

**SUSHRUTA VISHRANTHI DHAMA LIMITED**

**18th ANNUAL REPORT**

**2021-2022**

## **EIGHTEENTH ANNUAL REPORT: 2021-2022**

### **BOARD OF DIRECTORS:**

<b>Mr. Venugopal V Shetty</b>	<b>Managing Director</b>
<b>Dr. Vivekananda Siddiah</b>	<b>Director</b>
<b>Mrs. Geeta Jaisim</b>	<b>Director</b>
<b>Mr. Gopalakrishnan J</b>	<b>Independent Director</b>
<b>Mr. Susheel Nagarajan</b>	<b>Independent Director</b>
<b>Mr. Naraseeyappa Sreeramaiah</b>	<b>Director</b>
<b>Mr. Veeranna Chigateri V</b>	<b>Director</b>
<b>Mrs. Gayitri H V</b>	<b>Director</b>
<b>Mr. Joy I Cheenath</b>	<b>Director</b>
<b>Dr. Shanthamallappa A Ashok</b>	<b>Director</b>
<b>Dr. V L Nandish</b>	<b>Director</b>
<b>Dr. Nilima Kadambi</b>	<b>Director</b>
<b>Mr. Kiran Hebbar</b>	<b>Chief Financial Officer</b>
<b>Mr. Sandesh Kumar P</b>	<b>Company Secretary</b>

### **AUDITORS:**

M/s. Balakrishna & Co,  
Chartered Accountants,  
No. 24, Comfort Towers,  
10th Cross, Wilson Garden,  
Bangalore – 560 027

### **BANKERS:**

State Bank of India, Jayanagar, 2nd Block, Bangalore  
HDFC Bank Ltd., Jayanagar, 3rd Block, Bangalore.  
Karnataka Bank Ltd., Raghuvanahalli, Bangalore-560062

### **REGISTERED OFFICE:**

Sy. No. 18/4, U. M. Kaval  
Uttarahali Hobli, Thalaghattapura, Off  
Kanakapura Main Road, Bangalore South Taluk,  
Bangalore- 560 109

**SUSHRUTA VISHRANTHI DHAMA LIMITED**

Reg. Off.: Suvidha, Sy. No. 18/4, Thalaghattapura, U.M.Kaval, Uttarahalli Hobli, Bangalore  
South Taluk, Bangalore – 560 109

CIN - U85310KA2004PLC035063

Tel: 080-26951212/1000; website: [www.suvidha.co.in](http://www.suvidha.co.in); Email: [contact@suvidha.co.in](mailto:contact@suvidha.co.in)

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**NOTICE**

**Notice** is hereby given that the **Eighteenth Annual General Meeting** of the Members of **Sushruta Vishranthi Dhama Ltd.** will be held through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”) on Sunday, the 31<sup>st</sup> day of July 2022 at **10.00 A.M.** IST for the transaction of the following businesses, through Video Conferencing / Other Audio Visual Means in conformity with the regulatory provisions and the Circulars issued by the Ministry of Corporate Affairs, Government of India:-

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the financial statements for the year ended March 31, 2022 and the Reports of the Directors and Auditors thereon.
2. To reappoint Ms. Geeta Jaisim, who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint a Director in place of Dr. Vivekananda Siddiah who retires by rotation, but does not offer himself for re-appointment.
4. To appoint a Director in place of Dr. V L Nandish who retires by rotation, but does not offer himself for re-appointment.

**SPECIAL BUSINESS:**

5. **TO RATIFY THE MEMBERS COMMITTEE FORMED BY THE BOARD.**

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

**RESOLVED THAT** consent of the members be and is hereby accorded to the ratification of the Members’ Committee, as constituted by resolution passed by the Board, with the following Members:

1. Mr. N. Sreeramaiah, Chairperson, Director Member
2. Dr. Vivekananda Siddiah, Director Member\*
3. Mr. A. Vaidyanathan, Resident Member
4. Mr. Vijaykumar Alluri, Resident Member
5. Mr. Chandrakant Bhat, Resident Member
6. Dr. Giridhar Shenoy, Non-resident Member
7. Mr. D Ravi, Non-resident Member

\* As Dr. Vivekananda Siddiah has not opted to be reappointed, his membership of the MC Ceases at the Annual General Meeting, and accordingly another Director will be appointed in due course.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required to give effect to the above said resolution.

**6. TO AUTHORIZE THE BOARD TO INCUR LEGAL EXPENSES FOR A FURTHER AMOUNT OF RS.25 LAKHS IN CONNECTION WITH THE CIVIL AND CRIMINAL CASES AS DETAILED IN THE DIRECTORS REPORT**

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

**RESOLVED THAT** pursuant to the provisions of the Companies Act 2013, and subject to the Articles of Association of the Company, the consent of the Members be and is hereby accorded to the Board to incur expenditure upto Rs.25,00,000/- (Rs.Twenty five lakhs) towards legal fees and expenses incurred by the Company for the year 2022-23, in the cases in which it is involved.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deed and things, and to execute all such documents, instruments and writings as may be required to arrange funds for the aforesaid legal expenses, to give effect to this resolution.

**7. TO AMEND THE RELEVANT CLAUSES WITH REGARD TO LICENSE FEE IN THE RVM AND THE SHAREHOLDERS AGREEMENT.**

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

**RESOLVED THAT** the Company's share of monthly Leave and License Fees being charged to tenants by Shareholders be increased by Rs.1000/- per month, to Rs.4000/- from Rs.3000/- per month at present and to make amendments in the following documents accordingly:

**i) Substituting RVM Version 3, dated 27.12.2020 in the Appendix under Section "Procedure for Leasing Cottages / Matters of Finance" Points No.5 & 6 with following Points.**

*5. The SH renting out their cottage on long term basis shall pay the company the approved administrative costs (currently pegged at Rs.4,000) on a monthly basis to the company. The fixed monthly administrative amount for all 'Long Term' rentals will be periodically reviewed and intimated to all SH by the company's management/board.*

*6. The Company will continue to debit the Shareholder the monthly administration charges of Rs.4,000.00 till it receives in writing from the Shareholder that the Tenant has vacated the premises.*

**ii) Substituting Clause 6.d in the Annexure 1 to the Shareholders Agreement with following clause.**

*6.d. Letting out of a Unit will be subject to the Policy on Letting Out announced in the RVM from time to time. The RVM may lay down a minimum amount to be paid as a Deposit to secure the Company's assets. The earning from letting out will be shared between the Shareholder and the Company in a ratio that the Company will decide from time to time but not exceeding 20% and not less than Rs. 4,000/- whichever is higher. The letting out policy shall not permit long term licensing of Units unless the rule on Permitted Use (Rule 25) is followed.*

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required to give effect to the above said resolution.

**8. TO AMEND THE RELEVANT CLAUSES WITH REGARD TO SHARE TRANSFER FEE IN THE RVM AND THE SHAREHOLDERS AGREEMENT.**

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

**RESOLVED THAT** when shares relating to a Unit are sold, and in connection with the reallocation of the Unit to the new Shareholder, the fee to be paid to the Company which at present is Rs.1,50,000/- plus applicable GST, be increased to Rs.2,00,000/- plus applicable GST and to make amendments in the following documents accordingly:

- i) **Substituting item 5 “Rate Card for Various Services in Suvidha” of the Appendix to the RVM with the following item 5.**

*Item 5. Transfer of shares: Transfer fee of Rs. 2,00,000/- + GST Tax per cottage.*

- ii) **Substituting Clause 2.d in the Shareholders Agreement with the following clause.**

*2.d. An allotment fee of Rs.2 lakh for 15000 shares and a security deposit as being collected from other shareholders may be required to be paid by the transferee for allotment of the rights to a Unit & CAF. The allotment fee and security deposit is subject to changes from time to time with the approval of the shareholders.*

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things and to execute all such documents, instruments and writings as may be required to give effect to the above said resolution.”

**9. TO AUTHORIZE THE BOARD OF DIRECTORS TO UNDERTAKE NEW PROJECTS THAT WOULD ENABLE GENERATE ADDITIONAL RESOURCES FOR THE COMPANY BY LEVERAGING ITS ASSETS, DEVELOP INNOVATIVE WAYS OF MONETIZING ITS ASSETS.**

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

**RESOLVED THAT** the company undertake appropriate measures to utilize company’s assets to generate additional revenues in the long-term interests of the company for which the Managing Director is authorized to work with domain experts and Board of Directors is authorized to do all such acts, deeds and take appropriate steps for each of the initiatives as stated here under:

- a) Re-location of the existing Health Centre to Clubhouse and release of the Cottages for soliciting new subscribers
- b) Leveraging the under-utilized Suvidha kitchen by turning it into a Cloud kitchen through a tie-up with a competent institution to generate rental income
- c) Redeveloping the 1st & 2nd floor of the Clubhouse and converting into senior

citizen living facilities for generating rental income.

- d) Develop the 3 acres of land leveraging on the increased FSI from being incorporated into the BBMP jurisdiction to maximize the revenue through construction of buildings related to senior citizen living and other related facilities in line with extension of approval received for construction of Yoga Shala etc.
- e) Any other development plan that is conformance with the vision and objectives of the Company

Any of the aforesaid developments would be done per the processes of the company, including approvals from Shareholders through a general body meeting, for projects that require such resolutions

**BY ORDER OF THE BOARD  
FOR SUSHRUTHA VISHRANTHI DHAMA LTD.**

**Sd/-**

**Mr. Venugopal V Shetty**

**Managing Director**

**DIN: 09273242**

**Date: 03/07/2022**

No.119, Suvidha,  
Sy. No. 18/4, UM Kaval,  
Near Vajramuneshwara Temple, Thalaghattapura Post,  
Bangalore – 560109.

**NOTES:**

- a) In view of the current extraordinary circumstances due to Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”), has vide its circular dated 5 May, 2020 read with circulars dated 13 April 2020, 8 April 2020, 5 May 2020, 13 January 2021, 14 December 2021, and 5 May 2022 (collectively referred to as “MCA Circulars”), permitted the Companies to conduct their Annual General Meeting through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of the Members at a common venue, subject to the fulfilment of conditions as specified in the MCA Circulars. In compliance with the provisions of the Companies Act, 2013 (“Act”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM. Further, for the purpose of technical compliance of the provisions of section 96(2) of the Companies Act, 2013 we are assuming the place of meeting as the place where the Company is domiciled i.e. the registered office of the Company.
- b) In compliance with the aforesaid MCA Circulars and in view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Board’s report, Auditor’s report or other documents required to be attached therewith), such statements shall therefore be sent only by email to the members and to all other persons so entitled. Further, the notice for AGM shall be given only through emails registered with the Company. Members may note that the Notice will also be available on the Company’s website at [www.suvidha.co.in](http://www.suvidha.co.in).
- c) The Members can attend the meeting through VC from their laptop/mobile. Members are requested to follow the steps mentioned in the file named ‘INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC’ which is enclosed with the Notice of the AGM and shall also be attached separately on the e-mail, with the Notice of the AGM.
- d) The Company shall provide VC facility via ZOOM VIDEO COMMUNICATIONS (“Zoom”) in order to make it convenient for the Members to attend the Meeting. Members are required to use the following link or details to join the meeting through VC facility of Zoom:



Zoom Meeting Link:

<https://us06web.zoom.us/j/83756674657?pwd=SW1kVFVRZnpOVGpBbjNRTTBjYmRjdz09>

Meeting ID: 837 5667 4657

Passcode: 335673

Provision will be made to the Shareholders to participate in the 18th Annual General Meeting (Zoom Meeting) and facilitate for email voting in the banquet hall of the club house in Suvidha.

- e) Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- f) The members desiring to inspect the relevant documents referred to in the accompanying notice and other statutory registers are required to send requests on the Company Secretary's email address: [cs@suvidha.co.in](mailto:cs@suvidha.co.in). An extract of such documents would be sent to the members on their registered email address. The same will also be made available for inspection by the members at the Meeting in electronic mode.
- g) Members seeking any information with regard to the matters to be placed at the AGM, are requested to write to the Company Secretary at [cs@suvidha.co.in](mailto:cs@suvidha.co.in). The same shall be taken up in AGM and replied by the Company suitably.
- h) 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 Companies Act, 2013 read with Rules issued thereunder will be made available for inspection by the members at the Meeting in electronic mode.
- i) In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM. However, both the joint holders may attend the meeting and participate in the discussions.

- j) Members seeking any information with regard to the accounts or any matter to be placed at AGM are requested to submit their questions in advance, on or before 20<sup>th</sup> July, 2022 through the Company Secretary's email address i.e. [cs@suvidha.co.in](mailto:cs@suvidha.co.in). The same will be replied by the Company suitably.
- k) Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- l) Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.
- m) The meeting room shall be open 15 minutes prior to the scheduled time to avoid last minute technical glitches.
- n) In case of any technical assistance before or during the meeting the member or representative as the case may be may contact the following person:

**Name of the person: Sandesh Kumar P**

**Designation: Company Secretary**

**Telephone Number: 8105951571**

- o) In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Members are provided with the facility to cast their votes on all resolutions set forth in the Notice of the AGM using E-mail voting system from a place other than the venue of the AGM. There will also be a provision for email voting to be done at the venue.
- p) Any person, who is a Member of the Company as on the cut-off date is eligible to cast vote on all the resolutions set forth in the Notice of AGM. The facility for voting, either through E-mail voting or voting by show of hands shall also be made available at the AGM at the discretion of the Chairman of the meeting.
- q) The company has appointed CS Thirupal Gorige, practicing Company Secretary as the scrutinizer of the company.
- r) The results of the voting shall be displayed on the Notice Board at the Registered office of the Company and the results along with the scrutinizer's report shall also be placed at website of the company immediately after the results are declared.

