

**SUSHRUTA VISHRANTHI DHAMA LIMITED**

**19th ANNUAL REPORT**

**2022-2023**

## NINETEENTH ANNUAL REPORT: 2022-2023

Mr. Venugopal V Shetty	Managing Director
Mr. Susheel Nagarajan	Independent Director
Mr. Gopalakrishnan J	Independent Director
Mr. Jayagopal Venkataraman	Additional Independent Director
Dr. Nilima Kadambi	Director
Dr. Nalini Giridhar Shenoy	Director
Mr. Sreeramaiah N	Director
Mr. Veeranna Chigateri V	Director
Mr. Vaidyanathan A	Director
Ms. Gayitri Handanahal V	Director
Mr. Joy I Cheenath	Director
Mr. Ravi D	Additional Director
Mr. Nagaraja V	Company Secretary

### **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 **Nineteenth 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 24<sup>th</sup> day of September 2023 at **10.30 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, 2023 and the Reports of the Directors and Auditors thereon.
2. To re-appoint Dr. Nilima Kadambi, who retires by rotation and being eligible offers herself for re-appointment.
3. Mrs. Gayitri H V-Director, who retires by rotation and being eligible for re-appointment, does not offer herself for re-appointment.
4. Mr.Joy I Cheenath – Director, who retires by rotation and being eligible for re-appointment, does not offer himself for re-appointment.
5. Appointment of M/s.Vasudevan & Co, Chartered Accountants, Unit No.11, 2<sup>nd</sup> Floor, Navarathna Gardens, Above DBS Bank, Kanakapura Road, Doddakallasandra, Bengaluru - 560062 as Statutory Auditors of the company for the Financial Year 2023-24 and Rs.1,75,000/- plus applicable taxes as Audit fees.

**SPECIAL BUSINESS:**

6. Regularization of Additional Director, Mr. Ravi D (DIN: 10219734) as Director of the company.

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

**RESOLVED THAT** Mr. Ravi D (DIN: 10219734), who was appointed as an Additional Director of the Company by the Board of Directors with effect from July 9, 2023 in terms of Section 161(1) of the Companies Act, 2013 (the “Act”) and who holds office up to the date of this ensuing Annual General Meeting, be and is hereby appointed as a Director of the Company”.

7. Regularization of Additional Independent Director, Mr. Jayagopal Venkataraman (DIN: 07053730) as Independent Director of the company.

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

**RESOLVED THAT**, pursuant to provisions of Section 149,150 and 152 read with Schedule IV to the Companies Act,2013 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules,2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Jayagopal Venkataraman (DIN: 07053730) who was appointed as an Additional Independent Director of the Company w.e.f 11<sup>th</sup> June 2023 for 1 year in terms of Section 161(1) of the Companies Act,2013 and who holds office up to the date of this ensuing Annual General Meeting, be and is hereby appointed as Independent Director of the Company.”

8. To Extend the Members committee Term by one Year:

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 Board, to reconstitute the committee and extend the term of the Members Committee of the company by one year till the date of the next ensuing Annual General Meeting (AGM)”.

**“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”.

**BY ORDER OF THE BOARD**

**FOR SUSHRUTHA VISHRANTHI DHAMA LTD.**

**Sd/-**

**Mr. Venugopal V Shetty**

**Managing Director**

**DIN: 09273242**

**Date: 27/08/2023**

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

**NOTES:**

- a) Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ('the Act'), relating to the Special Business to be transacted at this Annual General Meeting ('AGM') is annexed.
- b) In conformity with the regulatory requirements, the Notice of this AGM and the Report and Accounts of 2023 are being sent only through registered email addresses to those Members. 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:

Join Zoom Meeting

<https://us06web.zoom.us/j/82961869125?pwd=S1BzWkZ5Q0xpYWRzcm9pNVlzdXlqUT09>

Meeting ID: 829 6186 9125

Passcode: 286690

- 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 14<sup>th</sup> September, 2023 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: Nagaraja V**

**Designation: Company Secretary**

**Telephone Number: 9945040488**

- 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-voting system from a place other than the venue of the AGM.
- p) Any person, who is a Member of the Company as on 27.08.2023 (the cut-off date approved by the Board in its Meeting held on 27.08.2023) is eligible to cast vote on all the resolutions set forth in the Notice of AGM **only through E-voting system**. The instructions to cast their votes through E-voting system will be mailed to all the members by a separate mail.
- q) The company has appointed CS Jayarama Korikkar, 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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**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**6.** Regularization of Additional Director, Mr. Ravi D (DIN: 10219734) as Director of the company.

Mr. Ravi D (DIN: 10219734), who was appointed as an Additional Director on the Board of Directors of the Company with effect from 9<sup>th</sup> July, 2023, in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of 19<sup>th</sup> Annual General Meeting, be and is hereby appointed as a Director of the Company.

None of the Directors and Key Managerial Personnel except Mr. Ravi D (DIN: 10219734) in his personal capacity, for whom the Resolution relates, is interested or concerned in the Resolution

**7.** Regularization of Additional Independent Director, Mr. Jayagopal Venkataraman (DIN: 07053730) as Independent Director of the company.

Mr. Jayagopal Venkataraman (DIN: 07053730), who was appointed as an Additional Independent Director on the Board of Directors of the Company with effect from 11<sup>th</sup> June, 2023, in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of 19<sup>th</sup> Annual General Meeting, be and is hereby appointed as Independent Director of the Company.

