONIDELA  | 6,000                             | 0.23%                                  | 6,000                             | 0.23%                                  | -                           |
| DWARAKNATH REDDY  | 1,170                             | 0.04%                                  | 1,170                             | 0.04%                                  | -                           |
| ANIL KAMINENI     | 20                                | 0.00%                                  | 20                                | 0.00%                                  | -                           |

**Note - E: Capital management**

The Company's objective of capital management is to maximise the return to its shareholders through optimal mix of debt and equity. The Company determines the amount of capital required on the basis of annual and long-term operating plans. The funding requirements are met through equity and long term/short term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The following table summarises the capital of the Company:

| S.No. | Particulars                              | As at 31 Mar 2022 | As at 31 Mar 2021 |
|-------|--|-------------------|-------------------|
| 1     | Equity                                   | <b>5,761.70</b>   | <b>4,720.79</b>   |
| 2     | Debt                                     | 757.79            | 778.91            |
| 3     | Cash and cash equivalents                | (2,520.25)        | (2,189.02)        |
| 4     | <b>Net debt (2+3)</b>                    | <b>(1,762.46)</b> | <b>(1,410.11)</b> |
| 5     | <b>Total capital (Equity + Net debt)</b> | <b>3,999.24</b>   | <b>3,310.68</b>   |

Note - F : Dividend

(All Amounts are in Lakhs unless otherwise stated)

| S.No. | Particulars                                    | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|--|----------------------|----------------------|
| 1     | Dividend on equity shares paid during the year | 32.51                | 52.01                |
|       |  | 32.51                | 52.01                |

**Proposed Dividend**

The Board of Directors at its meeting held on 28th May 2022 have recommended a payment of a dividend of 30% per equity share of face value of Rs. 5/- each for the financial year ended 31.03.2022. The same amounts to Rs. 39.01 Lakhs

**Note 15 : Other Equity**

| Particulars   | Reserves and Surplus |                    |                      | Remeasurement of<br>Defined<br>Benefit plans | Cash flow hedge<br>Reserve | Total           |
|---|----------------------|--------------------|----------------------|--|----------------------------|-----------------|
|   | Capital Reserve      | General<br>Reserve | Retained<br>Earnings |  |                            |                 |
| Balance as at April 01, 2020                              | 73.53                | 106.82             | 3,920.39             | -  | -                          | 4,100.74        |
| Profit for the year                                       | -                    | -                  | 654.11               | -  | -                          | 654.11          |
| Other Comprehensive Income for the year net of Income Tax | -                    | -                  | -                    | (73.44)                                      | -                          | (73.44)         |
| P & L INDAS   | -                    | -                  | (38.63)              | -  | -                          | (38.63)         |
| Payment of Dividend                                       | -                    | -                  | (52.01)              | -  | -                          | (52.01)         |
| Transfer to General reserve                               | -                    | -                  | -                    | -  | -                          | -               |
|   |                      |                    |                      |  |                            | -               |
|   |                      |                    |                      |  |                            | -               |
| <b>Balance as at March 31, 2021</b>                       | <b>73.53</b>         | <b>106.82</b>      | <b>4,483.86</b>      | <b>(73.44)</b>                               | <b>-</b>                   | <b>4,590.77</b> |
| Profit for the year                                       | -                    | -                  | 1,024.00             | -  | -                          | 1,024.00        |
| Other Comprehensive Income for the year net of Income Tax | -                    | -                  | -                    | 49.42  | -                          | 49.42           |
| Dividends   | -                    | -                  | (32.51)              | -  | -                          | (32.51)         |
| Transfer to General reserve                               | -                    | -                  | -                    | -  | -                          | -               |
| <b>Balance as at March 31, 2022</b>                       | <b>73.53</b>         | <b>106.82</b>      | <b>5,475.35</b>      | <b>(24.02)</b>                               | <b>-</b>                   | <b>5,631.68</b> |

**Note 16: Long term borrowings****(All Amounts are in Lakhs unless otherwise stated)**

| S.No | Particulars                             | Note No | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|------|---|---------|----------------------|----------------------|
| 1    | <b>Secured Loans</b>                    |         |                      |                      |
|      | Vehicle Loan from HDFC Bank (1)         | 1       | 61.76                | 73.95                |
|      | Vehicle Loan from HDFC Bank (2)         | 2       | 2.78                 | 4.00                 |
|      | Vehicle Loan from Financial Institution | 3       | -                    | 1.14                 |
|      |   |         | 64.55                | 79.09                |
| 2    | Lease Liability                         |         | 753.21               | 855.82               |
|      | <b>Total</b>                            |         | <b>817.76</b>        | <b>934.91</b>        |

**Note 1**

The vehicle loan from Bank and repayable in 84 equal installments from January 2020. Loan is secured against hypothecation of the vehicle.

**Note 2**

The vehicle loan from Bank and repayable in 60 equal installments from April 2020. Loan is secured against hypothecation of the vehicle.

**Note 3**

The Vehicle loan from Financial Institution and repayable in 60 equal instalments from May 2017. Loan is secured against hypothecation of the vehicle.

For the above Vehicle loans, the Company has adhered to debt repayment and interest service obligation on time. Willful defaulter related disclosures required as per additional regulatory information of Schedule III (rev) to the Companies Act, is not applicable

**Note 17: Long term provisions**

| S.No. | Particulars                      | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|----------------------------------|----------------------|----------------------|
| 1     | Provision for employee benefits: |                      |                      |
|       | Provision for Leave encashment   | 299.70               | 261.40               |
|       | Provision for Gratuity           | 476.31               | 602.67               |
|       | <b>Total</b>                     | <b>776.01</b>        | <b>864.07</b>        |

**Note 18: Current Financial Liabilities**

| S.No. | Particulars                             | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|---|----------------------|----------------------|
| 1     | Current maturities on Term/vehicle loan | 14.84                | 17.08                |
| 2     | Current maturities on Lease Liability   | 87.84                | 86.60                |
|       | <b>Total</b>                            | <b>102.68</b>        | <b>103.68</b>        |

**Note 19: Trade payables**

| S.No. | Particulars              | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|--------------------------|----------------------|----------------------|
| 1     | Creditors - MSME         | 9.53                 | 2.51                 |
| 2     | Creditors for Operations | 1,111.34             | 994.45               |
| 3     | Creditors for Expenses   | 228.78               | 294.60               |
|       | <b>Total</b>             | <b>1,349.65</b>      | <b>1,291.56</b>      |

\* There are no outstanding amounts payable beyond the agreed period to Micro and Small enterprises as required by MSMED Act, 2006 as on the Balance Sheet date to the extent such enterprises have been identified based on information available with the Company. In view of this there is no overdue interest payable.

## Trade Payables - Ageing Schedule as on 31.03.2022

(All Amounts are in Lakhs unless otherwise stated)

| Particulars                 | Not Due     | Outstanding from due date of payment |               |           |                   | Total           |
|-----------------------------|-------------|--------------------------------------|---------------|-----------|-------------------|-----------------|
|                             |             | Less than 1 year                     | 1-2 years     | 2-3 years | More than 3 years |                 |
| (i) MSME                    | 9.53        | -                                    | -             | -         | -                 | 9.53            |
| (ii) Others                 | -           | 1,112.33                             | 127.56        | -         | -                 | 1,239.89        |
| (iii) Disputed dues - MSME  | -           | -                                    | -             | -         | -                 | -               |
| (iv) Disputed dues - Others | -           | -                                    | -             | -         | 100.23            | 100.23          |
| <b>Total</b>                | <b>9.53</b> | <b>1,112.33</b>                      | <b>127.56</b> | <b>-</b>  | <b>100.23</b>     | <b>1,349.65</b> |

## Trade Payables - Ageing Schedule as on 31.03.2021

| Particulars                 | Not Due     | Outstanding from due date of payment |               |              |                   | Total           |
|-----------------------------|-------------|--------------------------------------|---------------|--------------|-------------------|-----------------|
|                             |             | Less than 1 year                     | 1-2 years     | 2-3 years    | More than 3 years |                 |
| (i) MSME                    | 2.51        | -                                    | -             | -            | -                 | 2.51            |
| (ii) Others                 | -           | 1,077.42                             | 111.40        | -            | -                 | 1,188.82        |
| (iii) Disputed dues - MSME  | -           | -                                    | -             | -            | -                 | -               |
| (iv) Disputed dues - Others | -           | -                                    | -             | 22.84        | 77.39             | 100.23          |
| <b>Total</b>                | <b>2.51</b> | <b>1,077.42</b>                      | <b>111.40</b> | <b>22.84</b> | <b>77.39</b>      | <b>1,291.56</b> |

## Note 20: Other financial liabilities

| S.No. | Particulars      | As at 31 Mar 2022 | As at 31 Mar 2021 |
|-------|------------------|-------------------|-------------------|
| 1     | Employee Dues    | 678.40            | 682.74            |
| 2     | Unpaid Dividend  | 31.49             | 29.90             |
| 3     | Security Deposit | 3.23              | 3.23              |
|       | <b>Total</b>     | <b>713.12</b>     | <b>715.87</b>     |

## Note 21: Other current liabilities

| S.No. | Particulars       | As at 31 Mar 2022 | As at 31 Mar 2021 |
|-------|-------------------|-------------------|-------------------|
| 1     | Statutory dues    | 310.26            | 299.66            |
| 2     | Other liabilities | 5.88              | 13.57             |
|       | <b>Total</b>      | <b>316.14</b>     | <b>313.23</b>     |

## Note 22: Short term provisions

| S.No. | Particulars                    | As at 31 Mar 2022 | As at 31 Mar 2021 |
|-------|--------------------------------|-------------------|-------------------|
| 1     | Provision for Bonus            | 151.00            | 169.40            |
| 2     | Provision for Gratuity         | 88.07             | 93.38             |
| 3     | Provision for Leave Encashment | 25.83             | 19.48             |
|       | <b>Total</b>                   | <b>264.90</b>     | <b>282.26</b>     |

## Note 23: Revenue from operations

| S.No. | Particulars                               | As at 31 Mar 2022 | As at 31 Mar 2021 |
|-------|---|-------------------|-------------------|
|       | <b>Catering &amp; Management Service:</b> |                   |                   |
| 1     | Sale of Food & Beverage                   | 13,386.14         | 10,628.24         |
| 2     | Management Service Charges                | 6,428.13          | 5,408.11          |
| 3     | Room Revenue                              | 124.92            | 91.49             |
|       | <b>Total</b>                              | <b>19,939.19</b>  | <b>16,127.84</b>  |



**Note 24: Other income****(All Amounts are in Lakhs unless otherwise stated)**

| S.No. | Particulars                       | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|-----------------------------------|----------------------|----------------------|
| 1     | Interest on Deposits with Bank    | 37.51                | 45.46                |
| 2     | Dividend from Joint Venture       | 273.97               | 132.43               |
| 3     | Bad Debts provision written back  | -                    | 27.09                |
| 4     | Creditors/Provision written Back  | 11.08                | 92.97                |
| 5     | Profit on sale of asset           | 0.02                 | -                    |
| 6     | PF- PMRPY                         | 11.88                | 24.85                |
| 7     | Staff deduction                   | 15.34                | 28.06                |
| 8     | Foreign currency rate fluctuation | 0.06                 | 0.06                 |
| 9     | Miscellaneous Income              | 6.53                 | 47.60                |
|       | <b>Total</b>                      | <b>356.39</b>        | <b>398.52</b>        |

**Note 25: Consumption of provision and stores**

| S.No. | Particulars         | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|---------------------|----------------------|----------------------|
|       | Opening Stock       | 170.36               | 243.70               |
|       | Add:Purchases       | 7,509.46             | 5,362.84             |
|       | Less: Closing Stock | 215.02               | 170.36               |
|       | <b>Total</b>        | <b>7,464.80</b>      | <b>5,436.18</b>      |

**Note 26: Employee benefits expense**

| S.No. | Particulars                               | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|---|----------------------|----------------------|
| 1     | Salaries, wages and bonus                 | 8,459.35             | 7,595.77             |
| 2     | Director's Remuneration                   | 12.00                | 12.00                |
| 3     | Contribution to provident and other funds | 1,294.44             | 1,009.09             |
| 4     | Staff welfare expenses                    | 175.37               | 161.73               |
|       | <b>Total</b>                              | <b>9,941.16</b>      | <b>8,778.59</b>      |

**Note 27: Finance costs**

| S.No. | Particulars                       | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|-----------------------------------|----------------------|----------------------|
| 1     | Interest on Cash Credit with Bank | 7.08                 | 7.08                 |
| 2     | Interest on Car Loan              | 7.57                 | 8.81                 |
| 3     | Interest on IND AS 116            | 94.50                | 102.06               |
|       | <b>Total</b>                      | <b>109.15</b>        | <b>117.95</b>        |

**Note 28: Depreciation and Amortisation Expenses**

| S.No. | Particulars                                   | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|---|----------------------|----------------------|
| 1     | Depreciation of Property, Plant and Equipment | 141.98               | 136.36               |
| 2     | Amortisation of Intangible assets             | 5.48                 | 6.57                 |
| 3     | Amortisation of Right of Use Assets           | 122.24               | 127.21               |
|       | <b>Total</b>                                  | <b>269.70</b>        | <b>270.14</b>        |

**Note 29: Other expenses**
**(All Amounts are in Lakhs unless otherwise stated)**

| S.No. | Particulars                        | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|------------------------------------|----------------------|----------------------|
| 1     | Advertisement & Business Promotion | 81.97                | 55.07                |
| 2     | Bank Charges                       | 16.74                | 15.78                |
| 3     | Communication Expense              | 45.99                | 36.11                |
| 4     | Commission to Director             | 9.31                 | 15.94                |
| 5     | CSR Activity Expense               | 23.25                | 29.86                |
| 6     | Professional & Consultancy fee     | 202.88               | 145.40               |
| 7     | Power & Fuel                       | 48.38                | 58.92                |
| 8     | Hiring charges                     | 8.76                 | 7.03                 |
| 9     | House keeping Expenses             | 83.95                | 234.78               |
| 10    | Kitchen Utensils                   | 11.88                | 8.24                 |
| 11    | Miscellaneous Expenditure          | 55.49                | 54.40                |
| 12    | Listing fees                       | 3.42                 | 3.42                 |
| 13    | Loss on sale of asset              | 9.10                 | -                    |
| 14    | Office Expenses                    | 6.29                 | 5.97                 |
| 15    | Printing and Stationary            | 30.53                | 18.12                |
| 16    | Rates & Taxes                      | 11.36                | 12.25                |
| 17    | Rent                               | 257.53               | 140.56               |
| 18    | Remuneration to auditors           |                      |                      |
|       | - Statutory Audit                  | 7.01                 | 7.01                 |
|       | - Limited Review                   | 1.18                 | 1.18                 |
|       | - VAT/GST                          | 2.36                 | 2.36                 |
|       | - For Tax audit                    | 1.18                 | 1.18                 |
| 19    | Repairs & Maintenance - Others     | 48.92                | 32.07                |
| 20    | Security Charges                   | 14.48                | 15.56                |
| 21    | Sitting Fee                        | 24.78                | 24.19                |
| 22    | Travelling & Conveyance            | 193.07               | 185.72               |
| 23    | Transport Charges                  | 23.92                | 23.42                |
| 24    | Bad Debts W/off                    | 8.33                 | -                    |
|       | <b>Total</b>                       | <b>1,232.06</b>      | <b>1,134.54</b>      |

Note: Part of House Keeping Expenses like Cleaning Materials & disposable items included in consumption for the year 2021 - 22 as it is directly purchased from concern units due to Covid

## Note : Corporate Social Responsibility Expenditure

| Particulars   | Year ended March<br>31,2022 | Year ended March<br>31,2021 |
|---|-----------------------------|-----------------------------|
| Gross Amount required to be spent as per Sec 135 of the Act | 23.23                       | 23.34                       |
| Amount spend during the year on                             | -                           | -                           |
| Construction / acquisition of an asset                      | -                           | -                           |
| On purposes other than above                                | 23.25                       | 29.86                       |
| <b>Total</b>  | <b>23.25</b>                | <b>29.86</b>                |
| Amount spent through approved trust and institutions        | -                           | -                           |
| Amount spent directly                                       | 23.25                       | 29.86                       |
| <b>Total</b>  | <b>23.25</b>                | <b>29.86</b>                |

Note:- CSR Expenditure during the year on construction/acquisition of an asset is Nil. CSR Expenses relating to gross amount required to be spent for the year and the actual amount spent by the company during the year is furnished

## Note 30: INCOME TAXES RELATING TO CONTINUING OPERATIONS

(All Amounts are in Lakhs unless otherwise stated)

| Particulars         | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|---------------------|----------------------|----------------------|
| <b>Current tax</b>  |                      |                      |
| for Current year    | 249.94               | 160.00               |
| for Previous years  | -                    | (46.64)              |
| <b>Deferred tax</b> |                      |                      |
| for Current year    | 4.78                 | 21.49                |
| <b>Total</b>        | <b>254.72</b>        | <b>134.85</b>        |

The Income Tax expense for the year can be reconciled to the accounting profit as follows :

| Particulars  | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|--|----------------------|----------------------|
| <b>Profit before tax from continuing operations</b>    | <b>1,278.72</b>      | <b>788.96</b>        |
| Income tax expenses calculated @ 25.17%                | 321.85               | 198.58               |
| Effect of income exempt from tax                       | (68.96)              | (33.33)              |
| Expenses not deductible in determining taxable profits | (2.95)               | (5.25)               |
| <b>Total</b>   | <b>249.94</b>        | <b>160.00</b>        |

### Note 31: Fair values

- Level 1 items fair value measurement hierarchy are as follows:
  - Level 1 item of fair valuation based on market price quotation at each reporting date
  - Level 2 items of fair valuation is based on significant observable input like PV of future cash flows, MTM valuation, etc.
  - Level 3 item of fair valuation is based upon significant unobservable inputs where valuation is done by independent valuer.
- The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial assets and are considered to be the same as their fair values, due to their short-term nature.
- For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values. The fair value of the financial assets and financial liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

#### Method and assumption

The following methods and assumption were used to estimate the fair value at the reporting date:

Loans to employees, security deposit paid and security deposit received are valued using discounted cash flow using rates currently available for items on similar terms, credit risk and maturities.

### Note 32: Financial instruments and Risk factors

#### Financial Risk factors

The Company's financial liabilities comprise of short term and long term borrowings, trade payables, employees dues, unpaid dividend and security deposit. The main purpose of financial liabilities is to support the company's financial operations. The Company's financial assets includes security deposit, investments, trade receivables, staff advance, cash and cash equivalents, Bank balances, etc that derive directly from the operations.

To ensure alignment of risk management system with the corporate and operational objective and to improve upon the existing procedure, the company oversees various risk factor for managing of these risks.

#### Interest rate risk

The Company is exposed to interest rate risk from the possibility that the inflow in the interest rate will affect future cash flows of a financial instruments.

The Company's interest rate mix management includes to maintain a mix between fixed or floating rate based on liquidity.

#### Credit risk

Customer credit risk is managed according to the Company's policy, procedure and control relating to customers' credit risk management. Outstanding receivables are monitored regularly. MIS prepared by the management time to time is according to varieties of customer and services. Sales to walk-in customers are made by way of Cash, PayTM and debit/credit payments. Food sold to industrial customers is on credit basis.

#### Liquidity risk

The Company monitors its risk of shortage of funds using detailed cash flow projections which is monitored closely on a daily basis. The Company has been sanctioned cash credit limit of Rs. 12 Crores by a scheduled bank for meeting working capital requirement of the Company. The cash credit facility is secured by exclusive charge over inventory, trade receivables and all the fixed assets of the Company.