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**RESOLUTION 5: TO RATIFY THE MEMBERS COMMITTEE FORMED BY THE BOARD:**

The Members Committee needed to be reconstituted as the resolution presented at the 17<sup>th</sup> AGM to extend its term was not passed.

The Board therefore called for nominations and formed the Members Committee as envisaged in the relevant clauses of the AOA, the RVM and the Shareholders Agreement, maintaining the ratio of Director Members, Resident Members and Non-Resident Members. This Committee, with its new Members, needs to be ratified by the Members at the AGM.

**RESOLUTION NO. 6: TO AUTHORIZE THE BOARD TO INCUR LEGAL EXPENSES FOR A FURTHER AMOUNT OF RS.25 LAKHS IN CONNECTION WITH THE CIVIL AND CRIMINAL CASES AS DETAILED IN THE DIRECTORS REPORT:**

Members had given their approval at the EGM held on 12.5.2019, for expenditure of Rs.25 lakhs on legal fees/expenses for the year 2019-20, in connection with the cases in which the company is involved. We have spent about Rs. 25 lakhs, from 2019 to 2022, as follows:

1. M/s K S LAW Rs. 6.33 lakhs (Civil Case regarding land, during 2019 -20)
2. M/s Magnah Law Rs. 5.80 lakhs (2019-2021) (2 Criminal Cases related to Land Civil Case)
3. M/s Holla & Holla Rs. 12.50 lakhs (2020-22) (Civil Case regarding land)

This request for approval for further Rs. 25 lakhs for the year 2022-23 to cover expenses for all legal cases.

**RESOLUTION NO. 7: TO AMEND THE RELEVANT CLAUSES WITH REGARD TO LICENSE FEE IN THE RVM AND THE SHAREHOLDERS AGREEMENT:**

The Company's share of rental fees has been static at Rs. 3000 from the time cottages at Suvidha have been occupied since 2010. Now that the license fees have increased considerably, it is felt that the Company should also get a fair share.

In the RVM Version 3 dated 27/12/2020 in the appendix under section "Procedure for leasing cottages", points no. 5 & 6 mentions cottages let out on long term basis shall pay the company the approved administrative costs (currently pegged at Rs.3, 000) on a monthly basis. The figure of Rs. 3,000/- will need to be changed to Rs. 4,000/-.

None of the Directors / Key Managerial Personnel of the Company are interested in any way in the said resolution except to the extent of their shareholding in the Company.

**RESOLUTION NO. 8: TO AMEND THE RELEVANT CLAUSES WITH REGARD TO SHARE TRANSFER FEE IN THE RVM AND THE SHAREHOLDERS AGREEMENT:**

The Company has been charging this amount of Rs. 1.5 lakhs from the time shares of Suvidha have been sold and related cottages reallocated. Since share prices have increased considerably, the reallocation fees should also be increased to Rs. 2,00,000/- plus GST.

The fee of Rs. 1,50,000/- is mentioned in the section “Rate Card for various Services in Suvidha” of the Appendix to the RVM and the clause 2.d of the Shareholders agreement. This figure will be changed to Rs. 2,00,000/- plus GST.

None of the Directors / Key Managerial Personnel of the Company are interested in any way in the said resolution except to the extent of their shareholding in the Company.

**RESOLUTION NO. 9: TO AUTHORIZE THE BOARD OF DIRECTORS TO UNDERTAKE NEW PROJECTS THAT WOULD ENABLE GENERATE ADDITIONAL RESOURCES FOR THE COMPANY BY LEVERAGING ITS ASSETS, DEVELOP INNOVATIVE WAYS OF MONETIZING ITS ASSETS:**

**Clubhouse:** The clubhouse structure is in a dilapidated condition, leaking and waiting to be renovated.

While currently the building appears to be in an unusable condition, the management believes with adequate repairs, re-modeling, the use of the building can be better planned.

**Additional 3 acres land:** the 3 acres of land was purchased by the company has also obtained clearance from the authorities to construct a yoga centre. The permission has been renewed in 2022 and will now expire in 2024. This permission pertains to the earlier status of the land as a Greenbelt and the provisions of section 109 of Karnataka land reforms act 1961 would apply. The status of the land has since changed with effect from March 2021 and it now comes under the domain of BBMP. It is therefore felt that this land can be developed as any commercial asset. However, a firm decision can only be taken after examining the facts pursuant to full takeover by BBMP, which may take some time. Development of these 3 acres of land is seen as an essential activity in order to generate revenue of considerable value that would impact positively

and sustainably the future financial stability of Suvidha. It is necessary to implement this project professionally, in a time bound manner; managed by a Special purpose committee (SPC)

The Management believes it needs to put the best efforts to redevelop each of the company's assets by visualizing and executing innovative monetizing models. Redevelopment of Suvidha assets is a necessity both to maintain it and to generate revenue from it.

The company needs to undertake appropriate measures to utilize company's assets to generate additional revenues in the long-term interests of the company for which the Managing Director is authorized to work with domain experts and Board of Directors is authorized to do all such acts, deeds and take appropriate steps for each of the initiatives as stated here under:

The entire clubhouse property to be redesigned and redeveloped; on a revenue generation model as discussed below.

1. The area on the 1<sup>st</sup> and 2<sup>nd</sup> floors consisting of approximately 20,000 sq. feet be redesigned to accommodate office area, reception and 30 luxury rooms, including 4 family rooms. The development shall have the usual recreational/sports/club facilities.
2. The rooms will be available for renting by Senior citizens, available to shareholders as well as to the general public.
3. Develop the 3 acres of land leveraging on the increased FSI from being incorporated into the BBMP jurisdiction to maximize the revenue through construction of buildings related to senior citizen living and in line with approval received for construction.
4. The managing director shall have the authority to prepare a comprehensive proposal, incorporating designing and cost and revenue estimates, source of funding, operating companies and other relevant details. He shall also have the authority to engage external architects and consultants for the purpose.

Any other development plan that is conformance with the vision and objectives of the Company

None of the Directors / Key Managerial Personnel of the Company are interested in any way in the said resolution except to the extent of their shareholding in the Company.

**BY ORDER OF THE BOARD  
FOR SUSHRUTHA VISHRANTHI DHAMA LTD.**

**Sd/-**

**Mr. Venugopal V Shetty**

**Managing Director**

**DIN: 09273242**

**Date: 03/07/2022**

No.119, Suvidha,  
Sy. No. 18/4, UM Kaval,  
Near Vajramuneshwara Temple, Thalaghattapura Post,  
Bangalore – 560109.

## DIRECTORS' REPORT

Your directors are pleased to present their 18<sup>th</sup> Annual Report together with the audited statement of accounts of the Company for the year ended March 31, 2022.

### 1. The Financial Summary

(All amounts are in Lakhs)

Particulars	Year Ended 31-03-2022	Year Ended 31-03-2021
Income from operations	294.19	296.82
Other income	19.13	17.94
Total	313.32	314.76
Total Expenditure	369.71	374.02
Profit/(Loss) before Tax	(56.39)	(56.99)
Exceptional income (unclaimed amounts)	18.00	(1.19)
Provision for Taxation (deferred tax)	(25.68)	(32.27)
<b>Profit/(Loss) after Tax</b>	<b>(64.06)</b>	<b>(90.46)</b>

### 2. The State of The Company's Affairs

During the year under review, the Company reported a net Loss of Rs. 64.06 Lakhs after considering deferred taxes of Rs. 25.68 Lakhs and depreciation amount of Rs. 99.96 Lakhs computed as per the Companies Act 2013 and Rs.18 Lakhs attributable to the exceptional income on account of reversal of liabilities under unclaimed payments/retention monies.

Steps are being taken to improve the performance of the company during the current financial year.

### 3. Dividend and Transfer to Reserves

In view of the loss, your directors do not recommend declaration of dividend for this financial year.

#### **4. Operations**

The Company earned Rs. 294.19 Lakhs as total revenue (as against Rs. 296.82 Lakhs in the previous financial year) mainly by way of Maintenance Fees (including housekeeping charges) and from Food and Beverage Sales. The reduction is mainly due to prorated method of charging for Housekeeping Services, as per Resolution passed at the 16<sup>th</sup> AGM.

#### **5. Material Changes and Commitments**

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

#### **6. Change in the Nature of Business**

There is no change in the nature of the Business during the financial year.

#### **7. Management Committees/Task Forces**

During the year under review your Company put in initiatives to streamline its operations by constituting the following Committees.

#### **Statutory Committees as per the Companies Act 2013**

##### **a. Audit Committee**

Mr. Susheel Nagarajan (Chairperson)

Mr. Gopalakrishnan Janardhanan

Dr. Vivekananda\*

\*As Dr. Vivekananda Siddiah has not opted to be reappointed, his membership of the Audit Committee Ceases at the Annual General Meeting, and accordingly another Director will be appointed in due course.

##### **b. Nomination And Remuneration Committee (NRC)**

Mr. Gopalakrishnan Janardhanan (Chairperson)

Mr. Susheel Nagarajan

Mr. Sreeramaiah N

Dr. Ashok Shanthamallappa



**c. Internal Committee (Under Posh Act).**

Ms. Satya Prabhakar (Chairperson & Presiding Officer)

Ms. Pushpa

Ms. Sarvamangala

Mr. Lakshmisha

**Non-Statutory Committees**

**d. Maintenance Committee**

Dr. Ashok Shanthmallappa (Chairperson)

Mr. Uday Kumar

Mr. Satyamurthy Subbarao

Mr. Venugopal Shetty

**e. Technical Committee**

Mr. K. Ramani (Chairperson)

Mr. Uday Kumarmr.

Mr. Satyamurthy Subbarao

Mr. Venugopal Shetty

**f. Revenue Generation Committee**

Mr. Venugopal Shetty (Chairperson)

Mr. N. Sreeramaiah

Mr. Ashok Gurudas

Dr. Nilima Kadambi

Dr. Nandish

**g. Land Matters Committee**

Mr. Venugopal Shetty (Chairperson)

Ms. Gayitri Handanahal

Mr. C. Prabhakar

Dr. Jinka Subramanya

Mr. Virupakshaiah – Advisor

**h. Legal Committee**

Mr. Venugopal Shetty (Chairperson)

Mr. K. Venkatesh (Advisor)

Ms. Geeta Jaisim

**i. Housekeeping Committee**

Ms. H. V. Gayitri (Chairperson)

Mr. Veeranna Chigateri

Ms. Usha Kurpad

**j. Kitchen Committee**

Mr. Veeranna Chigateri (Chairperson)

Ms. Satya Prabhakar

Ms. Aruna Aluri

Ms. Bharathi Shastri

**k. Landscaping Committee**

Ms. H. V. Gayitri (Chairperson)

Dr. P. M. Chandrashekhara

Dr. Iris Rajiva

**l. Office Committee**

Ms. Geeta Jaisim (Chairperson)

Ms. Prathima Shetty

**m. Rental Committee**

Ms. Geeta Jaisim (Chairperson)

Ms. Prathima Shetty

Ms. Latha Krishnan

**n. Finance Committee**

Mr. Sreeramaiah (Chairperson)

Dr. Ashok Shanthamallappa

Mr. Kiran Hebbar

**o. Security Committee**

Mr. Venugopal Shetty (Chairperson)

Mr. C. Prabhakar

Mr. Suresh Babu

**p. Members Committee**

Mr. Sreeramaiah (Chairperson)

Dr. Vivekananda Siddaiah

Mr. A. Vaidyanathan

Mr. Chandrakant Bhat

Mr. Vijaykumar Aluri

Mr. D. Ravi

Dr. Giridhar Shenoy

**q. Health & Well Being Committee**

Dr. Nilima Kadambi (Chairperson)

**Sub-Committees**

**1. Medical Committee**

Dr. Nilima Kadambi (Chairperson)

Dr. Sandhya Ravi

Dr. P M Chandrashekara (Advisor)

Mr. Ashok Dey

**2. Cultural Committee**

Dr. Nilima Kadambi (Chairperson)

Dr. Nalini Shenoy

Dr. Vivek Kadambi

Dr. Iris Rajiva

**3. Staff Welfare Committee**

Dr. Nilima Kadambi (Chairperson)

Smt. Satya Prabhakar

Dr. Nalini Shenoy

Ms. Pushpa (Staff)

## **8. Shareholders' Communication & Related Matters**

**(a)** The Suvidha Review (TSR), a quarterly newsletter, has been published every quarter since January 2021. It continues to bring to Shareholders all the news of happenings in the Village, made more interesting by contributions from the shareholders, as well as the accompanying colorful photographs. The TSR continues to receive much appreciation from its readers.