None of the Directors and Key Managerial Personnel except Mr. Jayagopal Venkataraman (DIN: 07053730) in his personal capacity, for whom the Resolution relates, is interested or concerned in the Resolution

**BY ORDER OF THE BOARD**

**FOR SUSHRUTHA VISHRANTHI DHAMA LTD.**

**Sd/-**

**Mr. Venugopal V Shetty**

**Managing Director**

**DIN: 09273242**

**Date: 27/08/2023**

Suvidha, Sy. No. 18/4, Talaghattapura, UM Kaval,  
Uttarahalli Hobli, Bangalore South Taluk,  
Bangalore – 560109.

## **Board of Directors Report to the Members**

The Directors have pleasure in presenting before you the 19<sup>th</sup> Annual Report of the Company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2023.

### **1. The Financial Summary / Highlights**

**(All amounts are in Lakhs)**

<b>Particulars</b>	<b>Year Ended 31-03-2023</b>	<b>Year Ended 31-03-2022</b>
Income from operations	305.79	294.19
Other income	22.54	19.13
<b>Total</b>	<b>328.33</b>	<b>313.32</b>
Total Expenditure	389.72	369.71
Profit/(Loss) before Tax	(61.39)	(56.39)
Prior period profit / (loss)	(00.14)	
Exceptional gain / (loss)		18.00
Provision for Taxation (deferred tax)	(25.35)	(25.68)
<b>Profit/(Loss) after Tax</b>	<b>(86.88)</b>	<b>(64.07)</b>

### **2. The performance review & state of the Company's Affairs:**

During the year under review, the company has earned Rs. 305.79 Lakhs as total revenue by way of collection of Maintenance Fees, Housekeeping Charges and Food and Beverage Sales from the members (as against Rs. 294.19 Lakh in the previous financial year). The increase in revenue by Rs.11.60 lakhs is due to increase in sales of Food and Beverage, collection of share transfer fees and others.

The Company has incurred a net Loss of Rs. 86.88 Lakhs in the current year as against Rs.64.07 Lakhs during the previous year. The accumulated losses at the end of the current Financial Year are Rs.1551.00 lakhs as against Rs.1464.11 lakhs at the end of the previous Financial year.

### **3. Dividend and transfer to reserves:**

In view of the loss, your Board has not recommended any dividend during the Financial year and has not transferred any amount to the Reserves.

### **4. Material changes and commitments, if any affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report:**

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.

### **5. Change in the nature of business:**

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

### **6. Pending Litigations:**

The details are disclosed at Note No. 21(xxiii) (a)(ii-iv) under '**Contingent Liabilities and Commitments**' of Notes forming part of the Financial Statements for the year ended 31<sup>st</sup> March,2023.

A Joint Memo was filed by the company & the plaintiff on 16.06.2023 in **OS No.617/2020** pertaining to Maintenance Fees before the Hon'ble High Court, praying to take on record the present Memo and dismiss the case. The court admitted the prayer and adjudicated that, in view of the memo filed by the plaintiffs, the suit of the plaintiffs dismissed as withdrawn.

### **7. Directors and Key Managerial Personnel:**

The Board of Directors comprised of the following during the period and as of this date is as follows :

- |                           |                      |
|---------------------------|----------------------|
| 1. Mr. Venugopal V Shetty | Managing Director    |
| 2. Mr. Susheel Nagarajan  | Independent Director |
| 3. Mr. Gopalakrishnan J   | Independent Director |

- |                               |                                 |
|-------------------------------|---------------------------------|
| 4. Mr. Jayagopal Venkataraman | Additional Independent Director |
| 5. Dr. Nilima Kadambi         | Director                        |
| 6. Dr. Nalini Giridhar Shenoy | Director                        |
| 7. Mr. Sreeramaiah N          | Director                        |
| 8. Mr. Veeranna Chigateri V   | Director                        |
| 9. Mr. Vaidyanathan A         | Director                        |
| 10. Ms. Gayatri Handanahal V  | Director                        |
| 11. Mr. Joy I Cheenath        | Director                        |
| 12. Mr. Ravi D                | Additional Director             |
| 13. Mr. Nagaraja V            | Company Secretary               |

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.	Dr. Nandish V L	31.07.2022	Director	Retired by rotation, but does not offer himself for re-appointment.
2.	Dr. Vivekananda Siddiah	31.07.2022	Director	Retired by rotation, but does not offer himself for re-appointment
3.	Dr. Ashok Shanthamallappa	18.12.2022	Director	Resigned due to pre-occupation.
4.	Mrs. Geeta Jaisim	01.01.2023	Director	Resigned due to pre-occupation.

The Board places on record its appreciation of the invaluable contribution and guidance provided by the Directors, who have resigned.

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

### **Meetings of the Board of Directors and Statutory Committees:**

#### **a) BOARD MEETINGS:**

The Meetings of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive meetings. Additional Meetings of the Board of Directors are held when necessary. During the year under review 12 (Twelve) meetings were held on the following dates:

25.05.2022, 08.06.2022, 26.06.2022, 03.07.2022, 22.08.2022, 27.10.2022, 15.11.2022, 02.12.2022, 04.12.2022, 22.12.2022, 15.01.2023, and 26.03.2023.