The table below summarizes, the maturity profile of the Company's financial liabilities based on the contractual maturities:

(All Amounts are in Lakhs unless otherwise stated)

| Particulars                 | On Demand | < 3 months | 3 to 12 months | 1 to 5 years | > 5 years | Total    |
|-----------------------------|-----------|------------|----------------|--------------|-----------|----------|
| <b>31.03.2022</b>           |           |            |                |              |           |          |
| Borrowings - Cash Credit    | -         | -          | -              | -            | -         | -        |
| Term Loan / Vehicle         | -         | 4.55       | 10.60          | 64.24        | -         | 79.39    |
| Trade Payables              | -         | 932.23     | 189.63         | 227.79       | -         | 1,349.65 |
| Other financial liabilities | -         | -          | -              | -            | -         | -        |
| <b>31.03.2021</b>           |           |            |                |              |           |          |
| Borrowings - Cash Credit    | -         | -          | -              | -            | -         | -        |
| Term Loan / Vehicle         | -         | 4.13       | 12.86          | 79.18        | -         | 96.17    |
| Trade Payables              | -         | 922.92     | 157.01         | 211.63       | -         | 1,291.56 |
| Other financial liabilities | -         | -          | -              | -            | -         | -        |

### Note 33:RELATED PARTY DISCLOSURE:

List of Related Parties as identified by the Management:

#### Nature of Relation

Promoter

#### Name of Related Party

Dr. Pratap.C.Reddy  
Mr. P.VijayaKumar Reddy  
Mrs. Suneeta Reddy  
Mrs. Shobana Kamineni  
Mrs. Sucharitha Reddy  
Mrs. Sindoori Reddy

Key Management Personnel

Mrs. Sucharitha Reddy  
Mr. C.Natarajan  
Mr. M.SP.Meyyappan  
Ms. Surabhi Pasari

Joint Venture  
100% Subsidiary

M/s Faber Sindoori Management Services (P) Ltd  
Olive & Twist Hospitality Private Limited

Enterprise over which promoter or Key Management Personnel exercise significant influence

M/s Apollo Hospitals Enterprises Ltd  
M/s Apollo Gleneagles Hospitals Ltd  
M/s.Apollo Health & Lifestyle Ltd  
M/s.Apollo Hospital International Llimited  
M/s Imperial Cancer Hospital & Research Center Ltd  
M/s Lifetime Wellness Rx International Ltd  
M/s PPN Power Generating Company Private Limited

The Company's related party transaction are summarized as follows: (All Amounts are in Lakhs unless otherwise stated)

| Name of the Related Party          | Promoter  |           | Key Management Personnel |           | Joint Venture |           | Subsidiary |           | Enterprise over which promoter or Key Management Personnel exercise significant influence |           |
|------------------------------------|-----------|-----------|--------------------------|-----------|---------------|-----------|------------|-----------|---|-----------|
|                                    | 2021-2022 | 2020-2021 | 2021-2022                | 2020-2021 | 2021-2022     | 2020-2021 | 2021-2022  | 2020-2021 | 2021-2022   | 2020-2021 |
| Profession Fees (inclusive of GST) | 24.00     | 24.00     | -                        | -         | -             | -         | -          | -         | -   | -         |
| Staff Advance given                | -         | -         | -                        | 90.00     | -             | -         | -          | -         | -   | -         |
| Loans and Advances                 | -         | -         | -                        | -         | -             | -         | -          | -         | -   | -         |
| Sale of goods & services           | -         | -         | -                        | -         | 166.03        | 118.04    | -          | -         | 15,910.49   | 13,365.26 |
| Purchase of goods                  | -         | -         | -                        | -         | -             | -         | 1,511.44   | 871.63    | -   | -         |
| Balance Outstanding                | -         | -         | -                        | 90.00     | 67.64         | 106.42    | 76.17      | 633.24    | 3,109.71  | 2,957.34  |

## 2. Key Management Personnel

### A. Whole-time Director and company secretary

For the year ended 31.03.2022

| Salary - Key Managerial Personnel | Short term Employee Benefits | Post employee Benefits | Other long term benefits | Termination Benefits | Total  |
|-----------------------------------|------------------------------|------------------------|--------------------------|----------------------|--------|
| Mrs. Sucharitha Reddy             | 12.07                        | -                      | -                        | -                    | 12.07  |
| Mr.C.Natarajan                    | 109.73                       | 8.08                   | 2.86                     | -                    | 120.67 |

For the year ended 31.03.2021

| Salary - Key Managerial Personnel | Short term Employee Benefits | Post employee Benefits | Other long term benefits | Termination Benefits | Total  |
|-----------------------------------|------------------------------|------------------------|--------------------------|----------------------|--------|
| Mrs. Sucharitha Reddy             | 12.10                        | -                      | -                        | -                    | 12.10  |
| Mr.C.Natarajan                    | 115.90                       | 7.88                   | 2.86                     | -                    | 126.64 |

## B. Independent Directors

For the year ended 31.03.2022

(All Amounts are in Lakhs unless otherwise stated)

| Name of the Director | Sitting fee | Commission | TOTAL |
|----------------------|-------------|------------|-------|
| Mr. G.Venkatraman    | 6.49        | 3.10       | 9.59  |
| Mr.Suresh R Madhok   | 6.49        | 3.10       | 9.59  |
| Mr.George Eapan      | 7.08        | 3.10       | 10.18 |

For the year ended 31.03.2021

| Name of the Director | Sitting fee | Commission | TOTAL |
|----------------------|-------------|------------|-------|
| Mr. G.Venkatraman    | 5.90        | 5.31       | 11.21 |
| Mr.Suresh R Madhok   | 5.90        | 5.31       | 11.21 |
| Mr.George Eapan      | 6.49        | 5.31       | 11.80 |

### Note 34: LEASES

#### OPERATING LEASE

Operating lease expenses has changed from rent (included in Other expenses) to depreciation cost of Rs.122.24 Lakhs (Current Year) and Rs. 127.21 lakhs (Previous Year). For the right of use of assets and finance cost of Rs.94.50 Lakhs (Current Year) and Rs.102.06 lakhs (Previous Year) for interest accrued on lease liability.

### Note 35: FOREIGN CURRENCY EARNINGS/EXPENDITURE:

| Particulars                     | Year ended<br>31 Mar 2022 | Year ended<br>31 Mar 2021 |
|---------------------------------|---------------------------|---------------------------|
| Expenditure in Foreign currency | 16.54                     | 21.68                     |
| Earnings in Foreign currency    | Nil                       | Nil                       |

### Note 36: EMPLOYEE BENEFITS

- i. Defined Benefit Plan:
  - a) Gratuity

| Period Covered                 | 31-Mar-22  | 31-Mar-21  |
|--------------------------------|--|------------|
| Assumptions                    |  |            |
| Discount Rate                  | 6.85% p.a.   | 6.80% p.a. |
| Expected Return On Plan Assets | 8% p.a.  | 8% p.a.    |
| Mortality                      | Indian Assured Lives Mortality<br>100% of IALM 2012-14 |            |
| Future Salary Increases        | 6 %p.a.  | 6 %p.a.    |
| Disability                     | Nil  | Nil        |
| Attrition                      | 2% p.a.  | 2% p.a.    |
| Retirement                     | 58yrs  | 58yrs      |
| Method                         | Projected Unit Credit                                  |            |

## Changes in the Present Value of the Obligation and in the Fair Value of the Assets

(All Amounts are in Lakhs unless otherwise stated)

|  | 31-Mar-22     | 31-Mar-21     |
|--|---------------|---------------|
| Present Value Of obligation at the beginning of the period                 | 1,506.65      | 1,230.41      |
| Interest Cost  | 103.13        | 83.61         |
| Current Service Cost   | 209.21        | 154.51        |
| Past Service Cost  | -             | -             |
| Benefits Paid  | (103.51)      | (62.58)       |
| Actuarial (gain)/loss on Obligation  | (42.39)       | 100.70        |
| Present Value Of obligation at the end of the period                       | 1,673.09      | 1,506.65      |
| Fair value of plan assets at the beginning of the period                   | 810.61        | 599.86        |
| Investment Income  | 55.49         | 40.76         |
| Contributions  | 322.33        | 230.00        |
| Benefits Paid  | (103.51)      | (62.58)       |
| Return on plan assets, excluding amount recognised in net interest expense | 23.67         | 2.56          |
| Fair value of plan assets at the end of the period                         | 1,108.59      | 810.61        |
| Total actuarial gain (loss) to be recognized                               | 66.06         | (98.14)       |
| <b>Balance Sheet Recognition</b>   |               |               |
| Present Value Of Obligation  | 1,673.09      | 1,506.65      |
| Fair Value Of Plan Assets  | (1,108.59)    | (810.61)      |
| Liability (assets)   | 564.50        | 696.04        |
| Unrecognised Past Service Cost   | -             | -             |
| <b>Liability (asset) recognised in the Balance Sheet</b>                   | <b>564.50</b> | <b>696.04</b> |

### Profit & Loss – Expenses

|  |               |               |
|--|---------------|---------------|
| Current Service Cost   | 209.21        | 154.51        |
| Interest Cost  | 103.13        | 83.61         |
| Expected Return On plan assets                                   | (55.49)       | (40.76)       |
| Net Actuarial (gain)/loss recognised in the year                 | (66.06)       | 98.14         |
| Past Service Cost  | -             | -             |
| <b>Expenses Recognised in the statement of Profit &amp; Loss</b> | <b>190.79</b> | <b>295.50</b> |

### Actual Return On Plan Assets

|                                      |       |       |
|--------------------------------------|-------|-------|
| Expected Return on plan assets       | 55.49 | 40.76 |
| Actuarial gain/(Loss) on plan assets | 23.67 | 2.56  |
| Actual Return On Plan Assets         | 79.16 | 43.32 |

### Movement in the net Liability recognised in the Balance Sheet

|                       |          |          |
|-----------------------|----------|----------|
| Opening net Liability | 696.04   | 630.55   |
| Expenses              | 190.79   | 295.50   |
| Contribution          | (322.33) | (230.00) |
| Closing Net Liability | 564.50   | 696.05   |

### Other Comprehensive Income

| Particulars  | 31-Mar-22 | 31-Mar-21 |
|--|-----------|-----------|
| Actuarial (gain) and losses  | (42.39)   | 100.70    |
| Past Service Cost  | -         | -         |
| Return on plan assets, excluding amount recognised in net interest expense                     | (23.67)   | (2.56)    |
| Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling | -         | -         |
| Net Assets / (Liability )  | (66.06)   | 98.14     |

**b) Leave Encashment**

(All Amounts are in Lakhs unless otherwise stated)

| Period Covered                 | 31-Mar-22                      | 31-Mar-21  |
|--------------------------------|--------------------------------|------------|
| Assumptions                    | <b>Rs.</b>                     | <b>Rs.</b> |
| Discount Rate                  | 7.30% p.a.                     | 6.85% p.a. |
| Expected Return On Plan Assets | -                              | -          |
| Mortality                      | Indian Assured Lives Mortality |            |
|                                | 100% of IALM 2012-14           |            |
| Future Salary Increases        | 6 %p.a.                        | 6 %p.a.    |
| Disability                     | Nil                            | Nil        |
| Withdrawal rate                | 2% p.a.                        | 2% p.a.    |

**Changes in the Present Value of the Obligation and in the Fair Value of the Assets**

|  | 31-Mar-22     | 31-Mar-21     |
|--|---------------|---------------|
| Present Value Of obligation at the beginning of the period | 280.88        | 254.16        |
| Interest Cost  | 19.23         | 17.27         |
| Current Service Cost                                       | 60.94         | 68.66         |
| Past Service Cost  | -             | -             |
| Benefits Paid  | -             | (22.08)       |
| Actuarial (gain)/loss on Obligation                        | (35.52)       | (37.13)       |
| Present Value Of obligation at the end of the period       | 325.54        | 280.88        |
| Fair value of plan assets at the beginning of the period   | -             | -             |
| Expected Return On plan assets                             | -             | -             |
| Contributions  | -             | -             |
| Benefits Paid  | -             | -             |
| Actuarial gain (Loss) Plan assets                          | -             | -             |
| Fair value of plan assets at the end of the period         | -             | -             |
| Total actuarial gain (loss) to be recognized               | 35.52         | 37.13         |
| <b>Balance Sheet Recognition</b>                           |               |               |
| Present Value Of Obligation                                | 325.54        | 280.88        |
| Fair Value Of Plan Assets                                  | -             | -             |
| Liability (assets)   | 325.54        | 280.88        |
| Unrecognised Past Service Cost                             | -             | -             |
| <b>Liability (asset) recognised in the Balance Sheet</b>   | <b>325.54</b> | <b>280.88</b> |

**Profit & Loss – Expenses**

|  |              |              |
|--|--------------|--------------|
| Current Service Cost   | 60.94        | 68.66        |
| Interest Cost  | 19.23        | 17.27        |
| Expected Return On plan assets                                   | -            | -            |
| Net Actuarial (gain)/loss recognised in the year                 | (35.52)      | (37.13)      |
| Past Service Cost  | -            | -            |
| <b>Expenses Recognised in the statement of Profit &amp; Loss</b> | <b>44.65</b> | <b>48.80</b> |
| <b>Actual Return On Plan Assets</b>                              |              |              |
| Expected Return on plan assets                                   | -            | -            |
| Actuarial gain/(Loss) on plan assets                             | -            | -            |
| Actual Return On Plan Assets                                     | -            | -            |



(All Amounts are in Lakhs unless otherwise stated)

| <b>Movement in the net Liability recognised in the Balance Sheet</b> |        |         |
|--|--------|---------|
| Opening net Liability  | 280.88 | 254.16  |
| Expenses   | 44.65  | 48.80   |
| Contribution   | -      | (22.08) |
| Closing Net Liability  | 325.53 | 280.88  |

**Note 37: EARNINGS PER SHARE**

|  | 2021-22   | 2020-21   |
|--|-----------|-----------|
|  | Rs.       | Rs.       |
| Net Profit as P&L                            | 1,024.00  | 654.11    |
| Weighted average no. of shares o/s           | 26,00,400 | 26,00,400 |
| Nominal Value Per Share                      | 5         | 5         |
| Earnings Per Share                           |           |           |
| - Basic and Diluted                          | 39.38     | 25.15     |
| - Basic and Diluted after Extraordinary item | 39.38     | 25.15     |

Note 38 : Segment Reporting

Statement Showing Segment results for the financial year 2021-22

(All Amounts are in Lakhs unless otherwise stated)

| Particulars   | Year             | Outsourced Services | Other Operations | Total            |
|---|------------------|---------------------|------------------|------------------|
| Segment Revenues  | 2021-2022        | 20,171.13           | 124.46           | 20,295.59        |
|   | 2020-2021        | 16,415.41           | 110.96           | 16,526.37        |
| Expenses  | 2021-2022        | 18,503.57           | 134.44           | 18,638.01        |
|   | 2020-2021        | 15,231.04           | 118.28           | 15,349.32        |
| Segment Results   | 2021-2022        | 1,014.74            | (9.98)           | 1,004.75         |
|   | 2020-2021        | 663.85              | (7.32)           | 656.53           |
| Income before depreciation interest taxes and extraordinary items | 2021-2022        | 1,393.59            | 263.98           | 1,657.57         |
|   | 2020-2021        | 1,051.94            | 125.11           | 1,177.05         |
| Interest  | 2021-2022        | 109.15              | -                | 109.15           |
|   | 2020-2021        | 117.95              | -                | 117.95           |
| Depreciation  | 2021-2022        | 269.70              | -                | 269.70           |
|   | 2020-2021        | 270.14              | -                | 270.14           |
| Exordinary Items  | 2021-2022        | -                   | -                | -                |
|   | 2020-2021        | -                   | -                | -                |
| Tax Expenses  | 2021-2022        | 254.72              | -                | 254.72           |
|   | 2020-2021        | 134.85              | -                | 134.85           |
| <b>Profit/(Loss) after Taxation</b>                               | <b>2021-2022</b> | <b>760.02</b>       | <b>263.98</b>    | <b>1,024.00</b>  |
|   | <b>2020-2021</b> | <b>529.00</b>       | <b>125.11</b>    | <b>654.11</b>    |
| Segment Assets  | 2021-2022        | 6,848.16            | 423.50           | 7,271.66         |
|   | 2020-2021        | 6,346.39            | 422.35           | 6,768.74         |
| Segment Assets (Unallocated)                                      | 2021-2022        | -                   | -                | 2,830.30         |
|   | 2020-2021        | -                   | -                | 2,457.64         |
| <b>Total Assets</b>   | <b>2021-2022</b> | <b>6,848.16</b>     | <b>423.50</b>    | <b>10,101.96</b> |
|   | <b>2020-2021</b> | <b>6,346.39</b>     | <b>422.35</b>    | <b>9,226.38</b>  |
| Segment Liabilities   | 2021-2022        | 9,560.14            | 380.31           | 9,940.45         |
|   | 2020-2021        | 8,712.94            | 353.51           | 9,066.45         |
| Unallocated Liabilities   | 2021-2022        | -                   | -                | 161.51           |
|   | 2020-2021        | -                   | -                | 159.93           |
| Shareholders Funds  | 2021-2022        | -                   | -                | -                |
|   | 2020-2021        | -                   | -                | -                |
| <b>Total Liabilities</b>  | <b>2021-2022</b> | <b>9,560.14</b>     | <b>380.31</b>    | <b>10,101.96</b> |
|   | <b>2020-2021</b> | <b>8,712.94</b>     | <b>353.51</b>    | <b>9,226.38</b>  |
| Capital Expenditure Incurred                                      | 2021-2022        | 285.13              | -                | 285.13           |
|   | 2020-2021        | 85.92               | -                | 85.92            |
| Segment Depreciation  | 2021-2022        | 269.70              | -                | 269.70           |
|   | 2020-2021        | 270.14              | -                | 270.14           |
| Non cash expenses other than depreciation                         | 2021-2022        | 18,503.57           | 134.44           | 18,638.01        |
|   | 2020-2021        | 15,231.04           | 118.28           | 15,349.32        |

There are no reportable geographical segments as the Company's operations are confined to only one geographical location.

**Note 39 :****Contingent Liability:**

Claim against the Company/disputed liabilities not acknowledged as debts - Rs.5,70 Lakhs (Previous Year -Rs.5.70 Lakhs).