### **(b) Open house Meetings**

**There have been 3 Open House Meetings since the last AGM.**

#### **i) 19<sup>th</sup> December 2021**

**The following subjects were discussed:**

- Presentation by Healthcare Committee regarding services to be provided by RELEX in providing medicines on a regular basis, at a discounted price. Also, the possibility of introducing Teleconsultation with a panel of Doctors'.
- Updates on the various Legal Cases in which Suvidha is involved
- Update on progress of Land Matters
- Update on the progress of work on RBI Compounding

#### **ii) 26<sup>th</sup> March 2022**

**This Meeting was called to discuss the following:**

- Progress in the work of the Healthcare Committee towards providing better healthcare to the residents of Suvidha. A Memorandum of Understanding has been signed with BGS Hospital to provide emergency hospitalization services to residents of Suvidha.
- Presentation by Landscape Committee on the Rejuvenation of the Suvidha Lake

#### **iii) 27<sup>th</sup> April 2022**

**This Meeting was called with the following agenda:**

- The Finance Director made a presentation on the financial condition of Suvidha.
- MD spoke about his ideas for Revenue Generation and invited participation from Shareholders.

**(c) Resident & Visitors Manual (RVM):** The RVM was discussed and adopted at the Extra-Ordinary General Body Meeting held on 12-07-2014 and later certain provisions were modified in the year 2017, and the amended version of the RVM was printed in that year. Clause 14 in the RVM was amended by Resolution passed at the 16th AGM, to include clause 14 (A) to

enable members to avail of Housekeeping Services for 1,3,6 or 7 days and pay accordingly. The Company adheres to the principles and guidelines set out in the RVM in the day to day running of operations. The Members' Committee has the responsibility to ascertain that the rules of RVM are followed by the Unit holders.

It is proposed to review and refine the RVM making it more practical and compliant.

**(d) Maintenance Fees:** The Company is collecting maintenance charges of Rs.7500/- for Common Area Facilities, plus housekeeping charges as applicable on a pay per use basis, based on service for 1, 3, 6 or 7 days per week, with effect from February 2021. The choice once made will be valid for a period of 6 months. Thereafter, if they so wish, Shareholders may change their service requirements. Billing for Maintenance Fee and Housekeeping Charges is done in one invoice, as before.

**(e) Covid in Suvidha (2021-2022)**

The Covid-19 Pandemic has had devastating morbidity and mortality globally. However, Suvidha Family has had ZERO mortality due to Covid Infection during the First, Second and Third Wave. Our open, green, clean and serene spaces have certainly played a major role in reducing the spread of infections. However, we have had some impact due to a higher number of covid positive cases among staff members (symptomatic & asymptomatic) during the third wave. Large number of our housekeeping staff were absent and the office staff along with the housekeeping committee managed the situation in a manner that it did not effect the shareholders. Most of the kitchen staff including the cooks were covid positive at the same time and some of our staff such as Pushpa, Ramesha and Mahesh stepped up to to the challenge and took over the kitchen activities. A special letter of appreciation was handed to them for their support during the critical period.

The Covid Task Force members (Dr. P. M. Chandrashekar, Gayitri Handanahal, Dr. Vivekananda, Dr. Nilima & Dr. Ashok S) along with the Suvidha Staff members implemented timely Covid Safety Guidelines that were practiced by all. Regular Screening of Staff with RT-PCR free testing by BBMP was arranged. Early and effective Contact Tracing of all positive tested persons with strict Isolation protocols have definitely helped us navigate safely through the third wave.

## **9. Reports of Committees**

### **i) Office Committee**

- The number of staff as at 31.3.21 was 48, and as on 31.3.2022 it was the same number.
- Mr. Devaraj who had been Estate Manager from 2015, retired from service w.e.f 01.05.2022.
- A new Estate Manager, Subedar Upendra Kumar has been appointed w.e.f 01.04.2022.
- The previous Company Secretary resigned in September 2021, and we have appointed a new Company Secretary, Mr. Sandesh Kumar P w.e.f 01.03.2022.
- Internal Auditors who were appointed in 2020, continue to oversee the accounting and related transactions in the company.

### **ii) Rental Committee**

The number of cottages (units) leased out as on 31.03.2021 is 21, up from 17 last year.

We are receiving numerous enquiries for both long- and short-term stay in our cottages and are hopeful that more cottages can be let out. Shareholders desirous of licensing their cottages are requested to inform the management, and attend to maintenance, repairs and furnishing in the units allocated to them. Unless cottages are in good habitable condition, they cannot be leased out.

### **iii) Housekeeping and Waste Management Committee**

The Housekeeping Committee has continued to providing 1, 3, 6, or 7 days service to all cottages regardless of the occupancy status. This has given the ability for all shareholders to choose the actual services required by them instead of the standard 7 days that was provided previously.

Earlier the housekeeping staff were carrying buckets mops and cleaning materials to empty cottages on a daily basis in order to clean them. Apart from it being an inefficient option it was seen as unhygienic to use the same cleaning accessories in many cottages. The committee decided to equip each empty cottage with a standard housekeeping kit so that it becomes convenient for all and a hygienic practice too. This system is working well.

The Waste management system is working well and is able to provide good quality organic compost for our landscaping requirements.

#### **iv) Landscape Committee**

Following are the highlights of the Suvidha Landscaping activity in the last year:

- A vegetable garden was created opposite the Badminton Court. We started growing some of the vegetables regularly used by our kitchen. They were fresh and delivered immediately after harvesting. Some excess was even supplied to residents.
- The water quality of our Suvidha lake had become very bad due to contaminated water flowing into the lake. The water after testing was found to have very high levels of vital parameters such as BOD, COD and Coliform. Four applications of Magic Peel Bio-enzymes were applied across the lake, after which water was tested again. The parameters have improved significantly. A long-term lake rejuvenation program through wetland development is under consideration.
- A plan to build a medicinal plants garden in partnership with Sri Sri Sattva is being worked out. Soil from 3 selected patches have been sent for testing at GKVK. Based on the report suitable medicinal plants will be grown in these patches. The produce will be taken up by Sri Sri Sattva for their use, in making medicines and supplements. The details will be worked out once the test report is received.

#### **V) Security Committee**

- The blackbelt security service agency was providing security for over three years. However, in the past 6 months there was regular absenteeism, and they were not able to provide the required no. of personnel especially in the nighttime despite repeated warnings.
- Hence their service had to be terminated and a new security agency VRF has been appointed effective June 1<sup>st</sup> 2022.

#### **vi) Medical Committee:**

- Open House for Shareholders & Residents of Suvidha on 19<sup>th</sup> December 2021  
Introduction of Relex Healthcare MMT support for Suvidha Residents
- Jan 2022: MOU for 3 years signed with BGS Gleneagles Global Hospital for Emergency Support & Ambulance Services to Suvidha Residents.
- BGS Mental Health & Emotional Well-being Awareness Session by Team of Psychiatrist & Clinical Psychologist on 20<sup>th</sup> March 2022
- Open House for Shareholders & Residents of Suvidha on 24<sup>th</sup> April 2022 Introduction of the Dozee Project for Regular Monitoring & Wellbeing

- 29<sup>th</sup> Apr 2022: Training for SERT = Suvidha Emergency Response Team by BGS HOD of Emergency Medicine on Basic Life Support & First-Aid care
- Open House for only Residents interested in participating in the Suvidha-Dozee Project for 6 moths Free Contactless Monitoring of Vitals of Seniors
- Revamping & upgrading as well as Re-locating of Suvidha Health Center Plans finalized and Decision made to have a Live-In Full Time Nursing Executive to support Residents Health needs & for Medical Emergencies

**vi) Staff Welfare Committee:**

- A unique “Suvidha Stree Shakti” Event was conducted on 18<sup>th</sup> Oct 2021 with Kolatta Dance & Group Song by Lady Staff and Rangoli Competition. Suvidha Resident’s Bhajana-Mandali rendered soulful Bhajans as well.
- Recommended the urgent need to fill the vacancies in the Suvidha ICC (Statutory Committee under POSH Act 2013)
- Refresher Training & Health Center Medical Equipment familiarization training to the SERT team members by Nurse Sarvamangala – May 2022

**vii) Cultural & Social Committee:**

- Christmas Celebration – Dec 24, 2021. Movie “The Holiday” along with Carol Singing & Line Dancing performance by Suvidha Serenaders.
- Masti Movie Night – Feb 25, 2022. Movie screened was “Mimi” followed by Bombay Style Paav-Bhaji and Semiyen Paayasam Dinner for all.
- March 28<sup>th</sup> evening “Rang Barse” Concert by Suvidha Serenaders at the Amphitheater on occasion of Holi. Suvidha Anthem composed & sung.
- May 5<sup>th</sup> 2022, “Save the Planet” Concert on World Environmental Day – A variety entertainment program by a group of teenagers called “Interact Bengaluru Harmony”. This was an interactive event consisting of Singing, Group dance (Kathak), Stand-up Comedy and Quiz.
- “Ganeshaya Dheemahi – Sep 2021 had to be cancelled due to COVID Spike and restrictions & safety guidelines imposed by Suvidha MD.
- **Other Social Events that were held in Suvidha Retirement Village:**  
Karnataka Rajyotsava Traditional Dances & Feast on 1<sup>st</sup> Nov 2021  
Flag Hoisting with Dr Lakshmi Dey as Chief Guest on Republic Day 2022.  
Ram Navami Bhajans by professional singers & Prasaadam served to all.



### **viii) LEGAL COMMITTEE:**

Given below are the details for each of the Legal Cases in which the Company is involved:

**1. SERVICE TAX CASE**, where there has been a demand of Rs.1,59,36,740/-

There is a backlog in the Court, handling the service tax cases, and currently the cases being handled are dating back to 2010. Hence, there is no change in the status, and our case has not come up for hearing.

**2. MRS. SHYLAJA V. YALE V/S SUSHRUTA VISHRANTHI DHAMA LTD- KSCDRC(BLR) APPEAL NO. 1443/2019**

This case, which was in the Consumer Court, has been withdrawn by the plaintiff in December 2021.

**3. CASE FILED BY MR M P SOMAPRASAD AGAINST THE COMPANY, CLAIMING OWNERSHIP OF 12 ACRES OF LAND**

This case is being heard in the Trial Court and our lawyers are confident that Suvidha is in a strong position, as we are in possession of the land, and have been so for over 15 years.

Hearings in the court are not taking place effectively, as the judges get transferred. However, we are advised by our advocates that we should wait for the Trial Court process to be completed, and not go directly to the High Court. The next hearing is scheduled for July 13<sup>th</sup>, 2022.

**4. CRIMINAL CASE FILED BY MR C B PRABHAKAR CRLP 2936/2019 AND BY SUVIDHA CRLP 1971/2019**

These cases are related to the Civil Suit filed by Mr M P Somaprasad. In case CRLP 1971 filed by the company against Karnataka Police and Mr. Somaprasad, Stay has been granted by the High Court. CRLP 2936 filed by Mr. Prabhakar against Karnataka Police and Mr Somaprasad is still being heard in the High Court.

**5. CASE FILED BY MR C B PRABHAKAR AND OTHER SHAREHOLDERS AGAINST THE COMPANY IN RESPECT OF A BOARD RESOLUTION REGARDING MF.**

This case is being heard in the Bengaluru Rural Court Establishment Civil Judge. There have been several hearings and adjournments over the last 7 months, with procedural matters being taken up. Our lawyers have filed for injunction. The next hearing is on July 5<sup>th</sup>, 2022

**6. CRIMINAL CASE FILED BY KARNATAKA STATE AGAINST VASANTH (EX-EMPLOYEE):**

The Case is being handled by the Public Prosecutor. We are in communication with the Public Prosecutor and the next hearing is scheduled for September 6, 2022. The public prosecutor during a meeting suggested that we should have obtained the details of assets of the accused and their close relatives and friends. To that extent, he said the investigation was incomplete.

**ix) Land Matters:**

**1. Extension of Conversion granted for 3 acres:**

The conversion of the 3 acres of land was granted for the purpose of the construction of a Yogashala within 2 years of the order. However due to delay in correcting errors in land records, and due to delays caused by the Covid situation, Suvidha applied for an extension of conversion on 02/03/2021.

After much follow up, the extension of the conversion was granted on 05-01-2022 for a period of 2 years from this date i.e., till to 04/01/2024

**2. 18/16 (3 Acre Land) Podi correction:**

A survey was conducted by the ADLR office and established that there was no overlap. The report has been approved by the ADLR office and submitted to the Tahsildar's office. The issue is now clear.

**3. 40 ft Approach Road to Suvidha:**

A survey was conducted by the ADLR office and established that there is no encroachment from our side. According to the DC's order, there are 2 survey numbers assigned for this Road, 18/1(17 guntas) and 18/15(2 guntas). The survey report has been handed over to the Tahsildar's office to be incorporated into the area map. Further, survey number 18/15 (part) has been incorporated into the RTC. We are following up closely regarding 18/1(part) to be incorporated into the RTC. Once that is done, it would become a public road.

**4. Suvidha coming under the Jurisdiction of BBMP**

As per the notification received from the BBMP Suvidha now comes under the jurisdiction of the Bruhat Bengaluru Mahanagara Palike (BBMP). Further as per Government's notification the number of wards under BBMP is being increased to 243 from existing 198. BBMP is in the process of re-defining / re-marking its wards. The Company is in contact with BBMP officials to have clarity on the ward that Suvidha falls under.

## **x) REVENUE GENERATION COMMITTEE:**

When we consider the revenues at Suvidha, the main source is through MF and some share of the rental income from cottages and some transfer fees and interest on Bank Deposits. The MF is bound to progressively increase because of inflation. But that will not be enough to meet future expenses. The major additional expenses anticipated are BBMP taxes, replacement of old equipment, structural repairs. Maintenance cost will increase as the equipment and buildings get older. Also, the legal fees related to all the civil and criminal law suits on hand will require to be paid by the Company. Hence, there is a need to create:

- a Corpus to keep the MF to the minimum and
- a Sinking Fund to meet Capital Expenses.