Agenda and notes for the Meeting were circulated to the Directors in advance. Minutes of the Meetings of the Board of Directors are circulated and maintained according to the provisions of Secretarial Standards and the Companies Act, 2013.

#### **a) AUDIT COMMITTEE:**

During the year under review 3 (THREE) meetings were held on 25/06/2022, 04/11/2022 and 25/03/2023.

#### **b) NOMINATION AND REMUNERATION COMMITTEE:**

During the year under review 2 (TWO) meetings were held on 07/10/2022 and 25/03/2023.

#### **c) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

The net-worth, turnover and net profit of the company during the immediately preceding financial year are less than the limits prescribed under section 135 of the Companies Act 2013. Hence, provisions of section 135 of the Companies Act, 2013 are not applicable. Accordingly, no committee has been constituted.

## **9. 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.

## **10. 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 of the company and company's operations in future.

## **11. 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 2023 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 2023 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. The Board constituted an internal committee to investigate fraudulent embezzlement of funds by an ex-employee. Based on the report of the committee appropriate action will be initiated. The company has appointed Internal auditors to mitigate future risks. They are conducting audit and submitting quarterly reports 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.

**12. 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 Company Secretary and found satisfactory.



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

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

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

The Board has received 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).

**14. 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, 2023, 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.

#### **15. SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES:**

No companies have become a subsidiary or have ceased to become a subsidiary of the company, joint venture/ associate company during the year.

#### **16. Auditors:**

M/s. Balakrishna and Co, Chartered Accountants, the Statutory Auditor of the Company, were appointed at 15th AGM held on 29/09/2019 to hold office as statutory auditors of the Company from the conclusion of 15<sup>th</sup> AGM to conclusion of 19<sup>th</sup> AGM for a period of 4 years. The board has approved M/s.Vasudevan & Co, Chartered Accountants, and recommends their appointment for a term of 1 year, from nineteenth annual general meeting till the conclusion of twentieth annual general meeting to be held in 2024 for the financial year ending on March 31, 2024, subject to approval by the shareholders in the ensuing Annual General Meeting for a remuneration of Rs.1,75,000/-.

#### **17. 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.

**18. 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) the year of import  (c) whether the technology been fully absorbed	Nil

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	
(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	Nil
Foreign exchange Outgo	Nil

**19. Extract of Annual Return:** The Ministry of Corporate Affairs vide the Companies (Amendment) Act, 2017 effective from 20<sup>th</sup> August, 2020 has done away with attachment of MGT-9 to the Annual Report. The Annual Return of the company are available at [www.suvidha.co.in](http://www.suvidha.co.in)

**20. Particulars of Loans, Guarantees and Investments:** The company has not advanced any loan or given guarantee or made investment and has complied with the provisions of Section 186 of the Companies Act, 2013.

**21. Transactions with Related Parties:** During the financial year 2022-2023, no transactions were carried out with related parties, hence reporting in Form AOC-2 is not applicable.

**22. 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 the area of 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.

### **23. Company's View on Risk**

#### **a) Risk Appetite**

The Company's risk appetite is linked to its strategic approach and is based on the stance it has taken across four areas: Strategic and commercial: The Company manages strategic risk in the pursuit of profitable growth in both mature and emerging markets. Given the volatile markets and economic climate in which it operates, the adaptability of its people, its service offering, and its infrastructure are key to manage its risk. Safety and operations: The Company is committed to conduct all its activities in such a manner so as to avoid harm to employees and the community. It strives to deliver safe, reliable and compliant operations. The Company also believes that accurate and reliable information provides a competitive advantage and is key to effective management of its business. It therefore accepts minimal risk in relation to reporting risks. Financial: The Company manages financial risk to maintain a prudent financing strategy, even when undertaking major investment, and therefore taking controlled risks in this area.

#### **b) Risk factors**

The Company emphasizes on those risks that threaten the achievement of business objectives of the Company over the short to medium term. An overview of these risks is provided hereafter, including the actions taken to mitigate these risks and any related opportunities:

##### **i) Strategic and Commercial risks**

ii) Prices and markets

Prolonged unfavorable conditions could also result in cancellation of lease, as also purchase of shares for allocation of residential cottages or impairment of assets.

Mitigation: Since the Company allocates/leases out two types of cottages, this risk can be avoided.

**Compliance and control risks**

a. Regulatory compliance risks

The evolution of the global regulatory environment has resulted into increased regulatory scrutiny that has raised the minimum standards to be maintained by the Company. This signifies the alignment of corporate performance objectives, while ensuring compliance with regulatory requirements.

Mitigation: Suvidha recognizes that regulatory requirements can at times be challenging, and therefore will:

- a) Strive to understand the changing regulatory standards, so as to strengthen its decision making processes and integrate these in the business strategy in which it operates.
- b) Drive business performance through the convergence of risk, compliance processes and control mechanisms to ensure continued operational efficiency and effectiveness.

**Financial risks**

**a. Treasury risks** Treasury risks include, among others, exposure to movements in interest rates and foreign exchange rates. The Company maintains sufficient liquidity, so that it is able to meet its financial commitments on due dates.

**b. Interest rate risk** The Company has no borrowings as on date.

**24. The detailed reasons for revision of such financial statement or report:**

The Company has not revised the Financial Statements or Reports during the Financial Year.