**Note 40 :**

Based on the records, available information and explanation provided, amounts due to Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 are as follows:

(Amounts are in Lakhs unless otherwise stated)

| SUPPLIER NAME                        | OUTSTANDING AS ON 31.03.2022 | OUTSTANDING AS ON 31.03.2021 |
|--------------------------------------|------------------------------|------------------------------|
| GS Farm Taaza Produce Pvt. Ltd.      | -                            | 0.32                         |
| Chefs Frozen Foods Pvt Ltd           | -                            | 2.19                         |
| Lalah'S Indian Spices & Food (P) Ltd | 3.87                         | -                            |
| Equire                               | 0.53                         | -                            |
| Hirthai Enterprises                  | 0.40                         | -                            |
| Sourabh Enterprise                   | 2.09                         | -                            |
| Sri Sairam Foods                     | 0.90                         | -                            |
| Sunsri Trading House                 | 0.06                         | -                            |
| Tecsi Foods                          | 0.07                         | -                            |
| Udayak Agro Products Pvt Ltd         | 0.94                         | -                            |
| Vlr Industries                       | 0.66                         | -                            |

**Note 41 :**

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021:

| S.No | Particulars   | March 31,2022 Audited | March 31,2021 Audited | Variation | Explanation for the change in Ratios by more than 25% from previous year   |
|------|---|-----------------------|-----------------------|-----------|--|
| 1    | Debt-to-Equity (D/E) Ratio (in times)<br>(Total Debt (Long term +Short term including current maturity)/Total Shareholders' Equity)   | 1.4%                  | 2.1%                  | -31%      | Reduction in debt to equity ratio is attributable repayment of loans and also to higher profits retained during the year |
| 2    | Debt service coverage ratio (in times)<br>{(Profit after tax+ depreciation+ interest on term loan) /(Interest on term loan + Long term principal repayment amount during the period)} | 1.87%                 | 1.53%                 | 22%       | NA   |
| 3    | Current ratio (in times)<br>Current Assets/ Current Liabilities   | 2.60                  | 2.55                  | 2%        | NA   |
| 4    | Debtors turnover (in times)<br>[Net Credit Sales / Average Accounts Receivable { (Closing Accounts Receivable + Opening Accounts Receivable)/2}]                                      | 5.60                  | 4.40                  | 27%       | Better turnover and Receivable management  |
| 5    | Inventory turnover (in times)<br>[Revenue from operation / Average Inventory { (Closing Inventory + Opening Inventory)/2}]  | 69.47                 | 51.34                 | 35%       | Better Turnover and inventory management   |

|    |  |        |        |     |   |
|----|--|--------|--------|-----|---|
| 6  | Net profit margin (%)<br>(Net Profit after tax/ Total Revenue)   | 5.29%  | 3.51%  | 51% | During the previous year, the business of this entity was impacted due to COVID-19. Due to increase in the business during the year, the profit has increased |
| 7  | Return on equity ratio (%)<br>(Net profit after tax/Average shareholder equity)                              | 20.01% | 14.86% | 35% | During the previous year, the business of this entity was impacted due to COVID-19. Due to increase in the business during the year, the profit has increased |
| 8  | Trade Payable turnover ratio (In times)<br>Net credit purchase/average trade payable                         | 5.69   | 4.15   | 37% | Better turnover and trade payable management  |
| 9  | Net capital Turnover ratio (in times)<br>Net annual sale/working capital                                     | 4.55   | 3.84   | 18% | NA  |
| 10 | Return on capital employed (%)<br>Earning before interest and tax/Capital Employed( Equity + Long Term Debt) | 0.18   | 0.14   | 28% | Higher return on capital employed is on account of improved profitability represented by higher Earning before interest and tax                               |
| 11 | Return on investment (%)<br>Net income (PAT)/cost of investment (total assets)                               | 10%    | 7%     | 43% | Improved return on investment is because of higher profit after tax earned during the year  |

**Note 42 :**

Figures for the previous year have been regrouped or rearranged wherever necessary. Figures have been rounded off to the nearest rupees.

As per our Report of even date  
**For P.Chandrasekar LLP**  
Chartered Accountants  
Firm Regn. No.: 000580S/S200066

**S.Viswanathan**  
Partner  
Membership No.: 207632

Place: Chennai  
Date: 28.05.2022

**For Apollo Sindoori Hotels Limited**

**Sucharitha Reddy**  
Managing Director

**Suresh R Madhok**  
Director

**G.Venkatraman**  
Chairman

**C.Natarajan**  
Whole-time Director &  
Chief Executive Officer

**Surabhi Pasari**  
Company Secretary

**Meyyappan M.SP.**  
Chief Financial Officer

## INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED 31ST MARCH 2022

### TO THE MEMBERS OF APOLLO SINDOORI HOTELS LIMITED

#### Report on the audit of the consolidated financial statements

#### Opinion

We have audited the consolidated financial statements of Apollo Sindoori Hotels Limited ("the Company") and its subsidiary (the Company and its subsidiary together referred to as the "Group") and its jointly controlled entity, which comprise the Consolidated Balance Sheet as at 31st March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and Notes to the Consolidated Financial Statements, including a summary of the Significant Accounting Policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at 31st March 2022, the consolidated profit, the consolidated total comprehensive income, the consolidated changes in Equity, and its consolidated 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 Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone 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 Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

| S. No. | Key Audit Matter  | Response to Key Audit Matter   |
|--------|---|--|
| 1      | <p><u>Cash sales</u><br/>About 20% of the food and beverage sale is by way of cash sale at the food counters at various locations.<br/>Hence, this is considered significant as there are chances of under-booking of sales, delayed deposit of cash or misappropriation of cash.</p> | <p><u>Our audit procedures included:</u></p> <ul style="list-style-type: none"><li>• Assessment of checks and balances available - concurrent audit system in place and periodical rotation of cashiers.</li><li>• Assessment of controls over billing – software used as against hand-held devices.</li><li>• Assessment of controls over banking of cash collections – Bank representative picks up the cash on a daily basis.</li><li>• Assessment of controls over periodical stock-take and the related procedures.</li></ul> |

## **Information other than the Consolidated Financial Statements and Auditor's report thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance Report and Shareholders' Information, but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated 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 Consolidated Financial Statements, our responsibility is to read the other information, and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group including its jointly controlled entity, in accordance with the accounting principles generally accepted in India, including the accounting standards specified under Section 133 of the Act.

The respective Board of Directors of the Companies included in the Group and of its jointly controlled entity is responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its jointly controlled entity, and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the Companies included in the Group and of its jointly controlled entity, is responsible for assessing the ability of the Group and of its jointly controlled entity 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its jointly controlled is also responsible for overseeing the financial reporting process of the Group and of its jointly controlled entity.

## **Auditor's responsibilities for the audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Consolidated 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements, 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 ability of the Group and its jointly controlled entity 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 Consolidated 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 Group and its jointly controlled entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, whose financial statements have been audited by other auditors, such auditor remains responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

## Other Matters

We did not audit the financial statements of Olive & Twist Hospitality Private Limited, the subsidiary, whose financial statements reflect total assets of ₹1,767 lakh, total revenue of ₹2,560 lakh, total net loss after tax of ₹290 lakh and total comprehensive loss of ₹315 lakh for the year ended 31st March 2022. The consolidated financial statements also include the Group's share of net profit after tax of ₹1,047 lakh for the year ended 31st March 2022, as considered in the consolidated financial statements, in respect of Faber Sindoori Management Services Private Limited, the jointly controlled entity. These financial statements have been audited by another firm of Chartered Accountants whose report has been furnished to us by the Company's Management and our opinion, on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the above-mentioned subsidiary and the jointly controlled entity and our report in terms of Section 143(3) of the Act, is based solely on the report of the other auditors.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the Company's Management.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements on the subsidiaries, associates and joint ventures referred to in the Other Matters section above we report, to the extent applicable that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the Consolidated Financial Statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books.
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
  - d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the Directors of the Company as on 31st March 2022, taken on record by the Board of Directors of the Company and the report of the statutory auditors of the jointly controlled entity incorporated in India, none of the Directors of the Group and its jointly controlled entity incorporated in India, is disqualified as on 31st 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies, associate companies and joint venture companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid 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 explanations given to us:
- i. The Consolidated Financial Statements disclose the impact of pending litigations on the financial position of the Group and its jointly controlled entity.
  - ii. The Group and its jointly controlled entity did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its jointly controlled entity incorporated in India.
  - iv. a. The respective Managements of the Parent and its subsidiaries, associates and jointly controlled companies/ joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, associates and jointly controlled companies/ joint ventures respectively that, to the best of their knowledge and belief, other than as disclosed in the note 66 (v) to consolidated financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - b. The respective Managements of the Parent and its subsidiaries, associates and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries, associates and joint ventures respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - c. Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement
2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective

**For P Chandrasekar LLP**  
**Chartered Accountants**  
**FRN: 000580S/S200066**

**S Viswanathan**  
**Partner**  
**M.No 207632**  
**UDIN : 22207632AJUODX2062**

**Place : Chennai**  
**Date : 28<sup>th</sup> May 2022**

**ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED**  
**31<sup>ST</sup> MARCH 2022**

**(Referred to in paragraph 1 (f) under "Report on Other Legal and Regulatory Requirements"  
section of our report to the Members of Apollo Sindoori Hotels Limited of even date)**

**Report on the Internal Financial Controls with reference to financial statements under Section 143(3)(i) of the Companies Act,2013 (" the Act")**

In conjunction with our audit of the Ind AS Consolidated Financial Statements of the Company as of and for the year ended 31st March 2022, we have audited the internal financial controls with reference to financial statements of Apollo Sindoori Hotels Limited ("the Company"), its subsidiary and its jointly controlled entity incorporated in India.

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Company, its subsidiary and its jointly controlled entity, which are companies incorporated in India, is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). 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 accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act,2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Group's and its jointly controlled entity's internal financial controls with reference to financial statements, 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 ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, 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 the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were in place and if such controls were operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and that obtained by other auditors in terms of their report referred to in the "Other Matters" paragraph in our Independent Auditor's Report, is sufficient and appropriate to provide a basis for our audit opinion on the Group's and jointly controlled entity's internal financial controls with reference to financial statements.

**Meaning of Internal Financial Controls with reference to Financial Statements**

A company's internal financial controls with reference to financial statements are 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 controls with reference to financial statements includes those policies and procedures that

- a. pertain to the maintenance of records that, in reasonable detail, 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 expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- c. provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with reference to financial statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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, its subsidiary and its jointly controlled entity have, in all material respects, adequate internal financial controls with reference to the financial statements and such internal financial controls were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company, its subsidiary and its jointly controlled entity, 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.

### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 1 subsidiary company, and 1 joint ventures, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

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

**For P Chandrasekar LLP**  
**Chartered Accountants**  
**FRN: 000580S/S200066**

**S Viswanathan**  
**Partner**  
**M.No 207632**  
**UDIN : 22207632AJUODX2062**

**Place : Chennai**  
**Date : 28<sup>th</sup> May 2022**

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2022**

(Amounts are in Lakhs unless otherwise stated)

| Particulars |   | Note | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------------|---|------|----------------------|----------------------|
| (I)         | <b>Assets</b>   |      |                      |                      |
| (A)         | <b>Non- Current assets</b>  |      |                      |                      |
|             | 1) Property, Plant and Equipment  | 2    | 1,361.27             | 1,303.97             |
|             | 2) Right of use Asset   |      | 1,317.78             | 1,531.36             |
|             | 3) Intangible assets  | 2    | 20.15                | 13.97                |
|             | 4) Financial assets   |      |                      |                      |
|             | (i) Investments   | 3    | 5,652.84             | 4,932.21             |
|             | (ii) Loans  | 4    | 147.24               | 245.70               |
|             | 5) Deferred tax assets (Net)  | 5    | 275.04               | 323.04               |
|             | 6) Other non-current assets   | 6    | 330.35               | 274.39               |
|             |   |      | <b>9,104.67</b>      | <b>8,624.64</b>      |
| (B)         | <b>Current Assets</b>   |      |                      |                      |
|             | 1) Inventories  | 7    | 237.52               | 189.97               |
|             | 2) Financial Assets   |      |                      |                      |
|             | (i) Trade receivables   | 8    | 3,671.88             | 3,640.92             |
|             | (ii) Cash and cash equivalents  | 9    | 2,531.39             | 2,190.47             |
|             | (iii) Bank balances other than (ii) above                                     | 10   | 31.49                | 29.90                |
|             | (iv) Loans  | 11   | 365.33               | 289.69               |
|             | (v) Other financial assets  | 12   | 569.19               | 127.56               |
|             | 3) Other current assets   | 13   | 96.05                | 154.54               |
|             |   |      | <b>7,502.85</b>      | <b>6,623.05</b>      |
|             | <b>Total Assets</b>   |      | <b>16,607.52</b>     | <b>15,247.69</b>     |
| (II)        | <b>Equity and Liabilities</b>   |      |                      |                      |
| (C)         | <b>Equity</b>   |      |                      |                      |
|             | (1) Share capital   | 14   | 130.02               | 130.02               |
|             | (2) Other equity  | 15   | 10,106.98            | 8,660.31             |
| (D)         | <b>Non- Current Liabilities</b>   |      |                      |                      |
|             | (1) Financial liabilities   |      |                      |                      |
|             | (i) Borrowings  | 16   | 281.94               | 363.41               |
|             | (ii) Lease Liability  | 16   | 1,386.24             | 1,543.00             |
|             | (3) Provisions  | 17   | 795.05               | 878.70               |
|             |   |      | <b>12,700.23</b>     | <b>11,575.44</b>     |
| (E)         | <b>Current Liabilities</b>  |      |                      |                      |
|             | (1) Financial Liabilities   |      |                      |                      |
|             | (i) Borrowings  | 18   | 397.47               | 276.49               |
|             | (ii) Current Financial liabilities  | 19   | 236.91               | 243.67               |
|             | (iii) Trade payables  |      |                      |                      |
|             | (a) Total outstanding dues of Micro Enterprises and Small Enterprises         | 20   | 30.75                | 22.56                |
|             | (b) Total outstanding dues other than Micro Enterprises and Small Enterprises | 20   | 1,757.80             | 1,641.05             |
|             | (iv) Other financial liabilities  | 21   | 860.82               | 864.55               |
|             | (2) Other current liabilities   | 22   | 349.79               | 334.16               |
|             | (3) Provisions  | 23   | 273.75               | 289.77               |
|             |   |      | <b>3,907.29</b>      | <b>3,672.25</b>      |
|             | <b>Total Equity and Liabilities</b>   |      | <b>16,607.52</b>     | <b>15,247.69</b>     |

Significant Accounting Policies and Notes on Accounts 1 to 44

The schedules referred to above and the notes thereon form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our report of even date.

**For P.Chandrasekar LLP**

 Chartered Accountants  
 Firm Regn. No.: 000580S/S200066

**S.Viswanathan**

 Partner  
 Membership No.: 207632

 Place: Chennai  
 Date: 28/05/2022

**For Apollo Sindoori Hotels Limited**
**Sucharitha Reddy**  
 Managing Director

**G.Venkatraman**  
 Chairman

**Surabhi Pasari**  
 Company Secretary

**Suresh R Madhok**  
 Director

**C.Natarajan**  
 Whole-time Director &  
 Chief Executive Officer

**Meyyappan M.SP.**  
 Chief Financial Officer

Consolidated Statement of Profit and Loss for the Period from 01.04.2021 to 31.03.2022

(Amounts are in Lakhs unless otherwise stated)

| S.No. | Particulars   | Notes | Period from 01.04.21 to 31.03.22 | Period from 01.04.20 to 31.03.21 |
|-------|---|-------|----------------------------------|----------------------------------|
| I.    | Revenue from Operations   | 24    | 20,793.56                        | 16,873.89                        |
| II.   | Other income  | 25    | 277.08                           | 364.97                           |
| III.  | <b>Total Income (I+II)</b>  |       | <b>21,070.64</b>                 | <b>17,238.86</b>                 |
| IV.   | <b>Expenses :</b>   |       |                                  |                                  |
|       | Consumption of Provisions and Stores  | 26    | 7,898.94                         | 5,841.26                         |
|       | Employee benefits expense   | 27    | 10,248.94                        | 9,120.01                         |
|       | Finance costs   | 28    | 239.94                           | 190.52                           |
|       | Depreciation and Amortization expenses                                      | 29    | 486.06                           | 463.77                           |
|       | Other expenses  | 30    | 1,481.69                         | 1,434.30                         |
|       | <b>Total Expenses (IV)</b>  |       | <b>20,355.57</b>                 | <b>17,049.86</b>                 |
| V.    | Profit/(Loss) before Exceptional items and tax (III - IV)                   |       | 715.07                           | 189.00                           |
| VI.   | Share of profits of joint ventures  |       | 1,046.81                         | 913.23                           |
| VII.  | Profit/(Loss) before tax  |       | <b>1,761.88</b>                  | <b>1,102.23</b>                  |
| VIII. | Tax expense:  |       |                                  |                                  |
|       | (1) Current tax   |       | 249.94                           | 160.00                           |
|       | (2) Previous Year Tax   |       | 0.00                             | (46.64)                          |
|       | (3) Deferred tax  |       | 31.37                            | 32.30                            |
| IX.   | <b>Profit/(loss) for the period from continuing operations (VII - VIII)</b> |       | <b>1,480.57</b>                  | <b>956.57</b>                    |
| X.    | Profit/(loss) from discontinued operations                                  |       | -                                | -                                |
| XI.   | Tax expense of discontinued operations                                      |       | -                                | -                                |
| XII.  | Profit/(loss) from discontinued operations (after tax) (X - XI)             |       | -                                | -                                |
| XIII. | Profit/(loss) for the year (IX + XII)                                       |       | <b>1,480.57</b>                  | <b>956.57</b>                    |
| XIV.  | Other Comprehensive Income  |       |                                  |                                  |
| A     | <b>(i) Items that will not be reclassified to profit or loss</b>            |       |                                  |                                  |
|       | - Remeasurement of Defined Benefit Obligation                               |       | (2.33)                           | (28.39)                          |
|       | - Income Tax relating to items that will not be reclassified to profit/loss |       | 0.94                             | 8.14                             |
| B.    | <b>(i) Items that will be reclassified to profit or loss</b>                |       | -                                | -                                |
|       | <b>Total other Comprehensive Income/ (Loss) net off taxes</b>               |       | <b>(1.39)</b>                    | <b>(20.25)</b>                   |
| XV    | <b>Total Comprehensive Income for the period (XIII + XIV)</b>               |       | <b>1,479.18</b>                  | <b>936.32</b>                    |
| XVI.  | Earnings per equity share:  |       |                                  |                                  |
|       | Weighted average no. of shares outstanding during the period                |       | 2,600,400                        | 2,600,400                        |
|       | Nominal value per Equity Share  |       | 5.00                             | 5.00                             |
|       | - Basic & Diluted EPS   |       | 56.94                            | 36.79                            |

Significant Accounting Policies and Notes on Accounts 1 to 44

The schedules referred to above and the notes thereon form an integral part of the Statement of Profit & Loss.

This is the Statement of Profit & Loss referred to in our report of even date.