Keeping the above in view the Revenue Generation Committee had several meetings during the past 9 months and came up with the following workable revenue generation ideas:

### **NEAR TERM**

1. Explore the possibility of using the existing Kitchen as a Cloud kitchen – Restaurant Chains which are in multiple locations would like to have a centralized Kitchen from which they can cook and supply to various restaurants/consumers. It also facilitates online orders. We have already shown the Kitchen to couple of interested parties and are waiting to hear from them.
2. Shift the existing health care centre to the clubhouse. And sell the shares related to cottages which are currently occupied by the healthcare centre thus realising an expected amount of Rs. 2.00Cr.

**The Management is pursuing several medium term and long term for additional revenue generation. A separate resolution with explanatory notes has been provided for.**

## **xi) KITCHEN COMMITTEE REPORT**

### **1. Managing the Canteen during the Pandemic:**

During the month of January COVID affected our Canteen, when both the Cooks fell ill and there was no one to run the kitchen. As our elderly residents depend entirely on Canteen food, we managed to take the help of three of our staff who could cook, and with the guidance of the kitchen committee, we not only managed to run the Suvidha Canteen,

but also provided excellent food. We put on record the excellent service and help provided by our staff members.

## **2. Appointment of the Head Cook cum Supervisor:**

As the previous Head cook resigned, a new cook Sri Gururaj Rao has been appointed, From June 3rd 2022. He has 25 years' experience in cooking vegetarian food for a large number of people.

## **3. New menu for breakfast and Lunch and Dinner:**

We have introduced new menus for both Breakfast and Lunch, keeping in mind, the taste, variety and nutritional needs of the residents. It was by and large appreciated by the Suvidhites and the number of residents having the canteen food has increased considerably. We have introduced new Dinner menu for the first time in the history of Suvidha, fulfilling a long-felt need. This has been much appreciated and orders are on the rise.

Buffet Breakfast has again been reintroduced, on the 2nd Sunday of each month, and is proving to be popular.

## **4. Cleanliness of the kitchen:**

There is periodic deep cleaning of the kitchen, and the members of the committee take turns to inspect the kitchen on regular basis.

The kitchen committee would like to thank all the Staff, Shareholders and the Board of Suvidha for their cooperation and encouragement in smooth running of Suvidha kitchen.

## **xii) FINANCE COMMITTEE**

Finance committee got involved in several governance activities that help streamline Suvidha's financial and decision-making processes. Specific activities are listed below.

1. Took cognizance of lack of proper guidelines for managing Housekeeping activities, which gave rise to ad-hoc practices. A detailed "HK rules" document was prepared, in consultation with the HK Committee Chairperson, got it reviewed by the MC and cleared by the Board of Director. It is ready for implementation.
2. Prepared and presented the annual budget for 2022-23.

3. Assisted in assessing the financials for revenue generation activities presented in the Open House Meetings.
4. Prepared “procurement and payment guidelines” and shared with Board of Director, CFO and Accounts Dept. This will help streamline operations.
5. RBI Compounding Matter: The RBI compounding issue that was pending for a very long time has been recently resolved. RBI has compounded the offence and issued the Certificate in this regard.

#### **xiii) MEMBERS COMMITTEE**

1. MC reviewed the MF charges for 22-23. It was done objectively after collecting and analyzing data, certain drawbacks in data maintenance are highlighted and furnished to the Chairperson for bringing improvements.
2. The HK rules were reviewed and revised and is ready for implementation. Compliances with our internal governing rules were examined.
3. A comprehensive MC charter was prepared, in the background of ambiguities and differing interpretations that created delays in addressing tangible actions. The charter is submitted to the Board of Director for approval.

#### **xvi) Internal Committee under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has in place a Policy to address Sexual Harassment in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to address complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

A report prepared by two members of the board who were appointed to investigate into a complaint received from one of the tenants in Suvidha was submitted to the MD. After reviewing the same the MD met with the two parties and the matter was resolved and brought to a close.

The Board needed to set up an ad-hoc committee in May 2022 to investigate a specific case that has arisen. After the completion of the inquiry and preparation of the report, the IC will submit their recommendation to the board for appropriate action to be taken.

## 10. Directors or Key Managerial Personnel:

### The Constitution of the board is as follows:

1. Mr. Venugopal V. Shetty	Managing Director
2. Mr. Susheel Nagarajan	Independent Director
3. Mr. Gopalakrishnan J.	Independent Director
4. Mr. Sreeramaiah N.	Director
5. Mr. Veeranna Chigateri V.	Director
6. Ms. Gayitri Handanahal V.	Director
7. Ms. Geeta Jaisim	Director
8. Dr. Vivekananda Siddiah*	Director
9. Mr. Joy I Cheenath	Director
10. Dr. Shanthamallappa A Ashok	Director
11. Dr. V L Nandish*	Director
12. Dr. Nilima Kadambi	Director

\* Dr. Vivekananda Siddiah and Dr. V L Nandish expressed their unwillingness to be re-appointed and retires by rotation in the 18<sup>th</sup> Annual general Meeting.

### Key Managerial Personnel:

1. Kiran Hebbar	Chief Financial Officer
2. Sandesh Kumar P	Company Secretary

a. During the year, the following Directors/KMP have resigned/ceased to be the Directorship of the Company.

Sl. No.	Name and Designation of the Director	Date of Cessation	Designation	Details of cessation

1.	Ms. Ahalya Shetty	26.09.2021	Director	Resolution for Reappointment of Ms. Ahalya Shetty in the 17th Annual General Meeting was not passed. Accordingly she stepped down from her designation.
2.	Dr. Vivekananda Siddiah	10.08.2021	Managing Director	Dr. Siddiah resigned from the role of Managing Director of the company w.e.f 10.08.2021 but still continues to be a Director in the Board of Suvidha.

The Board places on record its appreciation for their invaluable contribution and commitment to Suvidha.

b. During the year, the executive and non-executive directors of the Company had no pecuniary relationship or transactions with the Company.

#### **11. Meetings of the Board of Directors and their committees:**

- **BOARD MEETINGS:**

The Board has met Nine (9) times during the financial year on the following dates:  
11/04/2021, 06/07/2021, 10/08/2021, 22/08/2021, 29/08/2021, 12/09/2021,  
12/12/2021, 25/01/2022 and 13/03/2022.

- **AUDIT COMMITTEE**

The members of the Audit committee have met three (3) times on the following dates: 14/07/2021, 08/08/2021 and 08/03/2022.

- **NOMINATION AND REMUNERATION COMMITTEE:**

The members of Nomination and Remuneration committee have met three (3) times on the following dates: 01/08/2021, 12/08/2021 and 08/03/2022.

## **12. Deposits**

During the year under consideration, the Company has not accepted any deposits; hence, the provisions with respect to the deposits, covered under section 73 to 76 of the Companies Act, 2013 (hereinafter referred to as the Act) read with Companies (Acceptance of Deposits) Rules 2014 made under Chapter V of the Act are not applicable. Further, the company has not accepted any money from its directors during the year.

## **13. The details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:**

No orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future.

## **14. Directors' Responsibility Statement as per Section 134(5) of the Companies Act, 2013:**

As required U/s 134 (5) of the Companies Act, 2013, your directors state that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year 31<sup>st</sup> March 2022 and of the profit and loss of the company for that period;
- (c) the directors had 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 directors had prepared the annual accounts for the period ending 31<sup>st</sup> March 2022 on a going concern basis; and
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively. However, as reported at the last AGM, the Board had discovered significant fraudulent embezzlement of funds by an ex-employee. Internal auditors have been appointed (reported at the last AGM) to carry out internal audit of the company's accounts on a continuing basis;
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**15. A statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual Directors:**

The Board of directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee (NRC) reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

They also reviewed the performance of the Chief Financial Officer and the Company Secretary and considered the same to be acceptable.

The key points in the policy relating to the remuneration for the directors, KMPs and other employees are as follows:

- All directors including the Managing Director and Whole time Director work voluntarily and without any remuneration
- Independent directors will be offered a nominal remuneration; they will be paid if they accept the offer of payment.
- All other employees will be paid in accordance with 'market forces.

#### **16. A statement on Declaration given by Independent Directors under sub-section (6) of Section 149:**

The Board has received the declaration from all the Independent Directors as per the requirement of Section 149(7) and the Board is satisfied that all the Independent Directors meets the criteria of independence as mentioned in Section 149(6).

#### **17. Policy on Directors' Appointment and Remuneration and other details:**

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors. However, as the Company is running into losses, no remuneration is paid to the Directors and the Independent Directors.

#### **18. Policy for Selection of Directors and determining Directors' independence**

##### **1. Introduction**

1.1 The Company believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance.

Towards this, the Company ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.

1.2 The Company recognizes the importance of Independent Directors in achieving the effectiveness of the Board. It aims to have an optimum combination of Executive, Non-Executive and Independent Directors.

## **2. Scope and Exclusion:**

2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee (NRC) for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent directors of the Company.

**3. Terms and References:** In this Policy, the following terms shall have the following meanings:

3.1 – Director means a director appointed to the Board of a company.

3.2 – Nomination and Remuneration Committee means the committee constituted by Suvidha's Board in accordance with the provisions of Section 178 of the Companies Act, 2013.

3.3 – Independent Director means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013.

## **4. Policy:**

### **4.1 Qualifications and criteria**

4.1.1 The Nomination and Remuneration Committee (NRC), and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company's global operations.

4.1.2 In evaluating the suitability of individual Board members, the NRC may take into account factors, such as: General understanding of the Company's business dynamics and social perspective;

- Educational and professional background;
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

4.1.3 The proposed appointee shall also fulfill the following requirements:

- Shall possess a Director Identification Number;
- Shall not be disqualified under the Companies Act, 2013;
- Shall give her/his written consent to act as a Director;
- Shall endeavor to attend all Board Meetings and wherever she/he is appointed as a Committee Member, the Committee Meetings;

- Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel.
- Shall disclose her/his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013 and other relevant laws.

4.1.4 The NRC shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

## **4.2 Criteria of Independence**

4.2.1 The NRC shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

4.2.2 The criteria of independence, as laid down in Companies Act, 2013 is as below:

An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director—

- a. who, in the opinion of the Board, is a person of **integrity** and possesses relevant expertise and experience;
- b. (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;
- (ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
- c. who has or had no pecuniary relationship, other than remuneration as such director or having transaction not exceeding ten per cent. of his total income or such amount as may be prescribed, with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- d. none of whose relatives –

(i) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year:

Provided that the relative may hold security or interest in the company of face value not exceeding fifty lakh rupees or two per cent. of the paid-up capital of the company, its holding, subsidiary or associate company or such higher sum as may be prescribed;

(ii) is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;

(iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;  
or

(iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent. Or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (i), (ii) or (iii);

e. who, neither himself nor any of his relatives—

i. holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

Provided that in case of a relative who is an employee, the restriction under this clause shall not apply for his employment during preceding three financial years.

ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—  
(A) A firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

(B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;

iii. Holds together with his relatives two percent or more of the total voting power of the company; or

iv. is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives twenty-five percent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or

v. is a material supplier, service provider or customer or a Lessor or lessee of the company.

f. Shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, corporate social responsibility or other disciplines related to the Company's business.

g. Shall possess such other qualifications as may be prescribed, from time to time, under the Companies Act, 2013.

h. who is not less than 21 years of age.

4.2.3 The Independent Directors shall abide by the – Code for Independent Directors as specified in Schedule IV to the Companies Act, 2013.

#### **4.3 Other directorships/committee memberships**

4.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NRC shall take into account the nature of, and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

4.3.2 A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies.

4.3.3 A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company.

4.3.4 A Director shall not be a member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he holds directorships.

## **19. Remuneration Policy for Directors, Key Managerial Personnel and other employees**

### **1. Introduction**

1.1 The Company recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

1.1.1 Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.

1.1.2 Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.

1.1.3 Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

**2. Scope and Exclusion:** 2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

**3. Terms and References:** In this Policy, the following terms shall have the following meanings:

3.1 –Director means a director appointed to the Board of the Company.

3.2 –Key Managerial Personnel means;

- (i) the Chief Executive Officer or the Managing Director or the Manager.
- (ii) the Company Secretary;
- (iii) the Whole-Time Director;

- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed under the Companies Act, 2013.

3.3 – Nomination and Remuneration Committee means the committee constituted by Company 's Board in accordance with the provisions of Section 178 of the Companies Act, 2013.

#### **4. Policy:**

##### 4.1 Remuneration to Executive Directors and Key Managerial Personnel

4.1.1 The Board, on the recommendation of the Nomination and Remuneration Committee (NRC), shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

4.1.2 The Board, on the recommendation of the NRC, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

4.1.3 The remuneration structure to the Executive Directors and Key Managerial Personnel shall include the following components:

- (i) Basic Pay
- (ii) Perquisites and Allowances
- (iii) Stock Options
- (iv) Commission (Applicable in case of Executive Directors)
- (v) Retirement benefits
- (vi) Annual Performance Bonus.

**However, the Company is not paying any remuneration to the directors.**

4.1.4 The Annual Plan and Objectives for Executive Directors and Senior Executives (Executive Committee) shall be reviewed by the NRC and Annual Performance Bonus will be approved by the Committee based on the achievements against the Annual Plan and Objectives. No remuneration is paid to the Executive Directors. However, the Company Secretary (KMP) is paid remuneration as dependent on the market forces.