## **25. 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.

**26. Disclosure relating to Remuneration of Employees:** None of the employees are covered under the provisions of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Statement/disclosure as required under the provisions is not applicable to the company. Accordingly, it is not circulated to the members and attached to the Annual Report

**26. Disclosure relating to Remuneration of Employees:** None of the employees are covered under the provisions of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Statement/disclosure as required under the provisions is not applicable to the company. Accordingly, it is not circulated to the members and attached to the Annual Report.

## **27. Internal Complaints 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.

The following is a summary of sexual harassment complaints received and disposed of during the financial year ending March 31, 2023:

Number of complaints received: 1

Number of complaints disposed off: 1.

## **28. 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 93 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).

## **29. Report on Committees of Suvidha:**

### **MANAGEMENT COMMITTEES/ TASK FORCES**

During the year under review your Company put in initiatives to streamline its Operations by constituting the following Committees/Task Forces:

### **STATUTORY COMMITTEES AS PER THE COMPANIES ACT 2013**

#### **a. AUDIT COMMITTEE**

MR. SUSHEEL NAGARAJAN (Chairperson)  
MR. GOPALAKRISHNAN JANARDHANAN  
MR. SREERAMAIAH N

#### **b. NOMINATION AND REMUNERATION COMMITTEE (NRC)**

MR. GOPALAKRISHNAN JANARDHANAN (Chairperson)  
MR. SUSHEEL NAGARAJAN  
MR. SREERAMAIAH N  
DR. NALINI SHENOY

### **INTERNAL COMMITTEE AS PER POSH LAW**

Smt. SATYA PRABHAKAR (Chairperson & Presiding Officer)  
MS. PUSHPA  
MS. SHAHNAWAZ  
MR. LAKSHMISHA



## **STATUTORY COMMITTEE AS PER RVM**

### **MEMBERS COMMITTEE**

MR. SREERAMIAH (Director & Chairperson)  
MR. VAIDYANATHAN A (Director Member)  
MR. CHANDRAKANT BHAT (Resident Member)  
MR. VIJAYKUMAR ALURI (Resident Member)  
DR. UMA TEKUR (Resident Member)  
MS. SUNITI PHADKE (Non-Resident Member)  
DR. K R RAMACHANDRA (Non-Resident Member)

## **OPERATIONAL COMMITTEES**

### **OFFICE COMMITTEE**

MR. VENUGOPAL SHETTY (Chairperson)  
MS. GEETA JAISIM  
MS. PRATHIMA SHETTY

### **SECURITY COMMITTEE**

MR. PRABHAKAR (Chairperson)  
MR. SURESH BABU

MR. VENUGOPAL SHETTY

### **MAINTENANCE & TECHNICAL COMMITTEE**

MR. K RAMANI (Chairperson- Maintenance)  
MR. SATYA MURTHY SUBBARAO (Chairperson- Technical)  
MR. UDAYKUMAR  
MR. VENUGOPAL SHETTY  
MR. D RAVI

### **HOUSEKEEPING COMMITTEE**

MS. H V GAYITRI (Chairperson)  
MS. USHA KURPAD

### **KITCHEN COMMITTEE**

DR. NALINI SHENOY (Chairperson)  
MS. GEETA JAISIM  
MR. VEERANNA CHIGATERI (Advisor)

## **LANDSCAPING COMMITTEE**

MS. H V GAYITRI (Chairperson)  
DR. NALINI SHENOY  
MS. GEETA SUDARSHAN  
MR. PAPANNA GOWDA  
MR. MADHUSUDHAN SHUKLA (Advisor)

## **LAND MATTERS COMMITTEE**

MR. VENUGOPAL SHETTY (Chairperson)  
MR. A. VAIDYANATHAN  
MS. H V GAYITRI  
MR. C. PRABHAKAR  
DR. JINKA SUBRAMANYA  
MR. PAPANNA GOWDA  
MR. VIRUPAKSHAI AH – ADVISOR

## **FINANCE COMMITTEE**

MR. A. VAIDYANATHAN (Chairperson)  
MR. SREERAMAI AH N  
MR. VENUGOPAL SHETTY

## **LEGAL TASK FORCE**

### **CIVIL LAND CASE & SERVICE TAX CASE**

MR. A. VAIDYANATHAN (DIRECTOR-IN-CHARGE))  
MR. K. VENKATESH  
DR. JINKA SUBRAMANYA  
MR. PRABHAKAR  
MR. VENUGOPAL SHETTY

### **MF CASE**

MR. SREERAMAI AH (DIRECTOR-IN-CHARGE)  
MR. VENUGOPAL SHETTY

### **VASANTH'S CASE**

MS. H V GAYITRI (DIRECTOR-IN-CHARGE)  
MR. SREERAMAI AH

## **HEALTH & WELL BEING COMMITTEE**

DR. NILIMA KADAMBI (Chairperson)

## **SUB-COMMITTEES**

### **1. MEDICAL COMMITTEE**

DR. NILIMA KADAMBI (Chairperson)  
DR. SANDHYA RAVI

DR. NALINI SHENOY  
DR. P M CHANDRASHEKARA (Advisor)