**For P.Chandrasekar LLP**

Chartered Accountants

Firm Regn. No.: 000580S/S200066

**S.Viswanathan**

Partner

Membership No.: 207632

Place: Chennai

Date: 28/05/2022

**For Apollo Sindoori Hotels Limited**

**Sucharitha Reddy**  
Managing Director

**Suresh R Madhok**  
Director

**G.Venkatraman**  
Chairman

**C.Natarajan**  
Whole-time Director &  
Chief Executive Officer

**Surabhi Pasari**  
Company Secretary

**Meyyappan M.SP.**  
Chief Financial Officer

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2022**  
(All Amounts are in Lakhs unless otherwise stated)

**A) EQUITY SHARE CAPITAL**

|   |               |
|---|---------------|
| <b>Balance as at April 1, 2020</b>              | <b>130.02</b> |
| Changes in equity share capital during the year | -             |
| <b>Balance as at March 31, 2021</b>             | <b>130.02</b> |
| Changes in equity share capital during the year | -             |
| <b>Balance as at March 31, 2022</b>             | <b>130.02</b> |

**B) OTHER EQUITY**

| Particulars   | Reserves and Surplus |                 |                   | Remeasurement of Defined Benefit plans | Cash flow hedge Reserve | Total            |
|---|----------------------|-----------------|-------------------|--|-------------------------|------------------|
|   | Capital Reserve      | General Reserve | Retained Earnings |  |                         |                  |
| <b>Balance as at April 01, 2020</b>                       | 73.53                | 148.73          | 7,592.38          | -                                      | -                       | 7,814.64         |
| Profit for the year                                       | -                    | -               | 956.57            | -                                      | -                       | 956.57           |
| Other Comprehensive Income for the year net of Income Tax | -                    | -               | -                 | (20.25)                                | -                       | (20.25)          |
| P & L INDAS   | -                    | -               | (38.63)           | -                                      | -                       | (38.63)          |
| Payment of Dividend                                       | -                    | -               | (52.01)           | -                                      | -                       | (52.01)          |
|   | -                    | -               | -                 | -                                      | -                       | -                |
|   | -                    | -               | -                 | -                                      | -                       | -                |
| <b>Balance as at March 31, 2021</b>                       | 73.53                | 148.73          | 8,458.31          | (20.25)                                | -                       | 8,660.31         |
| Profit for the year                                       | -                    | -               | <b>1,480.57</b>   | -                                      | -                       | <b>1,480.57</b>  |
| Other Comprehensive Income for the year net of Income Tax | -                    | -               | -                 | (1.39)                                 | -                       | (1.39)           |
| Dividends   | -                    | -               | (32.51)           | -                                      | -                       | (32.51)          |
|   | -                    | -               | -                 | -                                      | -                       | -                |
| <b>Balance as at March 31, 2022</b>                       | <b>73.53</b>         | <b>148.73</b>   | <b>9,906.37</b>   | <b>(21.64)</b>                         | -                       | <b>10,106.98</b> |

**For P.Chandrasekar LLP**  
Chartered Accountants  
Firm Regn. No.: 000580S/S200066

**S.Viswanathan**  
Partner  
Membership No.: 207632

Place: Chennai  
Date: 28/05/2022

**For Apollo Sindoori Hotels Limited**

**Sucharitha Reddy**  
Managing Director

**G.Venkatraman**  
Chairman

**Surabhi Pasari**  
Company Secretary

**Suresh R Madhok**  
Director

**C.Natarajan**  
Whole-time Director &  
Chief Executive Officer

**Meyyappan M.SP.**  
Chief Financial Officer

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022**

(Amounts are in Lakhs unless otherwise stated)

| Particulars |   | Year ended<br>31 Mar 2022 | Year ended<br>31 Mar 2021 |
|-------------|---|---------------------------|---------------------------|
| <b>A</b>    | <b>CASH FLOW FROM OPERATING ACTIVITIES</b>                          |                           |                           |
|             | Profit/(Loss) before tax  | 1,761.88                  | 1,102.23                  |
|             | <b>Adjustments for:</b>   |                           |                           |
|             | Dividend received   | -                         | -                         |
|             | Interest received on deposits                                       | (39.55)                   | (46.79)                   |
|             | Depreciation  | 486.06                    | 463.77                    |
|             | Interest expense  | 239.94                    | 190.52                    |
|             | Actuarial gain/(loss)   | 67.44                     | (94.20)                   |
|             | (Profit)/loss on sale of assets                                     | 10.41                     | (8.74)                    |
|             | <b>Operating Profit before working capital changes</b>              | <b>2,526.18</b>           | <b>1,606.78</b>           |
|             | <b>Adjustments for changes in working capital</b>                   |                           |                           |
|             | (Increase)/Decrease in Trade Receivables                            | (30.96)                   | 241.38                    |
|             | (Increase)/Decrease in Inventory                                    | (47.55)                   | 71.29                     |
|             | (Increase)/Decrease in Other current assets                         | 58.49                     | 70.06                     |
|             | (Increase)/Decrease in Short term loans and advance                 | (75.64)                   | 73.30                     |
|             | (Increase)/Decrease in Other financial assets                       | (50.99)                   | 41.00                     |
|             | Increase/(Decrease) in Trade payables                               | 124.95                    | (428.31)                  |
|             | Increase/(Decrease) in Other financial liabilities                  | (8.39)                    | 140.94                    |
|             | Increase/(Decrease) in Other current liabilities                    | 15.62                     | (27.47)                   |
|             | Increase/(Decrease) in Employee benefit provisions                  | (63.23)                   | 113.78                    |
|             | Increase/(Decrease) in Cash Credit                                  | 120.98                    | (92.29)                   |
|             | Increase/(Decrease) in Other financial assets/ non-current assets   | 26.48                     | (133.81)                  |
|             | Increase/(Decrease) in Long term provisions                         | (83.65)                   | 111.98                    |
|             | <b>Cash generated from operations after working capital changes</b> | <b>2,512.29</b>           | <b>1,788.64</b>           |
|             | Direct taxes paid   | (249.94)                  | (160.00)                  |
|             | <b>Cash generated from operations before Extra-ordinary items</b>   | <b>2,262.35</b>           | <b>1,628.64</b>           |
|             | Extra-ordinary Item   | -                         | 60.56                     |
|             | <b>Net Cash flow from Operating activities (A)</b>                  | <b>2,262.35</b>           | <b>1,689.20</b>           |
| <b>B</b>    | <b>CASH FLOW FROM INVESTING ACTIVITIES</b>                          |                           |                           |
|             | Purchase of Fixed Assets  | (380.13)                  | (330.73)                  |
|             | Gratuity funded   | (322.33)                  | (263.47)                  |
|             | Sale of Fixed assets  | 93.68                     | 216.18                    |
|             | Dividend received   | -                         | -                         |
|             | (Increase)/Decrease in Deposit                                      | (1.59)                    | 1.83                      |
|             | (Increase)/Decrease in Investment                                   | (994.60)                  | (830.04)                  |
|             | Interest received on deposits                                       | 39.55                     | 46.79                     |
|             | <b>Net Cash flow used in Investing activities (B)</b>               | <b>(1,565.41)</b>         | <b>(1,159.44)</b>         |
| <b>C</b>    | <b>CASH FLOW FROM FINANCING ACTIVITIES</b>                          |                           |                           |
|             | Term loan received from/paid to Bank (net)                          | (83.57)                   | (50.11)                   |
|             | Interest paid   | (239.94)                  | (190.52)                  |
|             | Dividend paid   | (32.51)                   | (52.01)                   |
|             | Tax on Dividend paid  | -                         | -                         |
|             | <b>Net Cash flow used in Financing activities (C)</b>               | <b>(356.02)</b>           | <b>(292.63)</b>           |
|             | Net Increase/(Decrease) in cash and cash equivalents                | 340.92                    | 237.13                    |
|             | Cash and cash equivalents at the beginning of the year              | 2,190.46                  | 1,953.33                  |
|             | Cash and cash equivalents at the close of the year                  | 2,531.38                  | 2,190.46                  |

The schedules referred to above and the notes thereon form an integral part of the Cash Flow Statement  
This is the Cash Flow Statement referred to in our report of even date.

**For P.Chandrasekar LLP**  
Chartered Accountants  
Firm Regn. No.: 000580S/S200066

**S.Viswanathan**  
Partner  
Membership No.: 207632

Place: Chennai  
Date: 28/05/2022

**For Apollo Sindoori Hotels Limited**

**Sucharitha Reddy**  
Managing Director

**G.Venkatraman**  
Chairman

**Surabhi Pasari**  
Company Secretary

**Suresh R Madhok**  
Director

**C.Natarajan**  
Whole-time Director &  
Chief Executive Officer

**Meyyappan M.SP.**  
Chief Financial Officer

## Note - 1 : CORPORATE INFORMATION AND SIGNIFICANT ACCOUNTING POLICIES

### 1 Background

Apollo Sindoori Hotels Limited (“the Company”), is a company incorporated under the Companies Act with its registered office at Chennai. The Company is in the business of managing food outlets at hospitals and reputed organisations. The Company also undertakes Outdoor Catering Services, skilled manpower to hospitals etc.

### 2 Basis of preparation and presentation

#### Statement of Compliance

The Consolidated financial statements of the company have been prepared in accordance with the Indian Accounting Standards (IND AS) notified under section 133 of the Companies Act, 2013 (“the Act”) read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant provisions of the act.

The Consolidated financial statements for the year ended 31st March 2022 were authorized and approved for issue by the Board of Directors on 28th May 2022 and is subject to adoption by shareholders in the ensuing Annual General Meeting

#### Application of new and revised Indian Accounting Standards (Ind AS)

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the standalone financial statements are authorized have been considered in preparing these standalone financial statements.

#### New Accounting Standards, amendments and interpretations not yet adopted Companies (Indian Accounting Standard) Amendment rules, 2022

Ministry of Corporate affairs (“MCA”) notifies new standard or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules issued on March 23, 2022, MCA amended the companies (Indian Accounting Standards Amendments rules, 2022, applicable for annual periods beginning on or after April 1, 2022.

Ind AS 101- First time adoption of Ind AS  
Ind AS 103- Business Combination  
Ind AS 109- Financial Instrument  
Ind AS 16- Property, Plant and Equipment  
Ind AS 37 –Provisions, Contingent Liabilities and Contingent Assets  
Ind AS 41-Agriculture

Application of above standards are not expected to have any significant impact on the company’s financial statement.

The Consolidated financial statements have been prepared on historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined



on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

#### **Use of estimates:**

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future period.

This note provides an overview of the areas that involved a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas where significant estimates were made by the management are:

- i. Defined employee benefit obligations- Refer Note No 12
- ii. Estimation of useful life of Property, Plant and Equipment Refer Note No 3.1
- iii. Estimation and evaluation of provisions and contingencies relating to tax litigations Refer Note No 9
- iv. Recoverability/Recognition of Deferred Tax Assets Refer Note No 9.2

#### **Recent accounting developments:**

On March 24, 2021, the Ministry of Corporate Affairs (“MCA”) through a notification amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to the financial statements of the Company are:

##### **A. Balance Sheet:**

- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under ‘additional regulatory requirement’ such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable

property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

- Disclosures in respect of certain ratios including capital adequacy ratio and liquidity coverage ratio.

#### **B. Statement of profit and loss:**

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the Consolidated financial statements. The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

### **3 Significant Accounting Policies**

#### **3.1 Property Plant and equipment**

The cost of an item of Property, Plant and equipment (PPE) is recognized as assets if, and only if:

- i. It is probable that future economic benefits associated with the item will flow to the entity.
- ii. The cost of the item can be reliably measured.

**3.1.1** The cost of property, plant and equipment at stated at cost, less accumulated depreciation, amortization and cumulative impairment.

**3.1.2** The cost of the Property, plant and equipment comprises of purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates and also includes any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

#### **3.2 Intangible assets**

##### **3.2.1 Purchased Intangible assets:**

Intangible assets are recognized as an asset if they meet the criteria for recognition under IndAS-38. Intangible assets are recorded at cost less amortization and accumulated impairment, if any. Amortization is provided on a straight-line basis over estimated useful lives of the intangible assets not exceeding 3 years.

**3.2.2** The amortization period for intangible assets with finite useful lives is reviewed at least at each year-end. Changes in expected useful lives are treated as changes in accounting estimates.

#### **3.3 Depreciation/ Amortization**

Cost of property, plant and equipment is depreciated on a straight line basis over the useful lives of the assets prescribed in Schedule II of the Companies Act, 2013.

Residual value is generally considered between 0-5 percent of cost of assets.

Gain or losses arising from de-recognition of property, plant, equipment are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the statements of profits or loss when the assets are derecognized.

Intangible assets are amortized equally over the estimated useful life not exceeding three years.

## 4 Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Stock of provisions, stores and other consumables are valued at cost (average price) on FIFO basis.

## 5 Leases

The Company assesses at contract inception whether a contract is, or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

### Right to use assets

The company recognises right of use assets as at the commencement date of lease (i.e. the date the underlying assets is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment of losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Right-of-use are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the assets. The right-of-use assets are also subject to impairment.

### Lease Liabilities

At the commencement date of the lease, the Company recognises the lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivables, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

In calculating the present value of lease payments, the Company uses Interest Rate 10% at the commencement date of because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset. The company's lease liabilities are included in interest bearing loans and borrowings.

### Short-term leases and leases of low-value assets.

The company applies the short-term lease recognition for leases that have a lease term 12 months or less from the commencement date and do not contain a purchase option.

## 6 Impairment of non-financial assets

At each reporting date the Company makes an assessment, whether there is an indication of impairment either internal or external exist, by which the actual carrying amount of the assets is higher than the recoverable amount of an assets or cash generating units. Recoverable amount is determined for individual assets, unless the assets don't generate cash flow that is largely independent of those from other assets or group of assets.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflect current market assessment of the time value money and the risk specific to the assets.

## 7 Foreign exchange transactions

- 7.1 The Company's financial statements are presented in Indian rupee (Functional Currency)
- 7.2 Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.
- 7.3 Monetary assets and liabilities denominated in foreign currency are translated at rates of exchange on the balance sheet date.
- 7.4 Non- Monetary items denominated in foreign currencies (such as investments, fixed assets) are valued at the exchange rate on the date of acquisition of the assets or incurrence of the liabilities.
- 7.5 Exchange differences arising on foreign currency transactions are recognised in the profit and loss account.

## 8 Revenue Recognition

Ind AS 115 "Revenue Recognition" deals with recognition of revenue and established principles for reporting useful information to users of financial statements about the nature, amount of timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a promised goods or services and thus has the ability to direct the use and obtain the benefits therein and reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

As per Ind AS 115 following is the process to be applied before revenue can be recognised:

- Identification of contracts with customers;
- Identification of the separate performance obligation;
- Determination of the transaction price of the contract;
- Allocation of the transaction price of the separate performance obligations; and
- Recognition of revenue as each performance obligation is satisfied

Revenue from sale of traded goods recognised as follows:

Revenue is recognised when the control of the same is transferred to the customer and it is probable that the Company will collect the consideration to which it is entitled for the exchanged goods.

Revenue from services is recognized as follows:

1. Cost plus contracts: Revenue from cost plus contracts is recognised over time and is determined with reference to the extent performance obligations have been satisfied. The amount of transaction price allocated to the performance obligations satisfied represents the recoverable costs incurred during the period plus the margin as agreed with the customer.
2. Fixed Price Contracts: Revenue from rendering of services is recognised over time as the customer

Fixed Price Contracts: Revenue from rendering of services is recognised over time as the customer receives the benefit of the Company's performance and the Company has an enforceable right to payment for services transferred.

#### **Interest Income:**

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying value of a financial asset. While calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options), but does not consider the expected credit losses.

#### **Dividend Income:**

Dividends are recognized in profit or loss only when the right to receive payment is established and the amount of dividend can be reliably measured.

#### **Rental Income:**

Rental Income from operating leases is recognized on a straight-line basis over the lease term.

### **9 Taxes on income**

#### **9.1 Current Income Tax**

Provision under current tax is made as per the provisions of the Income Tax Act, 1961.

Current income tax assets or liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rate and tax laws used to compute the amount are those that are enacted or subsequently enacted at future date.

#### **9.2 Deferred Tax**

Deferred tax is recognized under balance sheet method for all taxable temporary differences between the tax bases of assets and liabilities and carrying amounts. Deferred tax asset is recognized for all taxable temporary differences like Provision for employee benefits, unused tax losses and any unused tax credits. The tax rate and tax laws used to compute the amount are those that are enacted or subsequently enacted at future date.

### **10 Earnings Per Share**

Basic earnings per share amounts are computed by dividing net profit or loss for the year before comprehensive income attributable to equity shareholders by the weighted average number of shares outstanding during the year. Diluted earnings per share are computed and disclosed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year.

### **11 Provision contingent liabilities and contingent assets**

A provision is recognized when there is present obligation as result of past events for which there is outflow of resources embodying economic benefit is required to settle the obligation and reliable estimate can be made for the obligations. Any provision has been created for the outflow that is required to be made in the subsequent year is discounted using pre tax rate, when discounting is used; the increase in provision due to passage of time is recognized as finance cost.

## Contingent Liabilities

Contingent liabilities are disclosed in the notes when the probability of the occurrence of event is depends on the happening of the event in the future date. When there is possible obligation in respect of which the likely hood of outflow of resources is remote is kept out of the purview of disclosure in notes.

## 12 Employee Benefits

### 12.1 Short-term Employee Benefits

Short-term Employee Benefits for Services rendered by employees are recognized as expenses during the period when the services are rendered.

### 12.2 Post -Employment Benefits

#### 12.2.1 Defined Contribution Plan

The Company makes Provident fund contributions for qualifying employees. Under the Provident Fund scheme, the Company is required to contribute a specified percentage of payroll cost to the Employees Provident Fund Scheme, 1952 to fund the benefits and interest as declared by the Government from time to time accrues to the credit of the employees under the scheme.

#### 12.2.2 Defined Benefit Plan

The Company makes annual contributions to the Employees' Group Gratuity-cum-Life Assurance Scheme of an Insurer, a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Liability for un availed leave for qualifying employees is actuarially valued and provided for but is partially funded.

#### 12.2.3 Termination Benefits

Payment made under Voluntary retirement scheme is charged to statement of profit and loss on incur-rence.

#### 12.2.4 Re-measurement of post-employment defined benefit plans

Re-measurement comprises of actuarial gain and losses, the effect of changes in assets ceiling (ex-cluding amount included in the net interest on net defined benefit liability) and the return on plan assets (excluding amounts included in net interest in net defined liability), are recognized immediately in the balance sheet with a corresponding debit or credit to the Other Comprehensive Income (OCI) in the pe-riod in which they occur, re measurement are not reclassified to profit and loss accounts subsequently.

## 13 Current vs Non-Current classifications

The Company presents assets and liabilities in the balance sheet based on Current/ non-current clas-sification.

### 13.1 An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within 12 months from the reporting period.
- Cash and cash equivalent unless restricted to be exchanged or used to settle a liability for at least 12 months after the reporting period.

## 13.2 The Company classifies all other assets as Non-current.

### A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within 12 months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period.

The company classifies all other liabilities as Non-current.

## 14 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability of another entity.

### 14.1 Financial assets

#### 14.1.1 Initial recognition and measurement

All financial assets are recognized initially at fair value, in case financial assets are not recognized at fair value through profit and loss are recorded at transaction cost that is incurred for acquisition of a financial assets.

#### 14.1.2 Subsequent measurement

For the purpose of subsequent measurement financial assets are categorized under three categories

- Financial assets amortized at cost.
- Financial assets at fair value through profit and loss (FVTPL).
- Financial assets at fair value through other comprehensive income (FVTOCI).

#### 14.1.3 Financial assets amortized at cost

Financial assets are amortized at cost if both the following conditions are met:

- The assets are held in the business model whose objective is to hold assets for collecting contractual cash flows.
- Contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortized cost are amounts at which the financial assets are measured using initial recognition minus the repayment plus the interest using effective interest rate method, the EIR recognized in the financial income under profit and loss statements. The losses arising out of impairment are recognized in Statement of Profit and loss.

#### 14.1.4 Debt instrument at FVTOCI

A debt instrument is measured at FVTOCI if both of the following conditions are met:

- The objective of the business model is achieved by collecting contractual cash flows and selling the financial assets, and the contractual cash flows represent slowly payment of principal and interest.
- Debt instrument included at FVTOCI category are initially as well as each reporting date at fair value. Fair value movements are recognized under other comprehensive income.

However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain and losses under profit and loss accounts. On de-recognition of the assets, cumulative gain and loss previously recognized in the OCI shall be reclassified to the Statement of Profit and Loss.

#### 14.1.5 Equity instruments at FVTOCI.

Equity instruments in JV and associates

Investments in joint venture and associates are carried at cost in Consolidated financial statements.

#### 14.1.6 Debt Instruments and derivatives at FVTPL.

FVTPL is a residual category for debt instruments. Any instrument fails to be categorized under FVTOCI are categorized under FVTPL.

Debt instruments included under the FVTPL category are measured at fair value with all the changes recognized under profit and loss statements, interest element under such instruments are presented under interest income.

#### 14.1.7 De-recognition

A financial instrument (where a part of financial assets or part of group of similar assets) is primarily derecognized when

- The right to receive cash flows are expired, or
- The company transferred the right to receive cash flows without delay, or the company has completely transferred the risk and reward of the assets.

#### 14.1.8 Impairment of financial assets

The Company has applied expected credit loss (ECL) for the measurement and recognition of the impairment loss of the following financial assets and credit exposure. The Company measures expected credit losses on a case to case basis.

Financial assets are trade receivable, debt instruments, loans and cash deposits are measured at amortized cost.

### 14.2 Financial Liabilities

**14.2.1** Financial liabilities are classified at initial recognition at fair value through profit and financial liabilities at amortized cost net of directly attributable amortized cost.

The Company's financial liabilities include trade payable, other liabilities and borrowings.