##### **4.2 Remuneration to Non-Executive Directors**

4.2.1 The Non- Executive Directors on the Board, are working on an honorary basis and are not paid any remuneration by the Company. Further, there is no sitting fees also paid to them.



#### **4.3 Remuneration to other employees:**

4.3.1 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 determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

#### **20. Internal Financial Control Systems and their adequacy:**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

The Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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. This has now been strengthened by appointing Internal Auditors for the company.

#### **21. Committees of the Company:**

##### **1. AUDIT COMMITTEE**

MR. SUSHEEL NAGARAJAN (Chairperson)

MR. GOPALAKRISHNAN JANARDHANAN

DR. VIVEKANANDA

**2. NOMINATION AND REMUNERATION COMMITTEE (NRC)**

- MR. GOPALAKRISHNAN JANARDHANAN (Chairperson)
- MR. SUSHEEL NAGARAJAN
- MR. SREERAMAIAH N
- DR. ASHOK SHANTHAMALLAPPA

**22. Auditors:**

M/s. Balakrishna and Co, Chartered Accountants, the Statutory Auditor of the Company, who were appointed at 15th AGM held on 29/09/2019 to hold office as statutory auditors of the Company from the conclusion of 15th AGM to conclusion of 19th AGM for a period of 4 years, being eligible expressed their willingness to continue. No need for ratification in the AGM

**23. Explanations or comments on qualification, reservation or adverse remark or disclaimer made by the Auditors: Independent Auditors Report:**

There were no qualifications, reservations or adverse remarks made by the Auditors in their report.

The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

**24. Conservation of Energy and Technology Absorption, Foreign Exchange Earnings & Outgo:**

<b>(A). Conservation of energy</b>	
(i) the steps taken or impact on conservation of energy	The Company has installed Solar water heaters for each of the cottages to ensure energy saving and also roof top solar has been installed for 42 cottages in the village.
(ii) the steps taken by the Company for utilizing alternate source of energy.	Use of battery powered vehicles for transportation within the community.
(iii) the capital investment on energy conservation equipment	As energy costs comprise a very small part of our total expenses, the financial impact of these measures is not material
<b>(B). Technology absorption</b>	

(i) the efforts made towards technology absorption	Nil
(ii) the benefits derived like product improvement, cost reduction, production development or impact substitution	Nil
(iii) in case of imported technology (imported during the last three reckoned from the beginning of the financial year :-  (a) the details of technology imported  <b>(b)</b> the year of import  (c) whether the technology been fully absorbed  (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	Nil
(iv) the expenditure incurred on Research and Development	As the Company was mainly engaged in the business of Retirement Village, there are no matters to report on these aspects.
(C). Foreign Exchange Earnings & Outgo  Foreign exchange Earnings  Foreign exchange Outgo	  Nil  Nil

**25. Extract of Annual Return:** As provided under Section 92(3) of the Act, the copy of annual return has been placed on website of the company [www.suvidha.co.in](http://www.suvidha.co.in), which forms part of this report.

**26. Particulars of Loans, Guarantees and Investments:** The particulars of loans, guarantees and investments have been disclosed in the financial statements.

**27. Transactions with Related Parties:** During the financial year 2021-2022, no transactions were carried out with related parties, hence reporting in Form AOC-2 is not applicable.

**28. Development and Implementation of a Risk Management Policy for the Company including identification therein of elements of risk:**

The Company has developed risk management policy in consultation with the members of the Audit Committee and the Directors of the Company. The Board is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The Company's enterprise risk management policy involves risk identification, assessment and risk mitigation planning for strategic, operational and compliance related risks across business units, functions and geographies.

Compliance management has been significantly strengthened by the deployment of an integrated compliance management and governance framework. This covers regulatory compliance certification across all applicable laws. The Audit committee at corporate level guides and monitors the deployment of the compliance framework. The Company ensures compliance of fiscal, employment, immigration and labor laws. A robust internal check process is deployed to prevent and limit risk of non-compliance.

**29. Challenges Faced by the Company:**

- (i) **Land matters:** Property Taxes were paid to Kaggalipura Gram Panchayat till 2011. For the subsequent years the amount paid to Gram Panchayat (vide cheques) have not been encashed by them. The company has been given to understand that Uttarahalli Manavartheekaval has been included in BBMP limits and we expect the matters to be resolved at the earliest.
- (ii) **Notice from Service Tax Department:** There is a service tax demand note that is been placed on the Company and the company has challenged claim made by the department. Since the Management is not in a position to predict the conclusion of the proceedings, the same has been disclosed under Contingent liabilities.

### **32. Bankers & Financial Institutions**

The Board takes this opportunity to express its gratitude for the valuable support and financial assistance received from HDFC Bank Limited, Jayanagar, SBI-Jayanagar and Karnataka Bank- Raghuvanahalli.

**33. The Company is not required to disclose details of remuneration of employees as per Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as none of the employees fall under this requirement.**

### **34. Compliance on Secretarial Standards:**

The Company has complied with all the applicable Secretarial Standards issued by Institute of Company Secretaries of India (ICSI).

### **35. Dematerialization of shares**

As required under the provisions of the Companies Act, 2013, the Company has facilitated the dematerialization of shares. Every holder of shares (of an unlisted public company), who intends to transfer such shares on or after 2nd October, 2018, shall get such securities dematerialized before the transfer.

We are in process of dematerialization and close to 80 shareholders have already dematerialized their shares out of 190 shareholders. The company requests all its shareholders to take help from their banks to open a demat account and get their shares dematerialized. Our Company Secretary is there to help our shareholders in said process. The Company Secretary can be contacted on [cs@suvidha.co.in](mailto:cs@suvidha.co.in).

### **36. Appreciation**

Your Directors take this opportunity to express their sincere appreciation for the excellent support and co-operation extended by the shareholders, customers, suppliers and other business associates. Your Directors gratefully acknowledge the on-going co-operation and support provided by Central and State Governments and all Regulatory bodies. Your Directors place on record their deep appreciation for the exemplary contribution made by employees at all levels. Their dedicated efforts and enthusiasm have been pivotal to your Company's growth.

**BY ORDER OF THE BOARD  
FOR SUSHRUTHA VISHRANTHI DHAMA LTD.**

**Sd/-**

**Mr. Venugopal V Shetty**

**Managing Director**

**DIN: 09273242**

**Date: 03/07/2022**

No.119, Suvidha,  
Sy. No. 18/4, UM Kaval,  
Near Vajramuneshwara Temple, Thalaghattapura Post,  
Bangalore – 560109.



**BALAKRISHNA & CO.**  
CHARTERED ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT**

**To the Members of Sushruta Vishranthi Dhama Limited**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the standalone financial statements of Sushruta Vishranthi Dhama Limited ("the Company"), which comprise the balance sheet as at 31st March 2022, and the statement of profit and loss, and statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

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 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss, and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 standalone financial statements under the provisions of the Companies Act, 2013 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.

**Other Information**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, 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 in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## **Responsibilities of Management and those charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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, 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 of 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 standalone 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, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are 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 Standards on Auditing, specified under Section 143(10) of the Act, 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 control 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.





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

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 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 of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the '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, 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.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - d. In our opinion, the aforesaid 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 the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company is not in a position to assess the impact of the pending litigations on its financial position as on 31<sup>st</sup> of March, 2022 (as more fully described in Note xxiii in Notes to Accounts).
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There are no amounts required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Balakrishna & Co.,**

*Chartered Accountants*

Firm registration number: 004835S



**CA B E Kumar Prasad**

*Partner*

Membership number: 204844

UDIN: 22204844AMGQIX4003

Place: Bengaluru

Date: 26<sup>th</sup> June 2022





## Annexure A to Independent Auditor's report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Sushruta Vishranthi Dhama Limited of even date)

- (i) According to the information and explanations given to us:
  - (a) A. The Company has maintained proper records showing the full particulars, including the quantitative details and situation of property, plant and equipment.
  - B. Since the Company does not own intangible assets, the clause for reporting maintenance of records for intangible assets is not applicable.
  - (b) The Property, Plant and Equipment have been physically verified by the Management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) Title deeds of immovable properties are held in the name of the company.
  - (d) The Company has not revalued its Property, Plant and Equipment during the year.
  - (e) As per explanation and representations provided to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under Clause 3(i) (e) of the Order is not applicable to the Company.
- (ii) According to the information and explanations given to us:
  - (a) The management has conducted physical verification of inventory at reasonable intervals. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
  - (b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during any point of time of the year. Accordingly, reporting under Clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. Accordingly, reporting under Clause 3(iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not provided any loan or any security or any guarantee to any of its directors, or to any other person in whom the director is interested during the period. Hence the provisions of Sections 185 and 186 of the Companies Act, 2013 are not applicable to the company. Accordingly, paragraph 3(iv) is not applicable to the company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under Clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for business line of the Company. Accordingly, paragraph 3(vi) is not applicable to the company
- (vii) According to the information and explanations given to us and on the basis of our examination of the records of the Company:
  - (a) Amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, employees state insurance, duties of excise, Goods and services tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.  
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, duties of excise,





service tax, and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable except for Provident Fund of Rs. 1,77,032, Tax on Sale of Electricity amounting to Rs. 3,67,175 and Property Tax amounting to Rs. 9,44,700, which have not been discharged as on the date of this report.

- (b) Details of Service tax that has not been deposited as at 31<sup>st</sup> March, 2022 on account of a dispute are given below:

Statute	Nature of Dues	Forum where dispute is pending	Amount (Rs.)
Finance Act, 1994	Service Tax	CESTAT (Customs, Excise & Service tax Appellate Tribunal)	1,59,36,740/- excluding interest and penalty

- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- (ix) The company does not have any outstanding borrowings at any point of time during the financial year. Accordingly, reporting under clause 3(ix) is not applicable.
- (x) a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans during the year, and hence reporting under clause 3(x)(a) of the order is not applicable to the company.  
b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully, partially or optionally convertible debentures during the year. Accordingly, reporting under Clause 3(x)(b) of the order is not applicable to the Company.
- (xi) a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.  
b) No report under Section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.  
c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the order is not applicable to the company.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Sections 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 etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.  
(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or person connected with them and hence provisions of Section 192 of the Companies Act, 2013 are not applicable
- (xvi) a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.  
b) Since the Company has not conducted any Non- Banking Financial or Housing Finance activities during the year, reporting under this clause is not applicable.



- c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Accordingly, reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.
- d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC as part of the Group.
- (xvii) The Company has neither incurred any cash loss in the current financial year nor in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is 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) According to the information and explanations given to us, the provisions of section 135 do not apply to the company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

**For Balakrishna & Co.,**

*Chartered Accountants*

Firm registration number: 004835S

  
  
**CA B E Kumar Prasad**  
*Partner*

Membership number: 204844

UDIN: 22204844AMGQIX4003

Place: Bengaluru

Date: 26<sup>th</sup> June 2022



## **Annexure B to the Independent Auditor's Report**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sushruta Vishranthi Dhama Limited of even date)

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Sushruta Vishranthi Dhama Limited ("the Company") as of March 31, 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.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness 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 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 system over financial reporting.

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

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



over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting 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 ICAI.

**For Balakrishna & Co.,**

*Chartered Accountants*

Firm registration number: 004835S



**CA B E Kumar Prasad**

*Partner*

Membership number: 204844

UDIN: 22204844AMGQIX4003

Place: Bengaluru

Date: 26<sup>th</sup> June 2022



**SUSHRUTA VISHRANTHI DHAMA LIMITED**

CIN : U85310KA2004PLC035063

Balance Sheet as at 31-Mar-2022

(All amounts are in Rs.lakhs, unless otherwise stated)

	Note	As at 31st March, 2022	As at 31st March, 2021
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	1	3,255.00	3,255.00
Reserves and surplus	2	2,593.18	2,657.25
<b>Non-current liabilities</b>			
Deferred tax liabilities (net)		277.94	252.26
Other long-term liabilities	3	174.18	175.88
<b>Current liabilities</b>			
Trade payables- (Refer Note no. xix)			
Due to MSME		0.02	0.06
Due to Others		3.38	3.99
Other current liabilities	4	64.28	66.99
Short-term provisions	5	10.96	11.42
<b>TOTAL</b>		<b>6,378.94</b>	<b>6,422.84</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant & Equipment	6	5,838.06	5,936.95
Non-current investments	7	3.83	7.42
Long-term loans and advances	8	67.60	67.60
Other non-current assets	9	20.29	20.29
<b>Current assets</b>			
Inventories	10	0.60	0.46
Trade receivables	11	30.73	27.06
Cash and cash equivalents	12	410.63	355.99
Short-term loans and advances	13	5.12	4.82
Other current assets	14	2.07	2.25
<b>TOTAL</b>		<b>6,378.94</b>	<b>6,422.84</b>
Accounting policies and other notes	20		