**2. CULTURAL COMMITTEE**

DR. NILIMA KADAMBI (Chairperson)  
DR. VIVEK KADAMBI  
DR. NALINI SHENOY  
DR. IRIS RAJIVA  
MRS. RAJESHWARI

**3. STAFF WELFARE COMMITTEE**

DR. NILIMA KADAMBI (Chairperson)  
Smt. SATYA PRABHAKAR  
DR. NALINI SHENOY  
MS. PUSHPA (Staff)  
NURSE SHANAWAZ (Staff)

**REVENUE GENERATION RENTAL PROJECTS**

**1. COTTAGE UTILIZATION COMMITTEE**

MR. VAIDYANATHAN (Co-chairperson)  
MS. GEETA JAISIM (Chairperson)  
MS. MEENA BADAMI  
MS. PRATHIMA SHETTY  
MR. GIRIDHAR SHENOY  
MR. ASHOK DEY

**2. DEVELOPMENT OF CLUBHOUSE**

MR. SREERAMAIAH (PROJECTS-IN-CHARGE)  
MR. VENUGOPAL SHETTY  
DR. VIVEK KADAMBI  
MS. PRATHIMA SHETTY

**3. 3 ACRE DEVELOPMENT**

MR. VENUGOPAL SHETTY (PROJECT-IN-CHARGE)  
DR. NILIMA KADAMBI  
DR. VIVEK KADAMBI  
MR. K VENKATESH  
MR. SREERAMAIAH  
MS. PRATHIMA SHETTY (PMO)

## **Shareholders' Communication & Related matters:**

**(a)** The Suvidha Review, 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 DURING THE YEAR:**

Brief details of the Open House Meetings held during the year to acquaint Shareholders of the various ongoing activities in Suvidha

Two Open House Meetings were held in September, one for all Residents, and the other for Shareholders only, as follows:

#### 1. 17<sup>th</sup> September 2022

For Shareholders, to explain the App/Service called APNA COMPLEX

And also to communicate the possibilities for increased revenue generation for both Shareholders and Suvidhas by "Leave and Licensing" of Unoccupied Units in Suvidha.

A presentation was made by Health Care Committee on the functioning of the HealthCare Centre, and also about Health issues related to recent and ongoing incessant rains.

#### 2. 4<sup>th</sup> December 2022

Two meetings were held for all residents.

i) Kitchen/Canteen issues, and also ii) Landscaping in Suvidha

#### 3. 18<sup>th</sup> January 2023

For all residents, to discuss Housekeeping Issues due to shortage of Staff

#### 4. 21<sup>st</sup> January 2023

Several Subjects were discussed including the following:

-Regarding shifting of the Health Care Centre to the Basement of the Clubhouse Building, so as to free up the building where they are located. This can then be converted into cottages, for which shares can be sold to garner revenues for Suvidha.

- Charges levied for Healthcare services – Basis explained.

-Working to improve Rentals in Suvidha, which will benefit both Shareholders and  
-SUVIDHA

-Staffing in Suvidha, particularly for Housekeeping

-Approach Road

### **Reports of Committees/Task Forces:**

#### **A) OFFICE COMMITTEE**

- The number of employees in Suvidha as on 31.3.2022 was **48** and the number as on 31.03.2023 is **45**.
- As per directive from State Government, we had to implement an increase of nearly 30% in the salaries payable to eligible staff. This has resulted in additional expenditure on salaries for staff, in addition to the increments given to other non-minimum wages staff (an average of 3% for most of them).
- The Company Secretary Mr Sandesh Kumar P has resigned, and Mr. Nagaraja V has been appointed in his place.
- A new PCS, Mr Jayaram Korikkar, has been appointed in place of Mr Thirupal who has resigned.
- Our EM Mr. Subedar Upendra Kumar has resigned effective 16<sup>th</sup> September 2023 and a new EM, Mr. Chethan Kumar has been appointed.
- We have held several meetings with Staff to impress upon them the importance of multi-tasking and having a humane attitude when dealing with our residents.
- A softskills training was organized, which was delivered by our Shareholder Dr Prabhakar Kamat.
- We have also organized English speaking classes for them, with the help of one of our senior resident Shareholders, Mr Satyamurthy Subba Rao.
- Both training sessions were delivered by the shareholders on a voluntary/honorary basis, and we are very grateful to them for this.

#### **SECURITY COMMITTEE**

The Services rendered by VRFS Agency was not satisfactory. Most of the time we were facing shortage of Guards. Accordingly we decided to change the agency. After careful review of the tenders called for, M/s Black Belt were finalized to replace VRFS Agency, thus resulting in considerable improvement in security services.

### **C) INTERNAL COMMITTEE (IC)**

- IC Committee was reconstituted on 27/05/2022
- SUVIDHA POSH Policy drafted and later approved by the Board
- Anti - Sexual Harassment Policy disseminated to all employees

### **D) HEALTH COMMITTEE (HC)**

- A Full-Time Nurse for 24/7 Support appointed in Aug 2022
- Good Electronic Record Keeping & Billing was introduced for HC
- HC was shifted smoothly to the new & better location in the Clubhouse; All support equipment and facilities were upgraded
- MOU signed with St. John's Hospital & Community Health Center Facilities are being used by many residents & positive feed-back
- Conducted the following Wellness Awareness Series:
  - i. Interactive Session with BGS Doctors on Positive Mental Health
  - ii. Interactive session with Acupressure Expert and Talk on Healthy & Safe drinking Water by Dr Vivek.