#### 14.2.2. Subsequent measurement

The measurement of financial liabilities depends upon their classification:

##### 14.2.2.1 Financial liabilities at fair value through profit or loss

Financial liabilities are recognized at fair value through profit and loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss.

##### 14.2.2 Financial liabilities at amortized cost

Financial liabilities that are not held for trading or designated at initial recognition at fair value through profit and loss are measured at amortized cost at the end of the subsequent accounting period. The carrying amount of financial liabilities that are designated at amortized cost are determined based on effective interest rate method (EIR). Gain and losses are recognized in profit and loss when the liabilities are derecognized and through the EIR amortization process. Amortization cost is calculated by taking into account any discount or premium on acquisition fees and cost that are integral part of EIR. The EIR amortization is included as finance cost in statement of profit and loss.



### **14.2.2.3 De-recognition**

A financial liability is derecognized when the financial obligation is discharged or cancelled or expires, when the financial liability is replaced by the same lender on subsequently in different terms and the terms of the subsequent liabilities are modified, such an exchange or modification is treated as the original liability and recognition of the new liability. The difference in the respective carrying amount is recognized in statement of profit and loss statements.

## **15 Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

## **16 Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held with financial institutions with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown under borrowings in current liabilities in the balance sheet.

**Note 2 : PROPERTY, PLANT AND EQUIPMENT  
Gross Block**

(All Amounts are in Lakhs unless otherwise stated)

| Particulars  | Vehicles      | Computers     | Electrical Installations | Furniture & Fittings | Kitchen Equipments | Plant & Machinery | Temporary constructions | Office Equipments | Total           | Intangible Asset - Software |
|--|---------------|---------------|--------------------------|----------------------|--------------------|-------------------|-------------------------|-------------------|-----------------|-----------------------------|
| Balance as at 1-4-2020                             | 230.33        | 165.12        | 195.43                   | 710.07               | 469.59             | 45.29             | 8.28                    | 27.07             | 1,851.18        | 56.54                       |
| Additions  | 23.94         | 35.11         | 22.85                    | 107.90               | 64.58              | -                 | -                       | 5.34              | 259.71          | 9.03                        |
| Disposals/ Deletion                                | -0.81         | -17.49        | -                        | -88.29               | -3.86              | -                 | -                       | -                 | -110.45         | -                           |
| <b>Balance as at 31-3-2021</b>                     | <b>253.46</b> | <b>182.74</b> | <b>218.28</b>            | <b>729.68</b>        | <b>530.31</b>      | <b>45.29</b>      | <b>8.28</b>             | <b>32.41</b>      | <b>2,000.45</b> | <b>65.56</b>                |
| Additions  | 13.64         | 12.49         | 12.87                    | 232.27               | 61.85              | -                 | -                       | 29.92             | 363.04          | 17.09                       |
| Disposals/ Deletion                                | -85.31        | -             | -0.25                    | -1.18                | -6.79              | -                 | -                       | -0.15             | -93.68          | -                           |
| <b>Balance as at 31-3-2022</b>                     | <b>181.79</b> | <b>195.23</b> | <b>230.90</b>            | <b>960.78</b>        | <b>585.36</b>      | <b>45.29</b>      | <b>8.28</b>             | <b>62.18</b>      | <b>2,269.81</b> | <b>82.65</b>                |
| <b>Accumulated Depreciation &amp; Amortisation</b> |               |               |                          |                      |                    |                   |                         |                   |                 |                             |
| Balance as at 1-4-2020                             | 49.62         | 67.36         | 24.57                    | 83.21                | 171.52             | 45.29             | 8.28                    | 5.43              | 455.28          | 40.91                       |
| Depreciation                                       | 28.86         | 44.05         | 20.40                    | 75.90                | 79.46              | -                 | -                       | 3.60              | 252.26          | 10.69                       |
| Disposals/ Deletion                                | -             | -2.33         | -                        | -8.05                | -0.68              | -                 | -                       | -                 | -11.06          | -                           |
| <b>Balance as at 31-3-2021</b>                     | <b>78.48</b>  | <b>109.07</b> | <b>44.97</b>             | <b>151.05</b>        | <b>250.30</b>      | <b>45.29</b>      | <b>8.28</b>             | <b>9.03</b>       | <b>696.48</b>   | <b>51.60</b>                |
| Depreciation                                       | 30.01         | 39.21         | 21.51                    | 88.85                | 79.21              | -                 | -                       | 9.02              | 267.80          | 10.91                       |
| Disposals/ Deletion                                | -53.15        | -             | -                        | -0.25                | -2.28              | -                 | -                       | -0.06             | -55.74          | -                           |
| <b>Balance as at 31-3-2022</b>                     | <b>55.34</b>  | <b>148.29</b> | <b>66.48</b>             | <b>239.65</b>        | <b>327.22</b>      | <b>45.29</b>      | <b>8.28</b>             | <b>17.99</b>      | <b>908.54</b>   | <b>62.51</b>                |
| Carrying Amount as on 31-3-2021                    | 174.98        | 73.67         | 173.30                   | 578.63               | 280.01             | -                 | -                       | 23.38             | 1,303.97        | 13.97                       |
| Carrying Amount as on 31-3-2022                    | 126.45        | 46.94         | 164.42                   | 721.13               | 258.14             | -                 | -                       | 44.19             | 1,361.27        | 20.15                       |

**Gross Block  
Right of Use Assets**

(All Amounts are in Lakhs unless otherwise stated)

| Particulars                    | Buildings       |
|--------------------------------|-----------------|
| Balance as at 1-4-2020         | 1,707.44        |
| Additions                      | 148.79          |
| Disposals/ Deletion            | -               |
| <b>Balance as at 31-3-2021</b> | <b>1,856.23</b> |
| Additions                      |                 |
| Disposals/ Deletion            |                 |
| <b>Balance as at 31-3-2022</b> | <b>1,856.23</b> |

**Accumulated Depreciation & Amortisation**

|                                 |                 |
|---------------------------------|-----------------|
| Balance as at 1-4-2020          | 124.03          |
| Depreciation                    | 200.84          |
| Disposals/ Deletion             |                 |
| Balance as at 31-3-2021         | 324.87          |
| Depreciation                    | 213.58          |
| Disposals/ Deletion             |                 |
| <b>Balance as at 31-3-2022</b>  | <b>538.45</b>   |
| Carrying Amount as on 31-3-2021 | <b>1,531.36</b> |
| Carrying Amount as on 31-3-2022 | <b>1,317.78</b> |

**Note 3 : Investments**

(All Amounts are in Lakhs unless otherwise stated)

| S.No. | Particulars   | No. and Particulars                                   | Non-current          |                      |
|-------|---|---|----------------------|----------------------|
|       |   |   | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|       | <b>Investments</b>  |   |                      |                      |
| 1     | <b>Investments in equity shares at cost (Unquoted)</b><br><b>Investment in Joint Venture Companies:</b><br>Faber Sindoori Management Services (P) Ltd | 45265<br>Equity Shares<br>of Rs.10 each<br>fully paid | 4.53                 | 4.53                 |
|       | <b>Add: Share of Other Equity (inclusive of OCI)</b>  |   | <b>5,648.31</b>      | <b>4,927.68</b>      |
|       | <b>Total</b>  |   | <b>5,652.84</b>      | <b>4,932.21</b>      |

**Note 4: Loans (Non-current)**

| S.No. | Particulars  | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|--|----------------------|----------------------|
| 1     | Security Deposits  | 145.70               | 145.70               |
| 2     | Staff Advance  | 1.54                 | 90.00                |
| 3     | Fixed Deposit Lien against Bank<br>(Unsecured , Considered good) | -                    | 10.00                |
|       | <b>Total</b>   | <b>147.24</b>        | <b>245.70</b>        |

**Note 5: Deferred tax assets (net)**

| S.No. | Particulars                             | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|---|----------------------|----------------------|
|       | <b>Deferred Tax liability</b>           |                      |                      |
|       | <b>Deferred Tax Assets</b>              |                      |                      |
| 1     | Attributable to Depreciation            | 34.45                | 30.16                |
| 2     | Tax on interest-free loans and advances | 37.77                | 41.45                |
| 3     | Tax on Provision for doubtful debts     | 22.83                | 22.83                |
| 4     | Tax on employee benefit expenses        | 179.99               | 228.59               |
|       | <b>Deferred Tax Assets (Net)</b>        | <b>275.04</b>        | <b>323.03</b>        |

**Note 6: Other Non-current assets**

| S.No. | Particulars    | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|----------------|----------------------|----------------------|
| 1     | TDS receivable | 330.35               | 274.39               |
|       | <b>Total</b>   | <b>330.35</b>        | <b>274.39</b>        |

**Note 7: Inventories**

| S.No. | Particulars   | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|---|----------------------|----------------------|
| 1     | <b>In Hand</b><br>Stock of Provision & Stores<br>(Valued at average cost price on FIFO basis) | 237.52               | 189.97               |
|       | <b>Total</b>  | <b>237.52</b>        | <b>189.97</b>        |

Note 8: Trade receivables

(All Amounts are in Lakhs unless otherwise stated)

| S.No. | Particulars                       | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|-----------------------------------|----------------------|----------------------|
| 1     | <b>Unsecured, considered good</b> |                      |                      |
|       | From Related Parties (5)          | 3,232.21             | 3,127.81             |
|       | From Others                       | 530.39               | 603.83               |
|       | Less: Provision for doubtful debt | (90.72)              | (90.72)              |
|       | <b>Total</b>                      | <b>3,671.88</b>      | <b>3,640.92</b>      |

The credit period on Sale of goods ranges from 0 to 30 days. No interest is charged on trade receivables

The company uses available information in the public domain and on its own internal assessment and trading records before accepting any customer

Trade Receivables ageing schedule as on 31.03.2022

| Particulars                                   | Not Due     | Outstanding from due date of payment |                      |              |               |                      | Total          |
|---|-------------|--------------------------------------|----------------------|--------------|---------------|----------------------|----------------|
|   |             | Less than<br>6 months                | 6 months -<br>1 year | 1-2 years    | 2-3 years     | More than<br>3 years |                |
| <b>UNDISPUTED</b>                             |             |                                      |                      |              |               |                      |                |
| (i) Considered good                           | 0.00        | 3356.51                              | 169.02               | 92.21        | 120.73        | 24.14                | 3762.61        |
| (ii) Have significant increase in credit risk |             |                                      |                      |              |               |                      | 0.00           |
| (iii) Credit impaired                         |             |                                      |                      |              |               |                      | 0.00           |
| <b>DISPUTED</b>                               |             |                                      |                      |              |               |                      |                |
| (iv) Considered good                          |             |                                      |                      |              |               |                      | 0.00           |
| (v) Have significant increase in credit risk  |             |                                      |                      |              |               |                      | 0.00           |
| (vi) Credit impaired                          |             |                                      |                      |              |               |                      |                |
|   | <b>0.00</b> | <b>3356.51</b>                       | <b>169.02</b>        | <b>92.21</b> | <b>120.73</b> | <b>24.14</b>         | <b>3762.61</b> |
| Less : Allowance for bad and doubtful debts   | -           | -                                    | -                    | -            | 66.59         | 24.14                | 90.73          |
|   | <b>0.00</b> | <b>3356.51</b>                       | <b>169.02</b>        | <b>92.21</b> | <b>54.14</b>  | <b>0.00</b>          | <b>3671.88</b> |

Trade Receivables ageing schedule as on 31.03.2021

| Particulars                                   | Not Due     | Outstanding from due date of payment |                      |               |              |                      | Total          |
|---|-------------|--------------------------------------|----------------------|---------------|--------------|----------------------|----------------|
|   |             | Less than<br>6 months                | 6 months -<br>1 year | 1-2 years     | 2-3 years    | More than<br>3 years |                |
| <b>UNDISPUTED</b>                             |             |                                      |                      |               |              |                      |                |
| (i) Considered good                           | 0.00        | 3409.23                              | 108.50               | 120.73        | 69.05        | 24.14                | 3731.65        |
| (ii) Have significant increase in credit risk |             |                                      |                      |               |              |                      | 0.00           |
| (iii) Credit impaired                         |             |                                      |                      |               |              |                      | 0.00           |
| <b>DISPUTED</b>                               |             |                                      |                      |               |              |                      |                |
| (iv) Considered good                          |             |                                      |                      |               |              |                      | 0.00           |
| (v) Have significant increase in credit risk  |             |                                      |                      |               |              |                      | 0.00           |
| (vi) Credit impaired                          |             |                                      |                      |               |              |                      |                |
|   | <b>0.00</b> | <b>3409.23</b>                       | <b>108.50</b>        | <b>120.73</b> | <b>69.05</b> | <b>24.14</b>         | <b>3731.65</b> |
| Less : Allowance for bad and doubtful debts   | -           | -                                    | -                    | -             | 66.59        | 24.14                | 90.73          |
|   | <b>0.00</b> | <b>3409.23</b>                       | <b>108.50</b>        | <b>120.73</b> | <b>2.46</b>  | <b>0.00</b>          | <b>3640.92</b> |

**Note 9: Cash and cash equivalents**

(All Amounts are in Lakhs unless otherwise stated)

| S.No. | Particulars                                | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|--|----------------------|----------------------|
| 1     | Cash on hand                               | 34.78                | 28.26                |
| 2     | <b>Bank balances with Scheduled Banks:</b> |                      |                      |
|       | Balance with Bank in Current a/c           | 1,230.60             | 897.00               |
|       | Balance with Bank in Deposit a/c           | 1,266.01             | 1,265.21             |
|       | <b>Total</b>                               | <b>2,531.39</b>      | <b>2,190.47</b>      |

**Note 10: Other Bank balances**

| S.No. | Particulars                       | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|-----------------------------------|----------------------|----------------------|
| 1     | Balance with Bank in Dividend a/c | 31.49                | 29.90                |
|       | <b>Total</b>                      | <b>31.49</b>         | <b>29.90</b>         |

**Note 11: Loans - Current (Unsecured, considered good)**

| S.No. | Particulars       | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|-------------------|----------------------|----------------------|
| 1     | Staff Advance     | 25.35                | 8.60                 |
| 2     | Security Deposits | 339.98               | 281.10               |
|       | <b>Total</b>      | <b>365.33</b>        | <b>289.69</b>        |

**Note 12: Other financial assets (Current)**

| S.No. | Particulars                             | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|---|----------------------|----------------------|
| 1     | Unbilled revenue                        | 460.64               | 70.00                |
| 2     | Advances recoverable in Cash or in kind | 107.11               | 56.30                |
| 3     | Interest Accrued but not received       | 1.44                 | 1.26                 |
|       | <b>Total</b>                            | <b>569.19</b>        | <b>127.56</b>        |

**Note 13: Other Current assets (Unsecured, considered good)**

| S.No. | Particulars                                   | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|---|----------------------|----------------------|
| 1     | Supplier Advance                              | 9.87                 | 72.82                |
| 2     | Prepaid Expenses                              | 37.59                | 21.90                |
| 3     | Balance available with Government Authorities | 48.59                | 59.81                |
|       | <b>Total</b>                                  | <b>96.05</b>         | <b>154.54</b>        |

**Note 14: Equity Share Capital**

| S.No. | Particulars   | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|---|----------------------|----------------------|
| 1     | <b>Authorized Capital<br/>Equity</b><br>1,00,00,000 Equity shares of Rs.5/- each          | <b>500.00</b>        | <b>500.00</b>        |
| 2     | <b>Issued, Subscribed &amp; Paid up Capital</b><br>26,00,400 Equity shares of Rs.5/- each | <b>130.02</b>        | <b>130.02</b>        |
|       | <b>Total</b>  | <b>130.02</b>        | <b>130.02</b>        |

**Note - A :**

(All Amounts are in Lakhs unless otherwise stated)

**Reconciliation of number of share at beginning and at the end of the year**

| Particulars                        | Number of shares | As at 31 Mar 2022 | As at 31 Mar 2021 |
|------------------------------------|------------------|-------------------|-------------------|
| Opening Balance                    | 26,00,400        | 130.02            | 130.02            |
| Share Issue during the year        | -                | -                 | -                 |
| Shares bought back during the year | -                | -                 | -                 |
| <b>Closing Balance</b>             | <b>26,00,400</b> | <b>130.02</b>     | <b>130.02</b>     |

**Note - B: Terms / rights attached to Equity Shares:**

The Company has equity shares having a nominal value of `5 each. All equity shares rank equally with regard to dividend and share in the Company's residual assets. Each holder of equity shares is entitled to one vote per share. The equity shares are entitled to receive dividend as declared from time to time. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by shareholders.

**Note - C : Details of shareholder holding more than 5% shares**

| Particulars                 | Number of shares | As at 31 Mar 2022 | As at 31 Mar 2021 |
|-----------------------------|------------------|-------------------|-------------------|
| Mr. Prathap C Reddy         | 3,67,260         | 18.36             | 18.36             |
| Mrs. Sucharitha P Reddy     | 3,44,260         | 17.21             | 17.21             |
| Mrs. Sangita Reddy          | 3,03,696         | 15.18             | 15.18             |
| M/s PCR Investments Limited | 2,84,000         | 14.20             | 14.20             |
| Mrs. Shobana Kamineni       | 1,58,172         | 7.91              | 7.91              |
| <b>Total</b>                | <b>14,57,388</b> | <b>72.86</b>      | <b>72.86</b>      |

**Note - D : Details of Shares held by promoters at the end of the year**

| Promoter Name     | No of Shares as on March 31, 2022 | % of Total Shares as on March 31, 2022 | No of Shares as on March 31, 2021 | % of Total Shares as on March 31, 2021 | % of change during the year |
|-------------------|-----------------------------------|--|-----------------------------------|--|-----------------------------|
| SUNEETA REDDY     | 99,870                            | 3.84%                                  | 99,870                            | 3.84%                                  | -                           |
| PREETHA REDDY     | 48,864                            | 1.88%                                  | 48,864                            | 1.88%                                  | -                           |
| SINDOORI REDDY    | 7,000                             | 0.27%                                  | 7,000                             | 0.27%                                  | -                           |
| VIJAY KUMAR REDDY | 51,170                            | 1.97%                                  | 51,170                            | 1.97%                                  | -                           |
| KARTHIK ANAND     | 10,400                            | 0.40%                                  | 10,400                            | 0.40%                                  | -                           |
| UPASANA KONIDELA  | 6,000                             | 0.23%                                  | 6,000                             | 0.23%                                  | -                           |
| DWARAKNATH REDDY  | 1,170                             | 0.04%                                  | 1,170                             | 0.04%                                  | -                           |
| ANIL KAMINENI     | 20                                | 0.00%                                  | 20                                | 0.00%                                  | -                           |

**Note - E: Capital management**

The Company's objective of capital management is to maximise the return to its shareholders through optimal mix of debt and equity. The Company determines the amount of capital required on the basis of annual and long-term operating plans. The funding requirements are met through equity and long term/short term borrowings. The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

**The following table summarises the capital of the Company:**

| S.No. | Particulars                              | As at 31 Mar 2022 | As at 31 Mar 2021 |
|-------|--|-------------------|-------------------|
| 1     | Equity                                   | 10,237.00         | 8,790.33          |
| 2     | Debt                                     | 762.02            | 724.61            |
| 3     | Cash and cash equivalents                | (2,531.39)        | (2,190.47)        |
| 4     | <b>Net debt (2+3)</b>                    | <b>(1,769.37)</b> | <b>(1,465.86)</b> |
| 5     | <b>Total capital (Equity + Net debt)</b> | <b>8,467.63</b>   | <b>7,324.47</b>   |
|       | Net debt to Capital ratio                | <b>(0.21)</b>     | <b>(0.20)</b>     |

**Note - F : Dividend**

(All Amounts are in Lakhs unless otherwise stated)

| S.No. | Particulars   | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|---|----------------------|----------------------|
| 1     | <b>Dividend on equity shares paid during the year</b> | 32.51                | 52.01                |