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

**For Balakrishna & Co**  
Chartered Accountants  
FRN : 0048355

[CA B E Kumar Prasad]  
Partner  
Membership No.204844

[Venugopal Vasu Shetty]  
Managing Director  
DIN : 09273242

[N. Sreeramaiah]  
Director  
DIN : 07174481

[Kiran Hebbar]  
CFO

[CS Sandesh Kumar]  
Company Secretary

UDIN: 22204844AMQI1X4003

Bengaluru : 26th June, 2022

Bengaluru : 26th June, 2022





**SUSHRUTA VISHRANTHI DHAMA LIMITED**

CIN : U85310KA2004PLC035063

**Statement of Profit and Loss for the year ended 31-Mar-2022**

	Note	(All amounts are in Rs.lakhs, unless otherwise stated)	
		Year ended 31st March, 2022	Year ended 31st March, 2021
<b>REVENUE FROM OPERATIONS (GROSS)</b>	15	294.19	296.82
Other income	16	19.13	17.94
<b>TOTAL INCOME</b>		<b>313.32</b>	<b>314.76</b>
<b>EXPENSES</b>			
Cost of materials consumed	17	22.06	21.09
Employee benefits expense	18	126.88	115.79
Depreciation and amortisation expense	6	99.96	102.79
Other expenses	19	120.81	134.35
<b>TOTAL EXPENSES</b>		<b>369.71</b>	<b>374.02</b>
<b>Profit / (Loss) before prior period items, extraordinary &amp; exceptional items and tax</b>		<b>(56.39)</b>	<b>(59.26)</b>
Add: Prior Period Income/(loss) -Refer note provided in schedule of Fixed Assets		-	2.28
<b>Profit / (Loss) before extraordinary &amp; exceptional items and tax</b>		<b>(56.39)</b>	<b>(56.99)</b>
Extraordinary items - gain / (loss)		-	-
Exceptional items - gain / (loss)		18.00	(1.19)
<b>Profit / (Loss) before tax</b>		<b>(38.39)</b>	<b>(58.18)</b>
<b>Tax expense:</b>			
Current tax expense for current year		-	-
Deferred tax expense / (income)		25.68	32.27
<b>PROFIT FOR THE YEAR</b>		<b>(64.06)</b>	<b>(90.46)</b>
<b>Earnings per share (of Rs.100 each)</b>			
Basic		(1.97)	(2.78)
Diluted		(1.97)	(2.78)

Significant accounting policies and notes to accounts

20

The accompanying notes are an integral part of these financial statements

As per our report of even date

For and on behalf of the Board of Directors

For Balakrishna &amp; Co

Chartered Accountants

FRN : 0048355

[CA B E Kumar Prasad]

Partner

Membership No.204844

[Venugopal Vasu Shetty]

Managing Director

DIN : 09273242

[N. Sreeramaiah]

Director

DIN : 07174481

[Kiran Hebbar]

CFO

[CS Sandesh Kumar]

Company Secretary

A55208

UDIN: 22204844AMGQ1X4003

Bengaluru : 26th June, 2022

Bengaluru : 26th June, 2022



**SUSHRUTA VISHRANTHI DHAMA LIMITED**  
Cash Flow Statement for the year ended 31-Mar-2022

CIN : UB5310KA2004PLC035063

(All amounts are in Rs.lakhs, unless otherwise stated)

	As at 31st March, 2022	As at 31st March, 2021
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before tax	(38.39)	(58.18)
Adjustments for:		
Depreciation and amortisation expenses	99.96	102.79
Write down in the value of Fixed Assets (on account of fraudulent entries)	-	6.30
Prior period Income	-	(2.28)
Interest income	(19.13)	(17.94)
	80.83	88.88
<b>Cash Generated from operations before working capital changes</b>	<b>42.44</b>	<b>30.70</b>
Adjustments for:		
(Increase)/decrease in inventories	(0.15)	(0.04)
(Increase)/decrease in trade receivables	(3.67)	(2.24)
(Increase)/decrease in short-term loans and advances	0.14	(1.11)
(Increase)/decrease in other current assets	0.39	1.13
(Increase)/decrease in long-term loans and advances	-	-
Increase/(decrease) in trade payables	(0.65)	(0.53)
Increase/(decrease) in other current liabilities	(2.43)	11.40
Increase/(decrease) in short-term provisions	(0.46)	(1.30)
Increase/(decrease) in other long term liabilities	(1.69)	(4.27)
Increase/(decrease) in long-term provisions	-	(17.13)
	(8.52)	(14.10)
<b>Cash generated from operations</b>	<b>33.93</b>	<b>16.59</b>
Taxes paid (net of refunds)	(0.44)	4.38
<b>Net cash generated from operating activities - [A]</b>	<b>33.49</b>	<b>20.98</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of tangible/intangible assets	(1.36)	(1.86)
Sale proceeds of tangible/intangible assets	-	-
Purchase of investments	-	(5.03)
Sale of investments	3.59	14.00
Investment in bank deposits (having original maturity more than 3 months)	(390.55)	(333.53)
Redemption/maturity of bank deposits (having original maturity more than 3 months)	333.53	295.56
Interest received	18.92	21.02
<b>Net cash generated/(used in) from investing activities - [B]</b>	<b>(35.87)</b>	<b>(9.84)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Capital received during the year including premiums	-	-
<b>Net cash used in financing activities - [C]</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents - [A+B+C]</b>	<b>(2.38)</b>	<b>11.13</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>13.95</b>	<b>2.82</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>11.57</b>	<b>13.95</b>
<b>Cash and cash equivalents comprise of:</b>		
Cash on hand	0.22	0.13
Cheques, drafts on hand	-	-
Balances with banks:		
In current accounts	11.36	13.82
Term deposits with original maturity of less than three months	-	-
	11.57	13.95

**Notes:**

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 (AS-3), "Cash Flow Statements"
- Cash comprises cash on hand, Current Accounts and deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

As per our report of even date  
For Balakrishna & Co  
Chartered Accountants  
FRN : 0048355

For and on behalf of the Board of Directors

[CA B E Kumar Prasad]  
Partner  
Membership No. 204844

[Venugopal Vasu Shetty]  
Managing Director  
DIN : 09273242

[N. Sreeramaiah]  
Director  
DIN : 07174481

[Kiran Hebbar] [CS Sandesh Kumar]  
CFO Company Secretary

A55208

UDIN: 22204344AMGQ1K4003  
Bengaluru : 26th June, 2022

Bengaluru : 26th June, 2022



**SUSHRUTA VISHRANTHI DHAMA LIMITED**

Notes to the financial statements for the year ended 31-Mar-2022

*(All amounts are in Rs.lakhs, unless otherwise stated)*

	As at 31st March, 2022	As at 31st March, 2021
<b>1 SHARE CAPITAL</b>		
<b>Authorised</b>		
33,00,000 equity shares of Rs.100/- each <i>(Previous year: 33,00,000 equity shares of Rs.100/- each)</i>	3,300.00	3,300.00
	<u>3,300.00</u>	<u>3,300.00</u>
<b>Issued, subscribed and fully paid up</b>		
32,55,000 equity shares of Rs.100/- each <i>(Current year: 32,55,000 equity shares of Rs.100/- each)</i> <i>(Previous year: 32,55,000 equity shares of Rs.100/- each)</i>	3,255.00	3,255
<b>TOTAL ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL</b>	<u>3,255.00</u>	<u>3,255</u>
<b>2 RESERVES AND SURPLUS</b>		
<b>General Reserve</b>		
Opening balance	2.03	2.03
Add / (less) : Movements during the year:		
Transferred from P&L account	-	-
<b>Closing balance</b>	<u>2.03</u>	<u>2.03</u>
<b>Securities premium account</b>		
Opening balance	4,055.27	4,055.27
Add / (less) : Movements during the year:		
Premium on shares issued during the year	-	-
<b>Closing balance</b>	<u>4,055.27</u>	<u>4,055.27</u>
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening balance	(1,400.05)	(1,309.60)
Add / (less) : Movements during the year:		
Profit / (Loss) for the year	(64.06)	(90.46)
<b>Closing balance</b>	<u>(1,464.11)</u>	<u>(1,400.05)</u>
<b>TOTAL RESERVES AND SURPLUS</b>	<u>2,593.18</u>	<u>2,657.25</u>
<b>3 OTHER LONG-TERM LIABILITIES</b>		
Retention Money	0.64	1.15
<b>Other than Trade payables</b>		
Trade / security deposits received	173.55	174.73
<b>TOTAL OTHER LONG-TERM LIABILITIES</b>	<u>174.18</u>	<u>175.88</u>



**SUSHRUTA VISHRANTHI DHAMA LIMITED**

Notes to the financial statements for the year ended 31-Mar-2022

*(All amounts are in Rs.lakhs, unless otherwise stated)*

	As at 31st March, 2022	As at 31st March, 2021
<b>4 OTHER CURRENT LIABILITIES</b>		
Statutory remittances payable	30.69	21.13
Payables for Fixed assets	-	0.28
Advances from customers	19.66	19.13
Employee related and other dues	11.35	8.11
Employee related and other dues - Previous years (Misappropriated)	-	0.30
Retention money - Previous years (Misappropriated)	-	6.76
Maintenance Deposit - Previous years (Misappropriated)	2.58	2.58
Payable to Creditors - Previous years (Misappropriated)	-	8.41
Others	-	0.28
<b>TOTAL OF OTHER CURRENT LIABILITIES</b>	<b>64.28</b>	<b>66.99</b>
<b>5 SHORT-TERM PROVISIONS</b>		
<b>Provision for employee benefits</b>		
Provision for bonus	6.49	6.77
	6.49	6.77
<b>Provision - Others</b>		
Provision for Income tax	-	-
Provision for Audit fees	1.35	1.39
Provision for Expenses	3.13	3.26
<b>TOTAL OF SHORT-TERM PROVISIONS</b>	<b>10.96</b>	<b>11.42</b>
<b>7 NON-CURRENT INVESTMENTS</b>		
<b>Investments at cost</b>		
Gratuity Fund	3.83	7.42
<b>TOTAL OF NON-CURRENT INVESTMENTS</b>	<b>3.83</b>	<b>7.42</b>
<b>8 LONG-TERM LOANS AND ADVANCES</b>		
<b>Capital advances</b>		
Unsecured, considered good	67.60	67.60
<b>TOTAL OF LONG-TERM LOANS AND ADVANCES</b>	<b>67.60</b>	<b>67.60</b>
<b>9 OTHER NON-CURRENT ASSETS</b>		
Long-term trade receivables		
Security deposits	20.29	20.29
<b>TOTAL OF OTHER NON-CURRENT ASSETS</b>	<b>20.29</b>	<b>20.29</b>
<b>10 INVENTORIES</b>		
Others (Canteen stock)	0.60	0.46
<b>TOTAL INVENTORIES</b>	<b>0.60</b>	<b>0.46</b>



**SUSHRUTA VISHRANTHI DHAMA LIMITED**

Notes to the financial statements for the year ended 31-Mar-2022

*(All amounts are in Rs.lakhs, unless otherwise stated)*

	As at 31st March, 2022	As at 31st March, 2021
<b>11 TRADE RECEIVABLES</b>		
Other Trade receivables		
Secured, considered good	30.73	27.06
<b>TOTAL TRADE RECEIVABLES</b>	<b>30.73</b>	<b>27.06</b>
<b>12 CASH AND CASH EQUIVALENTS</b>		
Balances with banks	410.41	355.85
Cash on hand	0.22	0.13
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>410.63</b>	<b>355.99</b>
<b>13 SHORT-TERM LOANS AND ADVANCES</b>		
Loans and advances to employees		
Unsecured, considered good	1.11	1.16
Prepaid expenses - Unsecured, considered good	2.10	2.19
Prepaid taxes, Unsecured, considered good	1.90	1.47
<b>TOTAL SHORT-TERM LOANS AND ADVANCES</b>	<b>5.12</b>	<b>4.82</b>
<b>14 OTHER CURRENT ASSETS</b>		
Advance to Vendors	0.61	1.01
Interest accrued on FD	1.44	1.23
Others	0.02	0.02
<b>TOTAL OF OTHER CURRENT ASSETS</b>	<b>2.07</b>	<b>2.25</b>





**SUSHRUTA VISHRANTHI DHAMA LIMITED**

Notes to the financial statements for the year ended 31-Mar-2022

*(All amounts are in Rs.lakhs, unless otherwise stated)*

	Year ended 31st March, 2022	Year ended 31st March, 2021
<b>15 REVENUE FROM OPERATIONS</b>		
Food & Beverage Sales	21.27	21.19
Maintenance fees	226.05	232.47
Other operating revenues	46.88	43.15
<b>TOTAL REVENUE FROM OPERATIONS</b>	<b>294.19</b>	<b>296.82</b>
<b>16 OTHER INCOME</b>		
Interest income	19.13	17.94
<b>TOTAL OTHER INCOME</b>	<b>19.13</b>	<b>17.94</b>
<b>17 COST OF MATERIALS CONSUMED</b>		
Opening stock	0.46	0.41
Add: Purchases	22.21	21.13
	22.67	21.54
(Less): Closing stock	(0.60)	(0.46)
<b>TOTAL COST OF MATERIALS CONSUMED</b>	<b>22.06</b>	<b>21.09</b>
<b>18 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and wages	93.54	93.83
Gratuity	5.70	(5.53)
Contributions to provident and other funds	13.27	11.24
Bonus	5.95	5.74
Leave Encashment	2.95	3.58
Staff welfare expenses	5.48	4.61
Arrears of wages	-	2.33
<b>TOTAL EMPLOYEE BENEFITS EXPENSE</b>	<b>126.88</b>	<b>115.79</b>