### **E) CULTURAL & SOCIAL COMMITTEE**

- Aug 2022: Ganesh Chaturthi Grand Celebrations with Nagar Bhajan Singing carrying baby Ganesha in the decorated Buggy
- Nov 2022: Generation Bridge Live Concert in collaboration with Interact Club of Rotary and a Ramp Walk of Suvidha Residents.
- Dec 2022: Carolling All the Way. A fun filled evening with Mr Prabhu as Santa and a Manger scene created in the Gazebo. Suvidha Branded Caps in three colours were much in demand!
- Dec 2022: Ring in the New Year with "The Crooners" and a Banquet followed by fellowship around the Bon Fire
- March 2023: Ugaadi Celebrations with Bharath-Naatyam Performance and a very Traditional Obbattu Oota was enjoyed by all.
- Movie Times @ Suvidha: Kantaara, PS-I, Elephant Whisperers and many more

### **F) STAFF WELFARE COMMITTEE**

- Dec 2022: Resident Staff families and Kids joined the singing & dancing for some Christmas Cheer
- Nov 2022: Staff Annual Sports Day was conducted. Fun and Games with Prizes won. A Special Lunch was sponsored by Residents
- Jan 2023: Staff Health Awareness and Etiquette Training Event. Team Building Activities & Story telling followed by a Sponsored Lunch

Feb 2023: Staff Fire Safety as well as First Aid Training & Drill conducted along with Security Committee Members.

#### **G) MAINTENANCE COMMITTEE**

- Cable lines to Main Gate and Cottages 15 A, B & C refurbished and relaid
- Supervised water proofing painting, retaining wall construction in 23 cottages for renting/occupation.
- Supervised shifting to club house and retrofitting medical centre and beauty salon.
- Routine maintenance work regarding WTP. STP, Vehicles/ Buggies, DG, Solar and so on.

#### **H) LANDSCAPE COMMITTEE**

- An organic vegetable garden initiative was taken up around Feb 2022 for the use of our kitchen. It came up very well initially and we were able to supply fresh vegetables to our kitchen and sometimes to the shareholders too. However due to unprecedented and heavy rains in May onwards last year, the entire garden was destroyed. We restarted planting saplings/Seeds. It has now come up well and has started yielding vegetables. We are gradually expanding the foot print by using the green shed for propagating saplings and then taking them to the main patch.
- Initiated a herbal/medicinal garden, Ganeshavana in consultation with the herbal division of Sri Sri Institute of Agricultural Sciences and Technology Trust (SSIAST) - an offshoot of Art of Living- at a patch near the lake. As a pilot about 10 species have been planted in the patch. They have propagated well and we are expanding to spaces around the Ganeshavana. As a trial on 4th Dec 2022, we offered 3 recipes created from our herbal garden for the residents to get a taste of things to come. All of the 40+ persons who tasted it gave a feedback that they liked it and enjoyed it and would like to have more of it. We now are in the process of discussing with the Kitchen committee to make it a regular affair and thus increase wellness quotient of Suvidhites.

#### **J) KITCHEN COMMITTEE**

- New kitchen staff were appointed after the resignation of Balakrishna, the head cook. Pandu was promoted to head cook and Ravi was appointed as assistant cook.
- Buffet breakfast is being conducted on a regular monthly basis and is being well received by the residents.
- A register is being maintained at the entrance to the dining hall for the residents to enter their name and cottage number to ensure correct billing.
- The herbs and vegetables grown in Suvidha are being well utilized.

- Deep cleaning of the kitchen is being carried out.
- The kitchen staff are being repeatedly advised on hygiene and etiquette.
- Some new utensils and tiffin carriers have been bought as the number of people using the kitchen services has increased.

## **K) LAND COMMITTEE**

The Land Committee has worked on the following main areas:

- To resolve matters related to improvement of the Main Access Road where the dwellers residing in the houses at the Fork have raised objections. Some minor preliminary repairs were however done recently. Meetings have also been held with concerned officials.
- Property Taxes - Suvidha till March 21 was coming under Kaggalipura Panchayat - and Taxes were paid till 11-12. Since then till 20-21 Rs.9,44,700/- cheques that were sent to the Panchayat office were not presented for payment. We are in discussions with BBMP officials as Suvidha comes under BBMP since March 21.
- It is clear that Taxes will be payable from October 2020 to BBMP. The amount has yet to be determined and Shareholders will be informed about the Developments once the discussions are concluded with BBMP.

## **L) REVENUE GENERATION PROJECTS**

### **i) Three Acres Projects**

- The Company has a separately registered property of 3 Acres which is along the Eastern Boundary of the already developed 27 Acres.
- While various options are being evaluated for additional Revenue Generation by developing these 3 Acres , the following steps need to be completed before any action can be initiated :
  - Payment of Property Taxes including arrears to BBMP (now that Suvidha comes under BBMP) where we await certain clarifications
  - A preliminary Plan to be in place to enable Extension of Permission (due in Jan 2024) granted on 05.01.2022).
- The Committees responsible for various activities are working to resolve these issues.