**Proposed Dividend**

The Board of Directors at its meeting held on 28th May 2022 have recommended a payment of a dividend of 30% per equity share of face value of Rs. 5/- each for the financial year ended 31.03.2022. The same amounts to Rs. 39.01 Lakhs

**B) Note 15 : OTHER EQUITY**

| Particulars   | Reserves and Surplus |                    |                      | Remeasurement of<br>Defined<br>Benefit plans | Cash flow hedge<br>Reserve | Total     |
|---|----------------------|--------------------|----------------------|--|----------------------------|-----------|
|   | Capital Reserve      | General<br>Reserve | Retained<br>Earnings |  |                            |           |
| <b>Balance as at April 01, 2020</b>                       | 73.53                | 148.73             | 7,592.38             | -  | -                          | 7,814.64  |
| Profit for the year                                       | -                    | -                  | 956.57               | -  | -                          | 956.57    |
| Other Comprehensive Income for the year net of Income Tax | -                    | -                  | -                    | (20.25)                                      | -                          | (20.25)   |
| P & L INDAS   | -                    | -                  | (38.63)              | -  | -                          | (38.63)   |
| Payment of Dividend                                       | -                    | -                  | (52.01)              | -  | -                          | (52.01)   |
|   |                      |                    |                      |  |                            | -         |
|   |                      |                    |                      |  |                            | -         |
| <b>Balance as at March 31, 2021</b>                       | 73.53                | 148.73             | 8,458.31             | (20.25)                                      | -                          | 8,660.31  |
| Profit for the year                                       | -                    | -                  | 1,480.57             | -  | -                          | 1,480.57  |
| Other Comprehensive Income for the year net of Income Tax | -                    | -                  | -                    | (1.39)                                       | -                          | (1.39)    |
| Dividends   | -                    | -                  | (32.51)              | -  | -                          | (32.51)   |
| <b>Balance as at March 31, 2022</b>                       | 73.53                | 148.73             | 9,906.37             | (21.64)                                      | -                          | 10,106.98 |



| <b>Note 16: Long term borrowings</b> |  | <b>(All Amounts are in Lakhs unless otherwise stated)</b> |                              |                              |
|--------------------------------------|--|---|------------------------------|------------------------------|
| <b>S. No</b>                         | <b>Particulars</b>                         | <b>Note No</b>  | <b>As at<br/>31 Mar 2022</b> | <b>As at<br/>31 Mar 2021</b> |
| <b>1</b>                             | <b>Secured Loans</b>                       |   |                              |                              |
|                                      | Vehicle Loan from HDFC Bank (1)            | 1   | 61.76                        | 73.95                        |
|                                      | Vehicle Loan from HDFC Bank (2)            | 2   | 2.78                         | 4.00                         |
|                                      | Vehicle Loan from Financial Institution    | 3   | 2.52                         | 1.14                         |
|                                      | Vehicle Loan from ICICI Bank               | 4   | -                            | 3.66                         |
|                                      | Term Loan (2)                              | 5   | 214.88                       | 280.66                       |
|                                      |  |   | 281.94                       | 363.41                       |
| <b>2</b>                             | Lease Liability                            |   | 1,386.24                     | 1,543.00                     |
|                                      | <b>Total</b>                               |   | <b>1,668.18</b>              | <b>1,906.41</b>              |
|                                      | Current maturities of long term borrowings |   | 236.91                       | 243.67                       |

**Note 1**

The vehicle loan from Bank and repayable in 84 equal installments from January 2020. Loan is secured against hypothecation of the Vehicle

**Note 2**

The vehicle loan from Bank and repayable in 60 equal installments from April 2020. Loan is secured against hypothecation of the Vehicle

**Note 3**

The vehicle loan from Financial Institution and repayable in 60 equal installments from May 2017. Loan is secured against hypothecation of the Vehicle

**Note 4**

The vehicle loan from ICICI Bank and repayable in 60 equal installments from April 2020. Loan is secured against hypothecation of the Vehicle.

**Note 5**

Term loan from ICICI Bank repayable in 60 equal instalments from June 2020. Loan is secured against hypothecation of the Fixed Assets of Olive & Twist Hospitality P Ltd. and Corporate Guarantee given by Apollo Sindoori Hotels Limited

For the above loans, the Company has adhered to debt repayment and interest service obligation on time. Wilful defaulter related disclosures required as per additional regulatory information of Schedule III (rev) to the Companies Act, is not applicable

**Note 17: Long term provisions**

| <b>S.No.</b> | <b>Particulars</b>                      | <b>As at<br/>31 Mar 2022</b> | <b>As at<br/>31 Mar 2021</b> |
|--------------|---|------------------------------|------------------------------|
| <b>1</b>     | <b>Provision for employee benefits:</b> |                              |                              |
|              | Provision for Leave encashment          | 311.47                       | 266.38                       |
|              | Provision for Gratuity                  | 483.58                       | 612.32                       |
|              | <b>Total</b>                            | <b>795.05</b>                | <b>878.70</b>                |

**Note 18: Short term borrowings**

| <b>S.No.</b> | <b>Particulars</b>    | <b>As at<br/>31 Mar 2022</b> | <b>As at<br/>31 Mar 2021</b> |
|--------------|-----------------------|------------------------------|------------------------------|
| <b>1</b>     | Cash Credit with Bank | 397.47                       | 276.49                       |
|              | <b>Total</b>          | <b>397.47</b>                | <b>276.49</b>                |

The Cash credit facility is secured by exclusive charge over Inventory, Trade Receivables and all the fixed assets of the Company. Corporate Guarantee given by Apollo Sindoori Hotels Ltd. for the same to Olive & Twist Hospitality P. Ltd.

**Note 19: Current Financial Liabilities**

| <b>S.No.</b> | <b>Particulars</b>                                      | <b>As at<br/>31 Mar 2022</b> | <b>As at<br/>31 Mar 2021</b> |
|--------------|---|------------------------------|------------------------------|
| <b>1</b>     | Current maturities on Term/vehicle loan (refer note 15) | 82.61                        | 84.71                        |
| <b>2</b>     | Current maturities on Lease Liability                   | 154.30                       | 158.96                       |
|              | <b>Total</b>  | <b>236.91</b>                | <b>243.67</b>                |

**Note 20: Trade payables**

(All Amounts are in Lakhs unless otherwise stated)

| S.No. | Particulars              | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|--------------------------|----------------------|----------------------|
| 1     | Creditors - MSME         | 30.75                | 22.56                |
| 2     | Creditors for Operations | 1,356.03             | 1,177.01             |
| 3     | Creditors for Expenses   | 401.77               | 464.04               |
|       | <b>Total</b>             | <b>1,788.55</b>      | <b>1,663.60</b>      |

\* There are no outstanding amounts payable beyond the agreed period to Micro and Small enterprises as required by MSMED Act, 2006 as on the Balance Sheet date to the extent such enterprises have been identified based on information available with the Company . In view of this there is no overdue interest payable.

**Trade Payables - Ageing Schedule as on 31.03.2022**

| Particulars                 | Not Due      | Outstanding from due date of payment |               |             |                      | Total          |
|-----------------------------|--------------|--------------------------------------|---------------|-------------|----------------------|----------------|
|                             |              | Less than<br>1 year                  | 1-2 years     | 2-3 years   | More than<br>3 years |                |
| (i) MSME                    | 30.75        |                                      |               |             |                      | 30.75          |
| (ii) Others                 |              | 1,430.01                             | 227.56        | -           | -                    | 1657.57        |
| (iii) Disputed dues - MSME  |              | -                                    | -             | -           | -                    | 0.00           |
| (iv) Disputed dues - Others |              | -                                    | -             | -           | 100.23               | 100.23         |
| <b>Total</b>                | <b>30.75</b> | <b>1430.01</b>                       | <b>227.56</b> | <b>0.00</b> | <b>100.23</b>        | <b>1788.55</b> |

**Trade Payables - Ageing Schedule as on 31.03.2021**

| Particulars                 | Not Due      | Outstanding from due date of payment |               |              |                      | Total          |
|-----------------------------|--------------|--------------------------------------|---------------|--------------|----------------------|----------------|
|                             |              | Less than<br>1 year                  | 1-2 years     | 2-3 years    | More than<br>3 years |                |
| (i) MSME                    | 22.56        |                                      |               |              |                      | 22.56          |
| (ii) Others                 |              | 1,429.41                             | 111.40        | -            | -                    | 1540.81        |
| (iii) Disputed dues - MSME  |              | -                                    | -             | -            | -                    | 0.00           |
| (iv) Disputed dues - Others |              | -                                    | -             | 22.84        | 77.39                | 100.23         |
| <b>Total</b>                | <b>22.56</b> | <b>1429.41</b>                       | <b>111.40</b> | <b>22.84</b> | <b>77.39</b>         | <b>1663.60</b> |

**Note 21: Other financial liabilities**

| S.No. | Particulars      | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|------------------|----------------------|----------------------|
| 1     | Employee Dues    | 703.90               | 709.22               |
| 2     | Unpaid Dividend  | 31.49                | 29.90                |
| 3     | Security Deposit | 125.44               | 125.44               |
|       | <b>Total</b>     | <b>860.82</b>        | <b>864.55</b>        |

**Note 22: Other current liabilities**

| S.No. | Particulars       | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|-------------------|----------------------|----------------------|
| 1     | Statutory dues    | 338.99               | 317.41               |
| 2     | Other liabilities | 10.80                | 16.75                |
|       | <b>Total</b>      | <b>349.79</b>        | <b>334.16</b>        |

**Note 23: Short term provisions**

| S.No. | Particulars                    | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|--------------------------------|----------------------|----------------------|
| 1     | Provision for Bonus            | 160.62               | 176.63               |
| 2     | Provision for Gratuity         | 93.49                | 93.49                |
| 3     | Provision for Leave Encashment | 19.64                | 19.64                |
|       | <b>Total</b>                   | <b>273.75</b>        | <b>289.77</b>        |

**Note 24: Revenue from operations****(All Amounts are in Lakhs unless otherwise stated)**

| S.No. | Particulars                               | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|---|----------------------|----------------------|
|       | <b>Catering &amp; Management Service:</b> |                      |                      |
| 1     | Sale of Food & Beverage                   | 14,240.51            | 11,334.61            |
| 2     | Management Service Charges                | 6,428.12             | 5,408.11             |
| 3     | Room Revenue                              | 124.93               | 131.17               |
|       | <b>Total</b>                              | <b>20,793.56</b>     | <b>16,873.89</b>     |

**Note 25: Other income**

| S.No. | Particulars                       | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|-----------------------------------|----------------------|----------------------|
| 1     | Interest on Deposits with Bank    | 39.55                | 46.79                |
| 2     | Income from Reimbursement         | -                    | 18.57                |
| 3     | Bad Debts provision written back  | -                    | 27.09                |
| 4     | Creditors/Provision written Back  | 11.08                | 92.97                |
| 5     | Profit on sale of asset           | 0.02                 | 10.40                |
| 6     | PF- PMRPY                         | 11.88                | 24.85                |
| 7     | Staff deduction                   | 15.34                | 28.06                |
| 8     | Foreign currency rate fluctuation | 0.06                 | 0.06                 |
| 9     | Co - Workstation Service          | 189.97               | 107.19               |
| 10    | Miscellaneous Income              | 9.17                 | 8.98                 |
|       | <b>Total</b>                      | <b>277.08</b>        | <b>364.97</b>        |

**Note 26: Consumption of provision and stores**

| S.No. | Particulars         | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|---------------------|----------------------|----------------------|
|       | Opening Stock       | 189.97               | 261.26               |
|       | Add:Purchases       | 7,946.49             | 5,769.97             |
|       | Less: Closing Stock | 237.52               | 189.97               |
|       | <b>Total</b>        | <b>7,898.94</b>      | <b>5,841.26</b>      |

**Note 27: Employee benefits expense**

| S.No. | Particulars                               | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|---|----------------------|----------------------|
| 1     | Salaries, wages and bonus                 | 8,724.11             | 7,898.40             |
| 2     | Director's Remuneration                   | 12.00                | 12.00                |
| 3     | Contribution to provident and other funds | 1,324.13             | 1,043.43             |
| 4     | Staff welfare expenses                    | 188.70               | 166.18               |
|       | <b>Total</b>                              | <b>10,248.94</b>     | <b>9,120.01</b>      |

**Note 28: Finance costs**

| S.No. | Particulars                                       | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|---|----------------------|----------------------|
| 1     | Interest on Cash Credit with Bank                 | 37.85                | 39.72                |
| 2     | Interest on Term Loan                             | 27.69                | 35.81                |
| 3     | Interest on Car Loan                              | 7.95                 | 9.25                 |
| 4     | Interest on IND AS 116                            | 166.45               | 105.71               |
| 5     | Bank Processing Fee - Term Loan & Working Capital | -                    | 0.03                 |
|       | <b>Total</b>                                      | <b>239.94</b>        | <b>190.52</b>        |

**Note 29: Depreciation and Amortisation Expenses****(All Amounts are in Lakhs unless otherwise stated)**

| S.No. | Particulars                                   | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|---|----------------------|----------------------|
| 1     | Depreciation of Property, Plant and Equipment | 261.56               | 252.24               |
| 2     | Amortisation of Intangible assets             | 10.91                | 10.69                |
| 3     | Amortisation of Right of Use Assets           | 213.59               | 200.84               |
|       | <b>Total</b>                                  | <b>486.06</b>        | <b>463.77</b>        |

**Note 30: Other expenses**

| S.No. | Particulars                        | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|-------|------------------------------------|----------------------|----------------------|
| 1     | Advertisement & Business Promotion | 96.30                | 80.59                |
| 2     | Bank Charges                       | 22.34                | 19.78                |
| 3     | Communication Expense              | 56.13                | 40.31                |
| 4     | Commission to Director             | 9.31                 | 15.94                |
| 5     | CSR Activity Expense               | 23.25                | 29.86                |
| 6     | Professional & Consultancy fee     | 229.06               | 155.13               |
| 7     | Power & Fuel                       | 105.64               | 118.50               |
| 8     | Hiring charges                     | 12.31                | 13.69                |
| 9     | House keeping Expenses             | 91.87                | 241.56               |
| 10    | Kitchen Utensils                   | 13.84                | 9.51                 |
| 11    | Miscellaneous Expenditure          | 75.41                | 76.55                |
| 12    | Listing fees                       | 3.42                 | 3.42                 |
| 13    | Loss on sale of asset              | 10.43                | 1.66                 |
| 14    | Office Expenses                    | 6.29                 | 5.97                 |
| 15    | Printing and Stationary            | 32.25                | 19.25                |
| 16    | Rates & Taxes                      | 20.43                | 24.64                |
| 17    | Rent                               | 246.45               | 189.52               |
| 18    | Remuneration to auditors           | -                    | -                    |
|       | - Statutory Audit                  | 8.01                 | 7.75                 |
|       | - Limited Review                   | 1.18                 | 1.18                 |
|       | - VAT/GST                          | 2.36                 | 2.36                 |
|       | - For Tax audit                    | 1.18                 | 1.18                 |
| 19    | Repairs & Maintenance - Others     | 80.91                | 55.70                |
| 20    | Security Charges                   | 14.48                | 16.27                |
| 21    | Sitting Fee                        | 24.78                | 24.19                |
| 22    | Travelling & Conveyance            | 197.13               | 200.00               |
| 23    | Transport Charges                  | 47.61                | 41.37                |
| 24    | Bad Debts W/off                    | 8.33                 | -                    |
| 25    | Online Commission & Discount       | 40.99                | 38.42                |
|       | <b>Total</b>                       | <b>1,481.69</b>      | <b>1,434.30</b>      |

Note: Part of House Keeping Expenses like Cleaning Materials & disposable items included in consumption for the year 2021 - 22 as it is directly purchased from concern units due to Covid

**Note : Corporate Social Responsibility Expenditure****(All Amounts are in Lakhs unless otherwise stated)**

| Particulars   | Year ended<br>March 31,2022 | Year ended<br>March 31,2021 |
|---|-----------------------------|-----------------------------|
| Gross Amount required to be spent as per Sec 135 of the Act | 23.23                       | 23.34                       |
| Amount spend during the year on                             | -                           | -                           |
| Construction / acquisition of an asset                      | -                           | -                           |
| On purposes other than above                                | 23.25                       | 29.86                       |
| <b>Total</b>  | <b>23.25</b>                | <b>29.86</b>                |
| Amount spent through approved trust and institutions        | -                           | -                           |
| Amount spent directly                                       | 23.25                       | 29.86                       |
| <b>Total</b>  | <b>23.25</b>                | <b>29.86</b>                |

Note:- CSR Expenditure during the year on construction/acquisition of an asset is Nil. CSR Expenses relating to gross amount required to be spent for the year and the actual amount spent by the company during the year is furnished

**Note 31: INCOME TAXES RELATING TO CONTINUING OPERATIONS**

| Particulars         | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|---------------------|----------------------|----------------------|
| <b>Current tax</b>  |                      |                      |
| for Current year    | 249.94               | 160.00               |
| for Previous years  | -                    | (46.64)              |
| <b>Deferred tax</b> |                      |                      |
| for Current year    | 4.78                 | 21.49                |
| <b>Total</b>        | <b>254.72</b>        | <b>134.85</b>        |

The Income Tax expense for the year can be reconciled to the accounting profit as follows :

| Particulars  | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|--|----------------------|----------------------|
| <b>Profit before tax from continuing operations</b>    | <b>1,278.72</b>      | <b>788.96</b>        |
| Income tax expenses calculated @ 25.17%                | 321.85               | 198.58               |
| Effect of Income exempt from tax                       | (68.96)              | (33.33)              |
| Expenses not deductible in determining taxable profits | (2.95)               | (5.25)               |
| <b>Total</b>   | <b>249.94</b>        | <b>160.00</b>        |

### Note 32: Fair values

- Level 1 items fair value measurement hierarchy are as follows:
  - Level 1 item of fair valuation based on market price quotation at each reporting date
  - Level 2 items of fair valuation is based on significant observable input like PV of future cash flows, MTM valuation, etc.
  - Level 3 item of fair valuation is based upon significant unobservable inputs where valuation is done by independent valuer.
- The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial assets and are considered to be the same as their fair values, due to their short-term nature.
- For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values. The fair value of the financial assets and financial liabilities is the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

### Method and assumption

The following methods and assumption were used to estimate the fair value at the reporting date:

Loans to employees, security deposit paid and security deposit received are valued using discounted cash flow using rates currently available for items on similar terms, credit risk and maturities.

### Note 33: Financial instruments and Risk factors

#### Financial Risk factors

The Company's financial liabilities comprise of short term and long term borrowings, trade payables, employees dues, unpaid dividend and security deposit. The main purpose of financial liabilities is to support the companies financial operations. The Company's financial assets includes security deposit, investments, trade receivables, staff advance, cash and cash equivalents, Bank balances, etc that derive directly from the operations.

To ensure alignment of risk management system with the corporate and operational objective and to improve upon the existing procedure, the company oversees various risk factor for managing of these risks.

#### Interest rate risk

The Company is exposed to interest rate risk from the possibility that the inflow in the interest rate will affect future cash flows of a financial instruments.

The Company's interest rate mix management includes to maintain a mix between fixed or floating rate based on liquidity.

#### Credit risk

Customer credit risk is managed according to the Company's policy, procedure and control relating to customers' credit risk management. Outstanding receivables are monitored regularly. MIS prepared by the management time to time is according to varieties of customer and services. Sales to walk-in customers are made by way of Cash, PayTM and debit/credit payments. Food sold to industrial customers is on credit basis.