**SUSHRUTA VISHRANTHI DHAMA LIMITED**

Notes to the financial statements for the year ended 31-Mar-2022

*(All amounts are in Rs.lakhs, unless otherwise stated)*

	Year ended 31st March, 2022	Year ended 31st March, 2021
<b>19 OTHER EXPENSES</b>		
Power and fuel	29.15	28.09
Repairs and maintenance - Buildings	9.45	9.65
Repairs and maintenance - Machinery	4.09	4.25
Repairs and maintenance - Compound wall	2.92	-
Repairs and maintenance - Others	3.38	1.90
Insurance	3.30	3.14
Rates and taxes	9.20	8.19
Communication	1.11	1.68
Postage and courier	0.07	0.06
Travelling and conveyance	2.87	3.84
Printing and stationery	0.72	0.27
Vehicle maintenance	1.67	2.60
Office Expenses	2.88	2.77
Legal and professional	8.16	22.75
Payments to auditors	1.50	1.50
Security Charges	30.80	32.75
Bank Charges	0.09	0.26
Newspapers, subscriptions & magazines	1.41	1.47
Garden Expenses	6.84	7.31
Health centre expenses	0.20	0.26
Miscellaneous expenses	1.00	1.60
<b>TOTAL OTHER EXPENSES</b>	<b>120.81</b>	<b>134.35</b>



**6 - PROPERTY, PLANT & EQUIPMENT AS ON 31ST MARCH 2022** (Amounts mentioned in Rs. Lacs)

Particulars	Gross block / Original cost				Accumulated depreciation				Net block				
	As at 31st March, 2021	Additions	Deposals / transfers	Reversals from OR (corresponding to fraudulent/invoiced)	Regrouping of reversals made during FY 19-20	As at 31st March, 2022	Charge for the year	Eliminated on disposal of assets	Reversals from OR (corresponding to fraudulent entries)	Regrouping of reversals made during FY 19-20	Prior period income	As at 31st March, 2022	As at 31st March, 2021
<b>TANGIBLE ASSETS</b>													
Plant and Machinery	50.91	-	-	-	-	50.91	3.23	-	-	-	-	16.80	34.11
Building	5,314.41	-	-	-	-	5,311.41	84.01	-	-	-	-	691.26	4,620.15
Computers	1.37	-	-	-	-	5.61	-	-	-	-	-	5.33	0.28
Dormitory Equipments	1.37	-	-	-	-	1.30	-	-	-	-	-	1.30	0.07
Electrical Equipments	27.38	-	-	-	-	391.68	5.09	-	-	-	-	362.33	49.35
Furniture & Fixtures	4.07	0.25	-	-	-	27.62	2.06	-	-	-	-	22.65	4.98
Health center equipments	23.91	-	-	-	-	6.84	0.20	-	-	-	-	7.04	6.79
Kitchen Equipments	1,002.13	-	-	-	-	24.13	0.00	-	-	-	-	22.72	1.03
Land	127.09	-	-	-	-	1,002.13	-	-	-	-	-	1,002.13	1,002.13
Landscaping	9.70	0.61	-	-	-	127.09	2.02	-	-	-	-	17.50	111.60
Office Equipments	103.60	-	-	-	-	10.31	0.14	-	-	-	-	9.27	0.37
Sewerage Treatment Plant	5.58	-	-	-	-	103.60	2.50	-	-	-	-	95.08	8.54
Sports Equipments	2.27	-	-	-	-	5.58	-	-	-	-	-	5.50	1.03
Borewell	32.88	-	-	-	-	2.27	0.07	-	-	-	-	0.67	1.28
Vehicles	-	-	-	-	-	32.88	0.63	-	-	-	-	29.38	1.86
	7,103.59	1.08	-	-	-	7,104.67	99.86	-	-	-	-	1,266.60	5,838.06
<b>CAPITAL WORK IN PROGRESS</b>													
	7,103.59	1.08	-	-	-	7,104.67	-	-	-	-	-	1,266.60	5,838.06
<b>TOTAL FIXED ASSETS</b>	7,103.59	1.08	-	-	-	7,104.67	99.86	-	-	-	-	1,266.60	5,838.06
Previous year	7,108.39	1.86	-	6.66	-	7,103.59	102.79	-	0.37	-	(2.28)	1,166.64	5,936.95
													6,041.90





## 20. NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR 31<sup>ST</sup> MARCH 2022

### Company overview

Sushruta Vishranthi Dhama Limited, (Company) is a public company domiciled in India and incorporated under the provisions of the erstwhile Companies Act, 1956. The Company owns and manages a premium retirement village under the name and style of "SUVIDHA". The Company constructs and maintains residential cottages, solely intended to be inhabited by Senior citizens who purchase the Company's shares.

### Significant accounting policies

#### i. Basis of preparation of financial statements:

The financial statements have been prepared on the basis of a going concern assumption, on historical cost convention and on accrual method of accounting in accordance with the generally accepted accounting principles in India, Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act and other accounting principles generally accepted in India, to the extent applicable and the provisions of the Companies Act, 2013 as adopted consistently by the Company.

#### ii. Use of estimates:

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates - provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, and the useful lives of fixed tangible assets and intangible assets.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### iii. Revenue recognition:

The various streams of revenue for the Company and their respective accounting treatments are as under:

**Sale of goods** - Canteen Sales - This stream of revenue represents the sale of food and beverages to the occupants of the cottages. The revenue from such sale is accounted after the goods have been delivered to the customers.



**Rendition of services** –The revenues in the following cases are recognized on the completion of service:

**Maintenance fees and other Income** – The recognition of maintenance fees and other incomes in the profit and loss account is in accordance with the Completion of service contract method prescribed under AS-9. Further, there exists no uncertainty in the ultimate collection of the amounts so recognized. Amounts collectible from the members towards maintenance are accounted as revenue at the end of the month i.e. after the completion of maintenance service for that month.

**Interest Income** – Interest on deposits and investments are recognized on a time proportion basis taking into account the amounts invested and the rate applicable.

**iv. Property Plant and Equipment and capital work-in progress:**

Fixed Assets are stated at cost, less accumulated depreciation and impairment, if any. Cost comprises the purchase price and any cost attributable to bring the asset to its working condition for its intended use.

**v. Depreciation and amortization:**

Depreciation on fixed assets is calculated on a straight-line basis based on the useful lives as provided in Schedule II to the Companies Act, 2013.

**Useful life of the assets**

Sl. No	Particulars	Useful life
1	Computers	3 years
2	Sewerage Treatment Plant	5 years
3	Sports Equipment	5 years
4	Plant and machinery	15 years
5	Building	60 years
6	Bore well	30 years
7	Dormitory Equipment	5 years
8	Electrical Equipment	5 years
9	Furniture & Fixtures	10 years
10	Health centre Equipment	5 years
11	Kitchen Equipment	5 years
12	Land	-
13	Landscaping	60 years
14	Office Equipment	5 years
15	Vehicles	8 years



**vi. Impairment**

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

**vii. Employees benefits:**

**Provident fund and Employees state Insurance**

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the employees provident fund with the government and certain state plans like Employees State Insurance. These are recognized as expenses during the period in which the employees perform the services that the payment covers.

**Gratuity**

The Company provides for gratuity, a defined benefit plan (the Gratuity plan) to its employees. Liability with regard to the Gratuity plan are accrued based on actuarial valuation, based on Projected Unit Credit Method, and carried out by an independent actuary. Actual Gains and Losses comprise experience adjustments and the effect of changes in the actuaries' assumptions and are recognized immediately in the Profit and Loss Account as income or expense.

**Bonus:**

The Company has provided for bonus to its employees in accordance with the provisions of the Payment of Bonus Act, 1965.

**Leave encashment:**

The Company has provided for leave encashment to the extent of the leaves unavailed by the employees. The Company follows a policy of discharging leave encashment for every year in the month of December. Leave encashment involving cases where the unavailed leaves are less than 4 have been ignored for the purpose of computing the provision.



**viii. Current Tax and Deferred Tax:**

Since the Company has registered a loss for the current year, no provision has been made in the books of the Company towards Income tax.

Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantially enacted as on the Balance Sheet date.

Deferred tax asset has not been recognized on the carried forward tax losses since there is no virtual certainty, supported by convincing evidence, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**ix. Earnings per share**

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares.

**x. Provisions and Contingent liabilities:**

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.





**NOTES TO ACCOUNTS:**

- xi. **Shareholding** - The Company has only one class of shares referred to as equity shares having a par value of Rs.100/. Each holder of equity shares is entitled to one vote per share. The capital structure of the company is presented as below: (Amounts in Rs. Lakhs)

Particulars	Year ended 31-03-2022		Year ended 31-03-2021	
	No of shares	Amount	No of shares	Amount
<b>Ordinary equity shares</b>				
Opening Balance	32.55	3,255.00	32.55	3,255.00
Fresh issue (Refer note below)	-	-	-	-
Bonus	-	-	-	-
ESOP	-	-	-	-
Conversion	-	-	-	-
Buy back	-	-	-	-
<b>Closing Balance</b>	<b>32.55</b>	<b>3,255.00</b>	<b>32.55</b>	<b>3,255.00</b>

**Shareholders holding more than 5 percent shares in the Company:** No shareholder holds more than 5 percent shares in the company.

**Shares held by promoters at the end of the year:**

Name of the Promoter	No. of Shares	% of Shares	Share held at the beginning of the year	Share held at the end of the year	% Change during the year
Dr. K S Shekar	30,000	0.92%	30,000	30,000	NIL
Dr. Jinka Subramanya	30,000	0.92%	30,000	30,000	NIL
Dr. K. Sukumar Shetty	30,000	0.92%	30,000	30,000	NIL
Dr. Vivek Kadambi	30,000	0.92%	30,000	30,000	NIL

- xii. Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006:

Following are the particulars of dues to micro enterprises and small enterprises- (Amounts in Rs. Lakhs)

Particulars	FY 2021-22	FY 2020-21
1. Principal amount remaining unpaid	0.02	0.06
2. Interest amount unpaid	-	-
3. Interest paid by the Company in terms of Section 16 of the MSMED Act	-	-
4. Amount of payments made to suppliers beyond the appointed day	-	-
5. Amount of interest due & payable for period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
6. Interest accrued and remaining unpaid	-	-
7. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

The information about identification of micro and small enterprises and the above-mentioned particulars are provided by the Company and relied upon by the Auditors.

- xiii. **Remuneration to the Auditors:**

The remuneration to statutory auditors for the current and previous financial years are as under:



Particulars	FY 2021-22	2020-21
Audit Fee (Amounts in Rs. Lakhs)	1.50	1.50

**xiv. Related Party Transactions:**

Below are the particulars of the transactions entered into by the Company with related parties:

(Amounts in Rs. Lakhs)

Name	Designation	Date of Appt./Removal	Appointment /Removal	Nature of transaction	Amount
Joy Inasu Cheenath	Director	03-Dec-20	Appointment	MF, Cant. Sales & Others	1.55
Geeta Jaisim	Director	09-Sep-18	Appointment	MF, Cant. Sales & Others	3.89
Nilima Kadambi	Director	27-Dec-20	Appointment	MF, Cant. Sales & Others	1.87
Susheel Nagarajan	Ind. Director	10-Jun-19	Appointment	MF, Cant. Sales & Others	1.16
Kiran Hebbar	CFO	03-Dec-20	Appointment	MF, Cant. Sales & Others	1.50
Sreeramaiah	Director	26-Sep-21	Appointment	MF, Cant. Sales & Others	0.73
Gayitri H V	Director	09-Sep-18	Appointment	MF, Cant. Sales & Others	1.80
Veeranna Chigateri	Director	09-Sep-18	Appointment	MF, Cant. Sales & Others	2.64
Gopalakrishnan Janardhanan	Ind. Director	26-May-19	Appointment	MF, Cant. Sales & Others	1.83
Dr. Siddiah Vivekananda	Director	03-Dec-20	Appointment	MF, Cant. Sales & Others	1.07
V L Nandish	Director	04-Dec-20	Appointment	MF, Cant. Sales & Others	1.07
Ashok Shanthamallappa	Director	04-Dec-20	Appointment	MF, Cant. Sales & Others	2.84
Venugopal Shetty	MD	10-Aug-21	Appointment	MF, Cant. Sales & Others	2.62
Sandesh Kumar	CS	01-Mar-22	Appointment	Remuneration	0.35
Ahalya Hemachandra Shetty	Director	26-Sep-21	Resignation	MF, Cant. Sales & Others	0.60
Nidhi Kumar Chanani	CS	28-Sep-21	Resignation	Remuneration	1.92

\*MF -Maintenance fees; Cant. – Canteen; Ind- Independent; CS- Company Secretary; MD- Managing Director; AD.- Additional Director.