**ii) Club House Project:**

- It was decided to get a Detailed Project Report (DPR) from qualified consultants experienced in Hospitality Projects.
- Series of meetings and deliberations with several consultants and experts in the area of Hospitality Project Planning and Execution.
- Shortlisted and got quotations from three qualified consultants.
- Work Order issued to Turnstone Hospitality Consulting LLP.
- The study by Turnstone is at the initial stages, and we are in touch with the company, providing the information they seek. The report is likely to be completed within the next three weeks.
- It is proposed to hold an EGM to discuss the clubhouse, upgrade DPR and if agreed by the shareholders to discussing the modes of financing.

**iii) Sale of Shares related to Cottages**

- The Health Center has been shifted to the club house and the drawing for modifications are ready.
- The valuation is being done currently on the basis of which the pricing of the shares of these cottages will be determined.

**iv) Business Development & Rental Committee**

- The team worked methodically to enhance Cottages occupancy. Consequently the number of cottages occupied increased from about 21 to about 37 Cottages. As a result the Management fees earned by the Company is about Rs. 11 lakhs for the last year. (Increased from about Rs. 75k per month to Rs. 120k per month in March 2023).
- Services availed by Lessees (Canteen & other facilities) increased company's revenues by Rs. 4.75 lakhs.
- The Shareholders benefited through better realization from their cottages. For FY 23, the Shareholders received about Rs. 60.27 lakhs as lease rental incomes in their hands.
- The lease rentals per month have been increased to fetch better returns for the Shareholders (Fully furnished cottage @ Rs.40,000 p.m, unfurnished cottage @ Rs.25,000 and so on).
- We have got a good pipeline of enquiries. Currently we have over 60 active enquiries (31st July 2023).

### **30. Acknowledgements:**

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.

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

**Sd/-**

**Mr. Venugopal V Shetty**

**Managing Director**

**DIN: 09273242**

**Sd/-**

**N Sreeramaiah**

**Director**

**DIN: 07174481**

**Date: 27/08/2023**



**BALAKRISHNA & CO.**  
**CHARTERED ACCOUNTANTS**

PAN : AAGFB0322A  
GST : 29AAGFB0322A1Z8

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080-2222 1493, 080-2227 4736  
E-mail : contact@balakrishnaandco.com  
Website : www.balakrishnaandco.com

**INDEPENDENT AUDITOR'S REPORT**

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

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

**Opinion**

We have audited the accompanying financial statements of Sushruta Vishranthi Dhama Limited ("the Company"), which comprise the balance sheet as at 31st March 2023, and the statement of profit and loss, and statement of cash flows for the year then ended, and notes to the 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 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, 2023, 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules 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.

**Emphasis of Matter**

We draw attention to Note xxiii (sub-point iv) in the Notes to Accounts, which contains disclosures about the case filed by a group of shareholders against the Company, disputing the validity of a resolution passed by the Board of Directors on the 6<sup>th</sup> of July 2020, concerning changes made to the Maintenance fees and the housekeeping charges. Our opinion is not modified in respect of this matter.



## **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 financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 Financial Statements**

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



As part of an audit in accordance with 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 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 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.

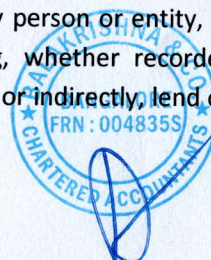
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 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, 2023 (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.
    - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
(b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other



persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Company has neither declared nor paid any dividend during the year.
- vi. The requirement that every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled, is applicable for the company only w.e.f. April 1, 2023 by virtue of the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 and hence reporting under Rule 11(g), Companies (Audit and Auditors) Rules, 2014 is not applicable.

**For Balakrishna & Co.,**  
*Chartered Accountants*

Firm registration number: 004835S


CA B E Kumar Prasad  
*Partner*

Membership number: 204844

UDIN: 23204844BGUVKN8040

Place: Bengaluru

Date: 28<sup>th</sup> August, 2023

## 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 2023 for a period of more than six months from the date they became payable except for Provident Fund of Rs. 1,14,734, Employee State Insurance payable of Rs.2,213, Tax on Sale of Electricity amounting to Rs. 3,93,913 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, 2023 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.

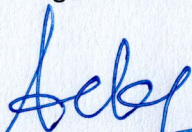


- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or person connected with them and hence provisions of Section 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 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: 23204844BGUVKN8040

Place: Bengaluru

Date: 28<sup>th</sup> August, 2023

## **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, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial 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, 2023, 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: 0048355


CA B E Kumar Prasad

*Partner*

Membership number: 204844

UDIN: 23204844BGUVKN8040

Place: Bengaluru

Date: 28<sup>th</sup> August, 2023

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

	Note	As at 31st March, 2023	As at 31st March, 2022
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	1	3,255.00	3,255.00
Reserves and surplus	2	2,506.30	2,593.18
<b>Share application money pending allotment</b>		-	-
<b>Non-current liabilities</b>			
Deferred tax liabilities (net)		303.29	277.94
Other long-term liabilities	3	189.56	174.18
Long-term provisions	4	2.52	-
<b>Current liabilities</b>			
Short-term borrowings		-	-
Trade payables-			
Due to MSME		0.04	0.06
Due to Others		6.01	3.33
Other current liabilities	5	63.07	64.28
Short-term provisions	6	14.91	10.96
<b>TOTAL</b>		<b>6,340.70</b>	<b>6,378.94</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant & Equipment	7	5,737.08	5,838.06
Non-current investments	8	-	3.83
Long-term loans and advances	9	67.60	67.60
Other non-current assets	10	20.29	20.29
<b>Current assets</b>			
Inventories	11	0.31	0.60
Trade receivables	12	31.75	30.73
Cash and cash equivalents	13	474.45	410.63
Short-term loans and advances	14	6.07	5.12
Other current assets	15	3.16	2.07
<b>TOTAL</b>		<b>6,340.70</b>	<b>6,378.94</b>
Accounting policies and other notes	21		
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 : 004835S

[CA B E Kumar Prasad]

Partner

Membership No.204844

UDIN: 23204844BGUVKN8040

Bengaluru : 28th August, 2023

[Venugopal Vasu Shetty]

Managing Director

DIN : 09273242

[N. Sreeramaiah]

Director

DIN : 07174481

[CS Nagaraja V.]