#### Liquidity risk

The Company monitors its risk of shortage of funds using detailed cash flow projections which is monitored closely on a daily basis. The Company has been sanctioned cash credit limit of Rs. 12 Crores by a scheduled bank for meeting working capital requirement of the Company. The cash credit facility is secured by exclusive charge over inventory, trade receivables and all the fixed assets of the Company.

The table below summarizes, the maturity profile of the Company's financial liabilities based on the contractual maturities:

(All Amounts are in Lakhs unless otherwise stated)

| Particulars                 | On Demand | < 3 months | 3 to 12 months | 1 to 5 years | > 5 years | Total    |
|-----------------------------|-----------|------------|----------------|--------------|-----------|----------|
| <b>31.03.2022</b>           |           |            |                |              |           |          |
| Borrowings - Cash Credit    | 397.47    | -          | -              | -            | -         | 397.47   |
| Term Loan/ Vehicle          | -         | 16.67      | 50.00          | 214.87       | -         | 281.54   |
| Trade Payables              | -         | 932.23     | 657.78         | 227.79       | -         | 1,817.80 |
| Other financial liabilities | -         | 4.11       | 13.85          | 65.04        | -         | 83.00    |
| <b>31.03.2021</b>           |           |            |                |              |           |          |
| Borrowings - Cash Credit    | 276.49    | -          | -              | -            | -         | 276.49   |
| Term Loan/ Vehicle          | -         | 16.67      | 50.00          | 266.67       | 13.99     | 347.33   |
| Trade Payables              | -         | 1,108.94   | 343.03         | 211.63       | -         | 1,663.60 |
| Other financial liabilities | -         | 4.41       | 13.85          | 69.45        | 13.08     | 100.80   |

## Note 34:RELATED PARTY DISCLOSURE:

List of Related Parties as identified by the Management:

### Nature of Relation

Promoter

### Name of Related Party

Dr. Pratap.C.Reddy  
Mr. P.VijayaKumar Reddy  
Mrs. Suneeta Reddy  
Mrs. Shobana Kamineni  
Mrs. Sucharitha Reddy  
Mrs. Sindoori Reddy

Key Management Personnel

Mrs. Sucharitha Reddy  
Mr. C.Natarajan  
Mr. M.SP.Meyyappan  
Ms. Surabhi Pasari

Joint Venture  
100% Subsidiary

M/s Faber Sindoori Management Services (P) Ltd  
Olive & Twist Hospitality Private Limited

Enterprise over which promoter or Key Management Personnel exercise significant influence

M/s Apollo Hospitals Enterprises Ltd  
M/s Apollo Gleneagles Hospitals Ltd  
M/s.Apollo Health & Lifestyle Ltd  
M/s.Apollo Hospital International Llimited  
M/s Imperial Cancer Hospital & Research Center Ltd  
M/s Lifetime Wellness Rx International Ltd  
M/s PPN Power Generating Company Private Limited

The Company's related party transaction are summarized as follows: (All Amounts are in Lakhs unless otherwise stated)

| Name of the Related Party          | Promoter  |           | Key Management Personnel |           | Joint Venture |           | Subsidiary |           | Enterprise over which promoter or Key Management Personnel exercise significant influence |           |
|------------------------------------|-----------|-----------|--------------------------|-----------|---------------|-----------|------------|-----------|---|-----------|
|                                    | 2021-2022 | 2020-2021 | 2021-2022                | 2020-2021 | 2021-2022     | 2020-2021 | 2021-2022  | 2020-2021 | 2021-2022   | 2020-2021 |
|                                    |           |           |                          |           | Rs.           | Rs.       | Rs.        | Rs.       | Rs.   | Rs.       |
| Profession Fees (inclusive of GST) | 24.00     | 24.00     | -                        | -         | -             | -         | -          | -         | -   | -         |
| Salary                             |           |           | 132.74                   | 138.74    | 431.35        | 327.72    |            |           |   |           |
| Staff Advance given                | -         | -         | -                        | 90.00     | -             | -         | -          | -         | -   | -         |
| Sale of goods & services           | -         | -         | -                        | -         | 299.16        | 226.91    | -          | -         | 16,126.43   | 13,857.99 |
| Purchase of goods                  | -         | -         | -                        | -         | -             | -         | 1,511.44   | 871.63    | -   | -         |
| Balance Outstanding                | -         | -         | -                        | 90.00     | 54.51         | 107.11    | 76.17      | 633.24    | 3,177.70  | 3,020.70  |

## 2. Key Management Personnel

### A. Whole-time Director and company secretary

For the year ended 31.03.2022

| Salary - Key Managerial Personnel | Short term Employee Benefits | Post employee Benefits | Other long term benefits | Termination Benefits | TOTAL  |
|-----------------------------------|------------------------------|------------------------|--------------------------|----------------------|--------|
| Mrs. Sucharitha Reddy             | 12.07                        | -                      | -                        | -                    | 12.07  |
| Mr.C.Natarajan                    | 109.73                       | 8.08                   | 2.86                     | -                    | 120.67 |

For the year ended 31.03.2021

| Salary - Key Managerial Personnel | Short term Employee Benefits | Post employee Benefits | Other long term benefits | Termination Benefits | TOTAL  |
|-----------------------------------|------------------------------|------------------------|--------------------------|----------------------|--------|
| Mrs. Sucharitha Reddy             | 12.10                        | -                      | -                        | -                    | 12.10  |
| Mr.C.Natarajan                    | 115.90                       | 7.88                   | 2.86                     | -                    | 126.64 |

## B. Independent Directors

For the year ended 31.03.2022

(All Amounts are in Lakhs unless otherwise stated)

| Name of the Director | Sitting fee | Commission | TOTAL |
|----------------------|-------------|------------|-------|
| Mr. G.Venkatraman    | 6.49        | 3.10       | 9.59  |
| Mr.Suresh R Madhok   | 6.49        | 3.10       | 9.59  |
| Mr.George Eapan      | 7.08        | 3.10       | 10.18 |

For the year ended 31.03.2021

| Name of the Director | Sitting fee | Commission | TOTAL |
|----------------------|-------------|------------|-------|
| Mr. G.Venkatraman    | 5.90        | 5.31       | 11.21 |
| Mr.Suresh R Madhok   | 5.90        | 5.31       | 11.21 |
| Mr.George Eapan      | 6.49        | 5.31       | 11.80 |

### Note 35: LEASES

#### OPERATING LEASE

Operating lease expenses has changed from rent (included in Other expenses) to depreciation cost of Rs.213.59 Lakhs (Current Year) and Rs. 200.84 lakhs (Previous Year). For the right of use of assets and finance cost of Rs.166.45 Lakhs (Current Year) and Rs.105.71 lakhs (Previous Year) for interest accrued on lease liability.

### Note 36: FOREIGN CURRENCY EARNINGS/EXPENDITURE:

| Particulars                     | Year ended<br>31 Mar 2022 | Year ended<br>31 Mar 2021 |
|---------------------------------|---------------------------|---------------------------|
| Expenditure in Foreign currency | 16.54                     | 21.68                     |
| Earnings in Foreign currency    | Nil                       | Nil                       |

### Note 37: EMPLOYEE BENEFITS

- i. Defined Benefit Plan:
  - a) Gratuity

| Period Covered                 | 31-Mar-22  | 31-Mar-21  |
|--------------------------------|--|------------|
| Assumptions                    |  |            |
| Discount Rate                  | 6.85% p.a.   | 6.80% p.a. |
| Expected Return On Plan Assets | 8% p.a.  | 8% p.a.    |
| Mortality                      | Indian Assured Lives Mortality<br>10100% of IALM 2012-14 |            |
| Future Salary Increases        | 6 %p.a.  | 6 %p.a.    |
| Disability                     | Nil  | Nil        |
| Attrition                      | 2% p.a.  | 2% p.a.    |
| Retirement                     | 58yrs  | 58yrs      |
| Method                         | Projected Unit Credit                                    |            |



## Changes in the Present Value of the Obligation and in the Fair Value of the Assets

(All Amounts are in Lakhs unless otherwise stated)

|  | 31-Mar-22     | 31-Mar-21     |
|--|---------------|---------------|
| Present Value Of obligation at the beginning of the period                 | 1,506.65      | 1,230.41      |
| Interest Cost  | 103.13        | 83.61         |
| Current Service Cost   | 209.21        | 154.51        |
| Past Service Cost  | -             | -             |
| Benefits Paid  | (103.51)      | (62.58)       |
| Actuarial (gain)/loss on Obligation  | (42.39)       | 100.70        |
| Present Value Of obligation at the end of the period                       | 1,673.09      | 1,506.65      |
| <b>Fair Value of Plan Assets</b>   |               |               |
| Fair value of plan assets at the beginning of the period                   | 810.61        | 599.86        |
| Investment Income  | 55.49         | 40.76         |
| Contributions  | 322.33        | 230.00        |
| Benefits Paid  | (103.51)      | (62.58)       |
| Return on plan assets, excluding amount recognised in net interest expense | 23.67         | 2.56          |
| Fair value of plan assets at the end of the period                         | 1,108.59      | 810.61        |
| Total actuarial gain (loss) to be recognized                               | 66.06         | (98.14)       |
| <b>Balance Sheet Recognition</b>   |               |               |
| Present Value Of Obligation  | 1,673.09      | 1,506.65      |
| Fair Value Of Plan Assets  | (1,108.59)    | (810.61)      |
| Liability (assets)   | 564.50        | 696.04        |
| Unrecognised Past Service Cost   | -             | -             |
| <b>Liability (asset) recognised in the Balance Sheet</b>                   | <b>564.50</b> | <b>696.04</b> |

### Profit & Loss – Expenses

|  |               |               |
|--|---------------|---------------|
| Current Service Cost   | 209.21        | 154.51        |
| Interest Cost  | 103.13        | 83.61         |
| Expected Return On plan assets                                   | (55.49)       | (40.76)       |
| Net Actuarial (gain)/loss recognised in the year                 | (66.06)       | 98.14         |
| Past Service Cost  | -             | -             |
| <b>Expenses Recognised in the statement of Profit &amp; Loss</b> | <b>190.79</b> | <b>295.50</b> |

### Actual Return On Plan Assets

|                                      |       |       |
|--------------------------------------|-------|-------|
| Expected Return on plan assets       | 55.49 | 40.76 |
| Actuarial gain/(Loss) on plan assets | 23.67 | 2.56  |
| Actual Return On Plan Assets         | 79.16 | 43.32 |

### Movement in the net Liability recognised in the Balance Sheet

|                       |          |          |
|-----------------------|----------|----------|
| Opening net Liability | 696.04   | 630.55   |
| Expenses              | 190.79   | 295.50   |
| Contribution          | (322.33) | (230.00) |
| Closing Net Liability | 564.50   | 696.05   |

### Other Comprehensive Income

| Particulars  | 31-Mar-22 | 31-Mar-21 |
|--|-----------|-----------|
| Actuarial (gain) and losses  | (42.39)   | 100.70    |
| Past Service Cost  | -         | -         |
| Return on plan assets, excluding amount recognised in net interest expense                     | (23.67)   | (2.56)    |
| Re-measurement (or Actuarial) (gain)/loss arising because of change in effect of asset ceiling | -         | -         |
| Net Assets / (Liability )  | (66.06)   | 98.14     |

**b) Leave Encashment**

(All Amounts are in Lakhs unless otherwise stated)

| Period Covered                 | 31-Mar-22  | 31-Mar-21  |
|--------------------------------|--|------------|
| Assumptions                    |  |            |
| Discount Rate                  | 7.30% p.a.   | 6.85% p.a. |
| Expected Return On Plan Assets | -  | -          |
| Mortality                      | Indian Assured Lives Mortality<br>100% of IALM 2012-14 |            |
| Future Salary Increases        | 6 %p.a.  | 6 %p.a.    |
| Disability                     | Nil  | Nil        |
| Withdrawal rate                | 2% p.a.  | 2% p.a.    |

**Changes in the Present Value of the Obligation and in the Fair Value of the Assets**

|  | 31-Mar-22 | 31-Mar-21 |
|--|-----------|-----------|
| Present Value Of obligation at the beginning of the period | 280.88    | 254.16    |
| Interest Cost  | 19.23     | 17.27     |
| Current Service Cost                                       | 60.94     | 68.66     |
| Past Service Cost  | -         | -         |
| Benefits Paid  | -         | (22.08)   |
| Actuarial (gain)/loss on Obligation                        | (35.52)   | (37.13)   |
| Present Value Of obligation at the end of the period       | 325.54    | 280.88    |
| Fair value of plan assets at the beginning of the period   | -         | -         |
| Expected Return On plan assets                             | -         | -         |
| Contributions  | -         | -         |
| Benefits Paid  | -         | -         |
| Actuarial gain (Loss) Plan assets                          | -         | -         |
| Fair value of plan assets at the end of the period         | -         | -         |
| Total actuarial gain (loss) to be recognized               | 35.52     | 37.13     |

**Balance Sheet Recognition**

|  |               |               |
|--|---------------|---------------|
| Present Value Of Obligation                              | 325.54        | 280.88        |
| Fair Value Of Plan Assets                                | -             | -             |
| Liability (assets)                                       | 325.54        | 280.88        |
| Unrecognised Past Service Cost                           | -             | -             |
| <b>Liability (asset) recognised in the Balance Sheet</b> | <b>325.54</b> | <b>280.88</b> |

**Profit & Loss – Expenses**

|  |              |              |
|--|--------------|--------------|
| Current Service Cost   | 60.94        | 68.66        |
| Interest Cost  | 19.23        | 17.27        |
| Expected Return On plan assets                                   | -            | -            |
| Net Actuarial (gain)/loss recognised in the year                 | (35.52)      | (37.13)      |
| Past Service Cost  | -            | -            |
| <b>Expenses Recognised in the statement of Profit &amp; Loss</b> | <b>44.65</b> | <b>48.80</b> |

**Actual Return On Plan Assets**

|                                      |   |   |
|--------------------------------------|---|---|
| Expected Return on plan assets       | - | - |
| Actuarial gain/(Loss) on plan assets | - | - |
| Actual Return On Plan Assets         | - | - |

(All Amounts are in Lakhs unless otherwise stated)

| Movement in the net Liability recognised in the Balance Sheet |        |         |
|---|--------|---------|
| Opening net Liability   | 280.88 | 254.16  |
| Expenses  | 44.65  | 48.80   |
| Contribution  | -      | (22.08) |
| Closing Net Liability   | 325.53 | 280.88  |

**B) Employee benefits of Joint Venture****i) Gratuity**

| Particulars   | 31-Mar-22            | 31-Mar-21            |
|---|----------------------|----------------------|
| Average Past Service  | 23.91                | 24.47                |
| Discount Rate   | 6.98%                | 6.53%                |
| Salary Escalation Rate  | 8%                   | 6%                   |
| Mortality Rate  | 100% of IALM 2006-08 | 100% of IALM 2006-08 |
| <b>(i) Changes in Defined Benefit Obligations</b>   |                      |                      |
| Present Value of Obligation as at the beginning of the year   | 1,286.43             | 1,166.04             |
| Acquisition adjustment  | -                    | -                    |
| Interest Cost   | 84.01                | 77.54                |
| Past Service Cost*  | -                    | -                    |
| Current Service Cost  | 250.67               | 203.08               |
| Curtailement Cost / (Credit)  |                      |                      |
| Settlement Cost / (Credit)  |                      |                      |
| Benefits paid   | (70.86)              | (47)                 |
| Actuarial (gain)/ loss on obligations   | 138.39               | -113.60              |
| Present Value of Obligation as at the end of the year   | 1,688.64             | 1,286.43             |
| <b>*The Past Service Cost is due to the change in the Gratuity ceiling from INR 10 Lakhs to INR 20 Lakhs.</b> |                      |                      |
| <b>(ii) Changes in Fair Value of Plan Assets</b>  |                      |                      |
| Fair value of plan asset at the beginning of year   | 608.71               | 521.30               |
| Acquisition Adjustments   | -                    | -                    |
| Expected Return on Plan Assets  | 43.83                | 40.20                |
| Employers' Contributions  | 230.00               | 106.84               |
| Benefit Paid  | (70.86)              | (46.62)              |
| Actuarial Gain /( loss) on Plan Assets  | (11.44)              | (13.00)              |
| Fair value of plan assets at the end of year  | 800.24               | 608.71               |
| <b>(iii) Amounts recognized in the Balance Sheet ( as at year end)</b>  |                      |                      |
| Present Value of Obligation as at the end of the year   | 1,688.64             | 1,286.43             |
| Fair value of plan assets at the end of year  | 800.24               | 608.71               |
| Funded Status   | (888.40)             | (677.72)             |
| Unrecognized Actuarial (gains)/losses   | -                    | -                    |
| Net Asset/ (Liability) Recognized in Balance Sheet  | (888.40)             | (677.72)             |
| <b>(iv) Expenses recognized in the Profit and Loss statement</b>  |                      |                      |
| Current Service Cost  | 250.67               | 203.08               |
| Past Service Cost   |                      |                      |
| Interest Cost   | 44.25                | 77.54                |
| Expected Return on Plan Assets  | 39.75                | 40.20                |
| Curtailement Cost / (Credit)  | -                    | -                    |
| Settlement Cost / (Credit)  | -                    | -                    |
| Net actuarial (gain)/ loss recognized in the year   | 145.76               | (106.13)             |

(All Amounts are in Lakhs unless otherwise stated)

|   |                      |                      |
|---|----------------------|----------------------|
| Expenses Recognized in the statement of Profit & Loss   | 294.92               | 214.68               |
| (v) Expenses Recognized in Other Comprehensive Income   |                      |                      |
| Remeasurement on the net defined benefit liability  |                      |                      |
| Actuarial Losses/(Gains) arising from changes in financial assumptions  | 172.48               | 10.69                |
| Actuarial Losses/(Gains) arising from changes in experience adjustments                                       | (34.08)              | (124.29)             |
| Return on Plan assets - Gain / (Loss)   | (7)                  | (7.47)               |
| Net cost in Other Comprehensive income  | (145.76)             | (106.13)             |
| <b>ii) Earned Leave</b>   |                      |                      |
| <b>Particulars</b>  | <b>31-Mar-22</b>     | <b>31-Mar-21</b>     |
| Average Past Service  | 23.31                | 23.13                |
| <b>Discount Rate</b>  | 6.98%                | 6.65%                |
| Salary Escalation Rate  | 8.00%                | 6.00%                |
| Mortality Rate  | 100% of IALM 2006-08 | 100% of IALM 2006-08 |
| <b>(i) Changes in Defined Benefit Obligations</b>   |                      |                      |
| Present Value of Obligation as at the beginning of the year   | 46.29                | 59.80                |
| Acquisition adjustment  | -                    | -                    |
| Interest Cost   | 3.02                 | 3.98                 |
| Past Service Cost*  |                      |                      |
| Current Service Cost  | 12.70                | 11.15                |
| Curtailment Cost / (Credit)   |                      |                      |
| Settlement Cost / (Credit)  |                      |                      |
| Benefits paid   | (2.90)               | (0.46)               |
| Actuarial (gain)/ loss on obligations   | (3.36)               | (28.18)              |
| Present Value of Obligation as at the end of the year   | 55.75                | 46.29                |
| <b>*The Past Service Cost is due to the change in the Gratuity ceiling from INR 10 Lakhs to INR 20 Lakhs.</b> |                      |                      |
| <b>(ii) Changes in Fair Value of Plan Assets</b>  |                      |                      |
| Fair value of plan asset at the beginning of year   | -                    | -                    |
| Acquisition Adjustments   | -                    | -                    |
| Expected Return on Plan Assets  | -                    | -                    |
| Employers' Contributions  | 2.90                 | 0.46                 |
| Benefit Paid  | (2.90)               | (0.46)               |
| Actuarial Gain /( loss) on Plan Assets  | -                    | -                    |
| <b>Fair value of plan assets at the end of year</b>   | <b>-</b>             | <b>-</b>             |
| <b>(iii) Amounts recognized in the Balance Sheet ( as at year end)</b>  |                      |                      |
| Present Value of Obligation as at the end of the year   | 55.75                | 46.29                |
| Fair value of plan assets at the end of year  | -                    | -                    |
| Funded Status   | (55.75)              | (46.29)              |
| Unrecognized Actuarial (gains)/losses   | -                    | -                    |
| <b>Net Asset/ (Liability) Recognized in Balance Sheet</b>   | <b>(55.75)</b>       | <b>(46.29)</b>       |
| <b>(iv) Expenses recognized in the Profit and Loss statement</b>  |                      |                      |
| Current Service Cost  | 12.70                | 11.15                |
| Past Service Cost   | -                    | -                    |
| Interest Cost   | 3.02                 | 3.98                 |
| Expected Return on Plan Assets  | -                    | -                    |
| Curtailment Cost / (Credit)   | -                    | -                    |
| Settlement Cost / (Credit)  | -                    | -                    |