**xv. Defined Benefit plan:**

**I. Gratuity:**

Following are the assumptions made while making the actuarial valuation:

Sl./No	Particulars	FY 2021-22	Year 2020-21
1	Retirement age (in years)	60	65
2	Funding Mechanism	Funded	Funded
3	Salary increase	5%	3%
4	Discount Rate	6.81%	6.41%
5	No. of employees	48	48
6	Benefits payable	As per POGA**, 1972	As per POGA**, 1972

\*\*POGA – Payment of Gratuity Act

Following are the disclosures as required under Accounting Standard 15, in respect of the provision for gratuity liability as at 31-Mar-2022:

**a) Change in benefit obligations**

(Amounts in Rs. Lakhs)

Particulars	FY 21-22	FY 20-21
Obligation at the period beginning	14.00	18.41
Service cost	2.58	2.03
Interest cost	0.90	1.15





Benefit settled	(1.95)	-
Actuarial (Gain) Loss	3.49	(7.59)
Liabilities assumed on Acquisition	-	-
Past Service Cost	-	-

**b) Obligation at the end of the period**

(Amounts in Rs. Lakhs)

Particulars	FY 21-22	FY 20-21
Current liability (within 12 months)	2.77	1.59
Non-Current Liability	16.24	12.41
<b>Total obligation at the period end</b>	<b>19.01</b>	<b>14.00</b>

**c) Change in plan assets**

(Amounts in Rs. Lakhs)

Particulars	FY 21-22	FY 20-21
Opening fair value of Plan Assets	21.42	16.39
Expected Return on plan assets	1.27	1.02
Acquisition Adjustment	-	-
Employer's Contribution	2.11	3.91
Benefit Paid	(1.95)	-
Actuarial Gain or loss	-	0.10
<b>Total</b>	<b>22.84</b>	<b>21.42</b>

**d) Fair Value of plan assets:**

(Amounts in Rs. Lakhs)

Particulars	FY 21-22	FY 20-21
Opening fair value of Plan Assets	21.42	16.39
Actual Return on plan assets	1.27	1.13
Acquisition Adjustment	-	-
Employer's Contribution	2.11	3.91
Benefit Paid	(1.95)	-
Fair Value of the plan Assets at the end of the Year	22.84	21.42
Funded Status	3.83	7.42
Excess of Actual over estimated return on plan assets	(0.20)	0.10

**e) Expense recognized in statement of profit and loss**

(Amounts in Rs. Lakhs)

Particulars	FY 21-22	FY 20-21
Current Service Cost	2.58	2.03
Past Service Cost	-	-
Interest on Defined Benefit obligation	0.90	1.15
Expected return on plan asset	(1.02)	(1.02)
Actuarial gain/(Loss)	3.70	(7.69)
<b>Total</b>	<b>5.70</b>	<b>(5.53)</b>

**f) Experience Adjustments**

(Amounts in Rs. Lakhs)

Particulars	31.03.18	31.03.19	31.03.20	31.03.21	31.03.22
PV of obligation at the end of the period	9.63	13.07	18.41	14.00	19.01
FV of plan assets at the end of the period	10.51	11.96	16.39	21.42	22.84
Funded Status	0.88	(1.11)	(2.02)	7.42	3.83
Actual gain/(loss) in PBO	-	(0.93)	(1.41)	7.59	(3.49)
Actual gain/(loss) for the year - Plan assets	(0.14)	0.14	(0.05)	(0.10)	0.20

**xvi. Earnings Per share:**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. As company has no potential ordinary shares, there is no dilution of earnings during the year.



Particulars	Amount in Rs. lakhs	
	FY 2021-22	FY 2020-21
<b>Disclosure of numerator and reconciliation</b>		
Amount reflected in Profit and Loss account	(64.06)	(90.46)
Add / (Less): Extraordinary Items	NIL	NIL
Profits considered	[A] (64.06)	(90.46)
<b>Disclosure of denominator and reconciliation</b>		
No. of Equity Shares outstanding at the beginning of the year	32.55	32.55
Movement in the year		-
Weighted average no. of Equity Shares	[B] 32.55	32.55
<b>Earnings per share (in Rs.)</b>	<b>[A] / [B] (1.97)</b>	<b>(2.78)</b>

**xvii. Deferred Tax Assets/Liabilities:**

(Amounts in Rs. Lakhs)

Particulars	As at	As at
	31-Mar-22	31-Mar-21
<b>Deferred tax assets:</b>		
Due to provision for gratuity	4.25	3.52
Disallowances being timing differences	5.41	3.48
	9.66	7.00
<b>Deferred tax Liabilities:</b>		
Due to difference in WDV as per books and tax purposes	287.60	259.26
	287.60	259.26
<b>Net deferred tax asset / (liability)</b>	<b>(277.94)</b>	<b>(252.26)</b>

**xviii. Trade Receivables ageing Schedule –**

(Amounts in Rs. Lakhs)

Particulars	Outstanding for					Total	
	Less than 6 months	6-12 Months	1-2 Years	2-3 Years	More than 3 Years	2021-22	2020-21
(i) Undisputed Trade receivables – considered good	18.40	4.19	3.18	0.17	-	25.94	19.03
(ii) Undisputed Trade Receivables – considered doubtful	-	-	0.01	0.00	0.03	0.03	3.35
(iii) Disputed Trade Receivables considered good	0.08	-	-	4.68	-	4.76	4.68
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-	-
<b>Total</b>	<b>18.49</b>	<b>4.19</b>	<b>3.18</b>	<b>4.85</b>	<b>0.03</b>	<b>30.73</b>	<b>27.06</b>

**xix. Trade payable ageing Schedule –**

(Amounts in Rs. Lakhs)

Particulars	Outstanding for				Total	
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	2021-22	2020-21
MSME	-	0.02	-	-	0.02	0.06
Others	3.33	0.04	-	0.01	3.38	3.99
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues – Others	-	-	-	-	-	-
<b>Total</b>	<b>3.33</b>	<b>0.06</b>	<b>-</b>	<b>0.01</b>	<b>3.40</b>	<b>4.04</b>





**xx. Exceptional Income:** The Company has not received responses for ledger extracts and balance confirmations sought in a majority of cases where there are long outstanding unclaimed balances. In view of this and considering the law of limitation, such balances have been written back to the Profit and Loss Account as 'exceptional income' for the period FY 21-22. The total of such balances written back amounts to Rs. 18,00,175/-. The Company does not foresee any claims against such balances in the future.

**xxi. Other additional regulatory information:**

- a. The title deeds of the immovable properties are held in the name of the company.
- b. The Company has not revalued its property, plant and equipment.
- c. The Company has not granted and loans or advances in the nature of loans to promoters, directors, KMPs or any related parties as defined under the Companies Act, 2013.
- d. The Company does not have any capital work in progress as at end of current year and previous year
- e. The Company does not have any intangible assets under development as at end of current year and previous year
- f. There are no proceedings initiated or pending against the Company under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder
- g. The Company does not have any borrowings from banks or financial institutions on the basis of security of current assets
- h. The Company has not been declared wilful defaulter by any bank or financial Institution or other lender
- i. The company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956
- j. There are no charges or satisfaction that are yet to be registered with the Registrar of Companies
- k. The Company does not have any subsidiary to attract any restriction under Companies (Restriction on number of layers) Rules, 2017
- l. There is no scheme of arrangement approved by Competent Authority in terms of Sections 230 to 237 of the Companies Act, 2013.
- m. The company has neither advanced, loaned or invested funds in other persons or entities, nor received any fund from any person or entity with the understanding that there shall be a downstream investment or provision of guarantee, security, or the like on behalf of Ultimate Beneficiary.
- n. The company does not have any transaction which has not been recorded in the books of accounts that was surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- o. The Company does not have any transaction in crypto currency or virtual currency.



xxii. Ratios

Ratio Description	Numerator	Denominator	FY 21-22	FY 20-21	Change in %	Reasons for variance (if variance >25%)
Current Ratio	Current assets	Current liabilities	5.71	4.76	19.88%	-
Debt-Equity Ratio (Refer Note 1 below)	Long term and short-term borrowings	Shareholders equity	-	-	-	Not applicable
Debt Service Coverage Ratio (Refer Note 1 below)	Profit before tax (+) Non cash operating expenses like depreciation and amortisation (+) interest (+/-) loss or profit on sale of assets	Interest and principal payments due	-	-	-	Not applicable
Return on Equity Ratio	Net profit after tax	Average shareholder equity	(0.01)	(0.02)	-28.25%	Primarily due to write back of unclaimed balances
Inventory turnover ratio	Cost of Goods Sold	Average inventory	41.55	48.35	-14.06%	-
Trade Receivables turnover ratio	Net credit sales	Average trade receivables (Note 2)	10.18	8.44	20.60%	-
Trade payables turnover ratio	Net credit purchases + Other expenses	Average trade payables (Note 3)	38.44	36.08	6.55%	-
Net capital turnover ratio	Net sales	Current assets minus current liabilities.	0.43	0.50	-12.74%	-
Net profit ratio	Net profit after tax	Net sales	(0.22)	(0.30)	-28.54%	Primarily due to write back of unclaimed balances
Return on Capital employed	Net profit before tax	Capital employed = Tangible net worth + Total debt + Deferred tax liability	(0.01)	(0.01)	-33.61%	Primarily due to write back of unclaimed balances
Return on investment	Current Value of Investment – Cost of Investment	Cost of Investment	-	-	-	Not applicable

Note 1: Since the company does not have any borrowings outstanding as on 31 March 2022 and 31 March 2021, debt-equity and debt service coverage ratios have not been presented

Note 2: Average trade receivables = (Opening balance of trade receivables + closing balance of trade receivables)/2

Note 3: Average trade payables = (Opening balance of trade payables + closing balance of trade payables)/2



**xxiii. Contingent Liabilities and Commitments:**

***Contingent liabilities and commitments (to the extent not provided for)***

***(a) Claims against the company not acknowledged as debt -***

**i. Amount payable to Bangalore Hospital:** An amount of Rs. 10,00,000/- (Rupees Ten Lakhs only) that has been paid towards the purchase of land by Bangalore Hospital would be payable to it only on receipt of compensation by the Company. Since, this liability is contingent on the receipt of compensation, the same has been disclosed as a contingent liability.

**ii. Appeal against the Service tax Demand:** The service tax department is of the contention that the Company is rendering services of construction to its shareholders, on account of which the Company is required to collect service tax on the entire amount of consideration collected from the shareholders. The amount that has been demanded by the Service tax department is Rs. 1.60 Crores approx. (excluding interest and penalty). The Company had placed its arguments against the claim made by the department. An appeal was also filed with the Commissioner of Central Tax (Appeals) against the order of the department. The Commissioner of Central Tax (Appeals) had dismissed the appeal filed by the Company and upheld the contention of the department. The Company had, subsequently, filed an appeal against the said order before the CESTAT. The case has not come up for hearing during the Financial Year 2021-22. Since the Management is not in a position to predict the outcome of the proceedings, the same has been disclosed under Contingent liabilities.

**iii. Land Dispute Case -** The case that had been filed by Mr. M P Somaprasad at I Additional Senior Civil Judge, Bangalore Rural, claiming the ownership of 12 acres of land out of 27 acres of land registered in the Company's name is ongoing. The last hearing was held on the 4<sup>th</sup> of June 2022. The next hearing is scheduled on the 13<sup>th</sup> of July 2022.

In addition, an FIR had been registered by Mr. M. P. Somaprasad against the company which is pending before the 2nd Additional Chief Judicial Magistrate, Bengaluru Rural District. A petition had been filed by the Company in the High Court, to quash the FIR and the complaint and the case in the High Court is in progress. There is also a criminal case that had been filed by the aforementioned person, Mr. M P Somaprasad, against Mr. C B Prabhakar, the then Managing Director of the Company, also continuing before II Additional Chief Judicial Magistrate, Bengaluru Rural District. A petition had also been filed against this case in the High Court, to stay/quash the proceedings. The date for the next hearing has been fixed on the 12<sup>th</sup> of September 2022. Since the Company is not in a position to predict the outcome of the above cases, the same has been disclosed under Contingent liabilities.

**IV. Case filed by a group of resident shareholders for change in Maintenance fees:**

A case has been filed by Mr. C B Prabhakar and 13 others at the court of PRL. II CIVIL JUDGE, Bangalore Rural seeking a declaration that the Board Resolution dated 06.07.2020 on Item 9 of the Agenda, passed by the Board, in relation to the modification of Maintenance Fees, is illegal and in contravention of the Articles of Association and Clause 9 of the Rules under the Shareholders Agreement. The case is ongoing. Since the Company is not in a position to predict the outcome of the case, the same has been disclosed under Contingent liabilities.



**(b) Other money for which the company is contingently liable –**

i. **Property tax:** By virtue of Notification no. UDD 139 MLR 2013 dated 18<sup>th</sup> of March 2021, the Government of Karnataka has extended the boundaries of BBMP to include Survey No. 1 to 59 (both inclusive) of Uttarahalli Manvarthekaval, resulting in the inclusion of the Company's land under the jurisdiction of the BBMP. In view of this notification, the Management has been interacting with the officials at the BBMP, in order to ascertain the exact amount of tax payable by the Company. However, the Company has not received any clear communication from the BBMP in this regard. Since the Management is unable to ascertain the amount of tax applicable to it, the same has been disclosed under Contingent liabilities.

xxiv. **Comparatives:** Previous year comparatives have been re-grouped/re-classified where necessary, to conform to the presentation in the current year.

**For Balakrishna & Co.,**  
Chartered Accountants  
Firm Reg No: 0048355

**CA B E Kumar Prasad**  
Partner  
Membership No: 204844

**For Sushruta Vishranthi Dhama Limited**

**Venugopal Vasu Shetty**  
Managing Director  
DIN: 09273242

**N. Sreeramaiah**  
Director  
DIN: 07174481

**Kiran Hebbar**  
CFO

Place: Bengaluru  
Date: 26<sup>th</sup> June 2022  
UDIN: 22204844AM6Q1X4003

**CS Sandesh Kumar**  
Company Secretary  
Place: Bengaluru  
Date: 26<sup>th</sup> June 2022

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