(All Amounts are in Lakhs unless otherwise stated)

|   |               |                |
|---|---------------|----------------|
| Net actuarial (gain)/ loss recognized in the year                       | (3.36)        | (28.18)        |
| <b>Expenses Recognized in the statement of Profit &amp; Loss</b>        | <b>12.36</b>  | <b>(13.05)</b> |
| <b>(v) Expenses Recognized in Other Comprehensive Income</b>            |               |                |
| <b>Remeasurement on the net defined benefit liability</b>               |               |                |
| Actuarial Losses/(Gains) arising from changes in financial assumptions  | 6.08          | 0.40           |
| Actuarial Losses/(Gains) arising from changes in experience adjustments | (9.44)        | (28.58)        |
| Return on Plan assets - Gain / (Loss)                                   | -             | -              |
| <b>Net cost in Other Comprehensive income</b>                           | <b>(3.36)</b> | <b>(28.18)</b> |

**Note 38: EARNINGS PER SHARE**

|  | 2021-22   | 2020-21   |
|--|-----------|-----------|
|  | Rs.       | Rs.       |
| Net Profit as P&L                            | 1,480.57  | 956.57    |
| Weighted average no. of shares o/s           | 2,600,400 | 2,600,400 |
| Nominal Value Per Share                      | 5         | 5         |
| Earnings Per Share                           |           |           |
| - Basic and Diluted                          | 56.94     | 36.79     |
| - Basic and Diluted after Extraordinary item | 56.94     | 36.79     |

**Note 39:**

**Segment Reporting:**

**Statement Showing Segment results for the financial year 2021-22**

(All Amounts are in Lakhs unless otherwise stated)

| Particulars   | Year                           | Outsourced Services           | Other Operations         | Unallocated                  | Joint Venture                | Total                          |
|---|--------------------------------|-------------------------------|--------------------------|------------------------------|------------------------------|--------------------------------|
| Segment Revenues  | 2021-2022<br>2020-2021         | 20,946.18<br>17,127.90        | 124.46<br>110.96         | -<br>-                       | -<br>-                       | 21,070.64<br>17,238.86         |
| Expenses  | 2021-2022<br>2020-2021         | 19,247.14<br>16,172.18        | 108.46<br>90.96          | -<br>-                       | -<br>-                       | 19,355.60<br>16,263.14         |
| Segment Results   | 2021-2022<br>2020-2021         | 973.04<br>301.43              | 16.00<br>20.00           | -<br>-                       | 772.84<br>780.80             | 1,761.88<br>1,102.23           |
| Income before depreciation interest taxes and extraordinary items | 2021-2022<br>2020-2021         | 1,699.04<br>955.72            | 16.00<br>20.00           | -<br>-                       | 772.84<br>780.80             | 2,487.88<br>1,756.52           |
| Interest  | 2021-2022<br>2020-2021         | 239.94<br>190.52              | -<br>-                   | -<br>-                       | -<br>-                       | 239.94<br>190.52               |
| Depreciation  | 2021-2022<br>2020-2021         | 486.06<br>463.77              | -<br>-                   | -<br>-                       | -<br>-                       | 486.06<br>463.77               |
| Exordinary Items  | 2021-2022<br>2020-2021         | -<br>-                        | -<br>-                   | -<br>-                       | -<br>-                       | -<br>-                         |
| Tax Expenses  | 2021-2022<br>2020-2021         | 281.31<br>145.66              | -<br>-                   | -<br>-                       | -<br>-                       | 281.31<br>145.66               |
| <b>Profit/(Loss) after Taxation</b>                               | <b>2021-2022<br/>2020-2021</b> | <b>691.73<br/>155.77</b>      | <b>16.00<br/>20.00</b>   | -<br>-                       | <b>772.84<br/>780.80</b>     | <b>1,480.57<br/>956.57</b>     |
| Segment Assets  | 2021-2022<br>2020-2021         | 7,985.37<br>7,746.98          | 76.09<br>73.74           | -<br>-                       | 5,648.31<br>4,927.68         | 13,709.77<br>12,748.41         |
| Segment Assets (Unallocated)                                      | 2021-2022<br>2020-2021         | -<br>-                        | -<br>-                   | 2,897.75<br>2,499.28         | -<br>-                       | 2,897.75<br>2,499.28           |
| <b>Total Assets</b>   | <b>2021-2022<br/>2020-2021</b> | <b>7,985.37<br/>7,746.98</b>  | <b>76.09<br/>73.74</b>   | <b>2,897.75<br/>2,499.28</b> | <b>5,648.31<br/>4,927.68</b> | <b>16,607.52<br/>15,247.69</b> |
| Segment Liabilities   | 2021-2022<br>2020-2021         | 10,435.54<br>9,798.32         | 362.16<br>361.77         | -<br>-                       | -<br>-                       | 10,797.70<br>10,160.09         |
| Unallocated Liabilities   | 2021-2022<br>2020-2021         | -<br>-                        | -<br>-                   | 161.51<br>159.92             | 5,648.31<br>4,927.68         | 5,809.82<br>5,087.60           |
| <b>Total Liabilities</b>  | <b>2021-2022<br/>2020-2021</b> | <b>10,435.54<br/>9,798.32</b> | <b>362.16<br/>361.77</b> | <b>161.51<br/>159.92</b>     | <b>5,648.31<br/>4,927.68</b> | <b>16,607.52<br/>15,247.69</b> |
| Capital Expenditure Incurred                                      | 2021-2022<br>2020-2021         | 380.13<br>268.74              | -<br>-                   | -<br>-                       | -<br>-                       | 380.13<br>268.74               |
| Segment Depreciation  | 2021-2022<br>2020-2021         | 486.06<br>463.77              | -<br>-                   | -<br>-                       | -<br>-                       | 486.06<br>463.77               |
| Non cash expenses other than depreciation                         | 2021-2022<br>2020-2021         | 19,247.14<br>16,172.18        | 108.46<br>90.96          | -<br>-                       | -<br>-                       | 19,355.60<br>16,263.14         |

There are no reportable geographical segments as the Company's operations are confined to only one geographical location.

**Note 40: Contingent Liability:****(All Amounts are in Lakhs unless otherwise stated)**

| Particulars                                    | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
|--|----------------------|----------------------|
| Performance guarantee by Bank                  | 597.97               | 451.09               |
| Disputed Income Tax liability not provided for | 14.11                | 14.11                |
| Income Tax demand under dispute*               | 50.15                | 50.15                |

\*Note: The income tax demand under dispute relates to AY 2017-18. Out of the demand amount, 20% of the disputed amount, i.e, Rs. 11.35 Lakhs has been paid on filing of appeal to CIT(A) .

**Note 41 : Apollo Sindoori Hotels Limited**

Based on the records, available information and explanation provided, amounts due to Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 are as follows:

| SUPPLIER NAME                              | OUTSTANDING AS ON<br>31.03.2022 | OUTSTANDING AS ON<br>31.03.2021 |
|--|---------------------------------|---------------------------------|
| GS Farm Taaza Produce Pvt. Ltd.            | -                               | 0.32                            |
| Chefs Frozen Foods Pvt Ltd                 | -                               | 2.19                            |
| Lalah'S Indian Spices & Food (P) Ltd       | 8.75                            | 3.04                            |
| Equire                                     | 0.53                            | 0.24                            |
| Hirthai Enterprises                        | 0.40                            | -                               |
| Sourabh Enterprise                         | 2.09                            | -                               |
| Sri Sairam Foods                           | 0.90                            | -                               |
| Sunsri Trading House                       | 0.06                            | -                               |
| Tecsi Foods                                | 0.07                            | -                               |
| Udayak Agro Products Pvt Ltd               | 0.94                            | -                               |
| Vlr Industries                             | 0.66                            | -                               |
| EI ALLMENTOS                               | 0.02                            | 0.08                            |
| JAI JAI MARKETING                          | 2.86                            | 2.69                            |
| JK ENTERPRISES                             | 0.96                            | 0.67                            |
| P & N BUSINESS VENTURES PVT LTD            | 1.30                            | 1.51                            |
| SRI SAIRAM FOODS                           | 0.45                            | 0.67                            |
| SUNSRI TRADING HOUSE                       | 4.56                            | 1.85                            |
| FABER SINDOORI MANAGEMENT SERVICES PRIVATE | 6.20                            | 9.30                            |

**Faber Sindoori Management Services Private Limited**

| SUPPLIER NAME                                   | OUTSTANDING AS ON<br>31.03.2022 | OUTSTANDING AS ON<br>31.03.2021 |
|---|---------------------------------|---------------------------------|
| Aarc Surgical                                   | -                               | 1.85                            |
| Air Liquide Medical Systems Pvt Ltd             | -                               | 0.13                            |
| Amvik Enterprises                               | 0.11                            | 0.35                            |
| A. R. Healthcare                                | 0.16                            | -                               |
| Accel IT Services (A Division of Accel Limited) | 0.04                            | -                               |
| Alpha Meditech                                  | 2.42                            | -                               |
| Anugraha Multitech Co                           | 0.11                            | 0.05                            |
| Appasamy Associates Pvt.Ltd.                    | 0.25                            | 0.51                            |
| ATLANTIC BIOMEDICAL PVT LTD                     | 0.70                            | 0.85                            |
| Aussin Shubh Hospica                            | -                               | 0.12                            |
| Bell Corporation                                | 0.26                            | -                               |
| Biometric Cables                                | 1.31                            | 0.76                            |
| Biotech India                                   | 0.07                            | -                               |
| British Clean                                   | 0.11                            | 0.11                            |

(All Amounts are in Lakhs unless otherwise stated)

|   |        |      |
|---|--------|------|
| Clean Air Technology & Services               | -      | 0.08 |
| Cleanpro Services Pvt. Ltd.                   | 2.55   | -    |
| Cool Point Refrigerator Air Condition         | (0.00) | 0.95 |
| Dhilshra Engineering Solutions                | 0.03   | -    |
| Disha Traders                                 | 0.19   | 0.19 |
| Doctors Choice                                | 1.20   | -    |
| Early Flight Courier & Cargo                  | 0.13   | -    |
| Eastern Medicare Pvt Ltd                      | 0.33   | -    |
| Earth Syscom Pvt Ltd                          | -      | 0.03 |
| Fertkel Healthcare Engineers Private Limited  | 0.18   | -    |
| Four S Business Associate Pvt Ltd             | 0.03   | 0.07 |
| Innovative Tech Systems                       | 0.21   |      |
| Infinity Tech Solutions                       | -      | 0.05 |
| Klean & Klear Solution                        | 2.70   | 1.85 |
| Labmate (Asia) Pvt. Ltd.                      | 0.33   | -    |
| Liora Medical Systems                         | 2.93   | -    |
| Labindia Instruments Pvt Ltd                  | -      | 2.35 |
| Lub Dub Medical Technologies Pvt Ltd          | 0.09   | 0.73 |
| Maa Sales and Services                        | 0.26   | 0.11 |
| Medirigg Tech Private Limited                 | 0.30   | -    |
| Medmer Lifecare Private Limited               | (0.00) | -    |
| Micro Advance Calibration Lab                 | 0.01   | -    |
| Mis Healthcare Pvt Ltd                        | (0.01) | -    |
| Mlss Implant Medicare Private Ltd             | 0.08   | 1.33 |
| Mohire Biomedical Technologies                | -      | 0.42 |
| Nas Technomed                                 | 0.00   | -    |
| Nexbase Technologies                          | 0.17   | -    |
| NORTHLAB (INDIA) PRIVATE LIMITED              | (0.01) | 0.08 |
| Northlab (India) Pvt Ltd                      | 0.08   | -    |
| Orenus Water Age Technology                   | 0.06   | -    |
| Pace Industries                               | -      | 0.21 |
| Parashar Micro Measurement Pvt. Ltd.          | 0.11   | -    |
| Peak Scientific Instruments (India) pvt. Ltd. | 0.18   | -    |
| Premium Healthcare Disposables Pvt. Ltd.      | (0.01) | 0.09 |
| Prompt Solutions Pvt Ltd                      | (0.05) | 0.46 |
| PS Medical Systems Pvt Ltd                    | 1.21   | 1.81 |
| R K Lifesciences                              | -      | 0.22 |
| Rashmi Heaters Pvt Ltd                        | -      | 1.14 |
| Raysonic Imaging Solutions                    | 1.07   | 0.88 |
| Regal Steel Industries                        | 0.21   | -    |
| S. V. Scientific Centre                       | 0.03   | -    |
| Sambhav Hardware & General Stores             | -      | 0.91 |
| Sakthi enterprises                            | 0.00   | -    |
| Sansel Instruments And Controls               | 0.04   | -    |
| Sebia Diagnostics India Private Limited       | 0.01   | -    |
| Serviceone Biosystem Llp                      | 0.17   | -    |
| SHAN TECH HEALTHCARE                          | 0.21   | -    |
| Shree Imaging Technologie (P) Ltd             | (0.02) | -    |
| Shree Siddhesh Distributors                   | 0.04   | 0.04 |



(All Amounts are in Lakhs unless otherwise stated)

|   |        |      |
|---|--------|------|
| SK Automation                             | -      | -    |
| SK ENTERPRISES                            | 0.03   | 0.03 |
| Smith & Nephew Healthcare Pvt Ltd         | (1.71) |      |
| Sunshine Biomedical Solutions             | 6.00   | 7.86 |
| Suntrion Enterprises                      | 0.34   | 0.34 |
| Sangsun Incorporation                     | -      | -    |
| Synergy Biomed Services                   | 1.55   | -    |
| Technocare Medisystem                     | 0.24   | -    |
| Three Points Medical Systems              | 0.11   | -    |
| Tii Techno Testing Services Pvt Ltd       | (0.27) | -    |
| Transcaal Engineers India Pvt Ltd         | 0.20   | -    |
| True Value Calibration Services Pvt. Ltd. | 0.05   | -    |
| Unipower Technologies Pvt Ltd             | 0.22   | -    |
| Unique Medical Devices                    | (0.06) | -    |
| Utkarsh Enterprises                       | 0.10   | -    |
| Vaansari Marketing Services               | (0.01) | -    |
| Vital Bio-Systems Private Limited         | 1.37   | -    |
| Virtual Infosystems Private Limited       | -      | 0.18 |
| Vishal Surgical Equipment Co Pvt Ltd      | -      | 3.21 |
| Vishruti International                    | -      | 0.49 |
| Vital Bio-Systems Private Limited         | -      | 1.24 |
| VS Healthtech Private Limited             | (0.30) | -    |
| Warden Surgical Company Pvt Ltd           | 0.14   | -    |
| Wheecon Instruments Private Limited       | 0.29   | 0.14 |
| Zeel Pest Solution LLP                    | 1.42   | -    |
| Zen I Tech Power System                   | 0.20   | -    |

**Note 42:****Details of Net Assets and Share of Profit of Joint Ventures:**

| Joint Venture - Faber Sindoori Management Services Pvt Ltd |                      |                      |
|--|----------------------|----------------------|
| (As per Consolidation Method )                             |                      |                      |
| Particulars  | As at<br>31 Mar 2022 | As at<br>31 Mar 2021 |
| Net Asset (Total asset minus Liabilities)                  | 5,648.31             | 4,927.68             |
| Net Asset of consolidated FS                               | 10,236.99            | 8,790.33             |
| % on consolidated Net assets                               | 55%                  | 56%                  |
| Share of Profits/ (Losses)                                 | 1,046.81             | 913.23               |
| Consolidated profit / (Losses)                             | 1,480.57             | 956.57               |
| % on consolidated profit                                   | 71%                  | 95%                  |

**Note 43:**

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021:

| Particulars   | March<br>31,2022<br>Audited | March<br>31,2021<br>Audited | Variation | Reasons |
|---|-----------------------------|-----------------------------|-----------|---------|
| Debt-to-Equity (D/E) Ratio (in times)<br>(Total Debt (Long term +Short term including current maturity)/Total Shareholders' Equity)   | 6.68%                       | 7.34%                       | -9%       |         |
| Debt service coverage ratio (in times)<br>(Profit after tax+ depreciation+interest on term loan)/(Interest on term loan+Long term principal repayment amount during the period))" | 17.92                       | 16.95                       | 6%        |         |
| Current ratio (in times)<br>Current Assets/ Current Liabilities   | 1.92                        | 1.80                        | 6%        |         |

|  |        |        |     |   |
|--|--------|--------|-----|---|
| Debtors turnover (in times)<br>[Net Credit Sales / Average Accounts Receivable { (Closing Accounts Receivable + Opening Accounts Receivable)/2}] | 1.42   | 1.13   | 26% | Better turnover and Receivable management   |
| Inventory turnover (in times)<br>[Revenue from operation / Average Inventory { (Closing Inventory + Opening Inventory)/2}]                       | 24.32  | 18.70  | 30% | Better Turnover and inventory management  |
| Net profit margin (%)<br>(Net Profit after tax/ Total Revenue)   | 7.03%  | 5.55%  | 27% | During the previous year, the business of this entity was impacted due to COVID-19. Due to increase in the business during the year, the profit has increased |
| Return on equity ratio (%)<br>(Net profit after tax/Average shareholder equity)  | 15.68% | 11.53% | 36% | During the previous year, the business of this entity was impacted due to COVID-19. Due to increase in the business during the year, the profit has increased |
| Trade Payable turnover ratio (In times)<br>Net credit purchase/average trade payable   | 1.15   | 0.77   | 50% | Better turnover and trade payable management  |
| Net capital Turnover ratio (in times)<br>Net annual sale/working capital   | 5.78   | 5.72   | 1%  |   |
| Return on capital employed (%)<br>Earning before interest and tax/Capital Employed( Equity + Long Term Debt)                                     | 16.58% | 12.26% | 35% | Higher return on capital employed is on account of improved profitability represented by higher Earning before interest and tax                               |
| Return on investment (%)<br>Net income (PAT)/cost of investment (total assets)   | 8.92%  | 6.27%  | 42% | Improved return on investment is because of higher profit after tax earned during the year  |

**Note 44 :**

Figures for the previous year have been regrouped or rearranged wherever necessary. Figures have been rounded off to the nearest rupees.

As per our Report of even date

**For P.Chandrasekar LLP**

Chartered Accountants

Firm Regn. No.: 000580S/S200066

**S.Viswanathan**

Partner

Membership No.: 207632

Place: Chennai

Date: 28/05/2022

**For Apollo Sindoori Hotels Limited**

**Sucharitha Reddy**  
Managing Director

**Suresh R Madhok**  
Director

**G.Venkatraman**  
Chairman

**C.Natarajan**  
Whole-time Director &  
Chief Executive Officer

**Surabhi Pasari**  
Company Secretary

**Meyyappan M.SP.**  
Chief Financial Officer



# Apollo Sindoori

Excellence in Hospitality



Clinical  
Nutrition



Catering



Hospitality



Management  
Services



Restaurants