Company Secretary

Membership No.A34044

Bengaluru : 27th August, 2023

**SUSHRUTA VISHRANTHI DHAMA LIMITED**

CIN : U85310KA2004PLC035063

**Statement of Profit and Loss for the year ended 31-Mar-2023**

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

	Note	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>REVENUE FROM OPERATIONS (GROSS)</b>			
Other income	16	305.79	294.19
	17	22.55	19.13
<b>TOTAL INCOME</b>		<b>328.33</b>	<b>313.32</b>
<b>EXPENSES</b>			
Cost of materials consumed	18	29.18	22.06
Employee benefits expense	19	132.53	126.88
Depreciation and amortisation expense	7	102.30	99.96
Other expenses	20	125.71	120.81
<b>TOTAL EXPENSES</b>		<b>389.72</b>	<b>369.71</b>
<b>Profit / (Loss) before prior period items, extraordinary &amp; exceptional items and tax</b>		<b>(61.39)</b>	<b>(56.39)</b>
Add: Prior Period Income/(loss) -Refer note 21 (xxiv)		(0.14)	-
<b>Profit / (Loss) before extraordinary &amp; exceptional items and tax</b>		<b>(61.53)</b>	<b>(56.39)</b>
Extraordinary items - gain / (loss)		-	-
Exceptional items - gain / (loss)		-	18.00
<b>Profit / (Loss) before tax</b>		<b>(61.53)</b>	<b>(38.39)</b>
<b>Tax expense:</b>			
Current tax expense for current year		-	-
Deferred tax expense / (income)		25.35	25.68
<b>PROFIT FOR THE YEAR</b>		<b>(86.88)</b>	<b>(64.06)</b>
<b>Earnings per share (of Rs.100 each)</b>			
Basic		(2.67)	(1.97)
Diluted		(2.67)	(1.97)

Significant accounting policies and notes to accounts

21

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 : 004835S

[CA B E Kumar Prasad]

Partner

Membership No.204844

[Venugopal Vasu Shetty]

Managing Director

DIN : 09273242

[N. Sreeramaiah]

Director

DIN : 07174481

[CS Nagaraja V.]

Company Secretary

Membership No.A34044

UDIN: 232048440800KNS040

Bengaluru : 28th August, 2023

Bengaluru : 27th August, 2023

**SUSHRUTA VISHRANTHI DHAMA LIMITED**

CIN : U85310KA2004PLC035063

Cash Flow Statement for the year ended 31-Mar-2023

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

	As at 31st March, 2023	As at 31st March, 2022
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before tax	(61.53)	(38.39)
Adjustments for:		
Depreciation and amortisation expenses	102.30	99.96
Write down in the value of Fixed Assets (on account of fraudulent entries)	-	-
Prior period Income	0.14	-
Interest income	(22.55)	(19.13)
<b>Cash Generated from operations before working capital changes</b>	<b>79.90</b>	<b>80.83</b>
Adjustments for:		
(Increase)/decrease in inventories	0.30	(0.15)
(Increase)/decrease in trade receivables	(1.15)	(3.67)
(Increase)/decrease in short-term loans and advances	(0.61)	0.14
(Increase)/decrease in other current assets	(0.50)	0.39
Increase/(decrease) in trade payables	2.66	(0.65)
Increase/(decrease) in other current liabilities	(1.21)	(2.43)
Increase/(decrease) in short-term provisions	3.95	(0.46)
Increase/(decrease) in other long term liabilities	15.37	(1.69)
Increase/(decrease) in long-term provisions	2.52	-
<b>Cash generated from operations</b>	<b>21.32</b>	<b>(8.52)</b>
Taxes paid (net of refunds)	(0.34)	(0.44)
<b>Net cash generated from operating activities - [A]</b>	<b>39.35</b>	<b>33.49</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of tangible/intangible assets	(1.32)	(1.36)
Purchase of investments	-	-
Sale of investments	3.83	3.59
Investment in bank deposits (having original maturity more than 3 months)	(404.12)	(390.55)
Redemption/maturity of bank deposits (having original maturity more than 3 months)	399.05	333.53
Interest received	21.96	18.92
<b>Net cash generated/(used in) from investing activities - [B]</b>	<b>19.40</b>	<b>(35.87)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>		
<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>58.75</b>	<b>(2.38)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>11.57</b>	<b>13.95</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>70.33</b>	<b>11.57</b>
<b>Cash and cash equivalents comprise of:</b>		
Cash on hand	0.25	0.22
Cheques, drafts on hand	-	-
Balances with banks:		
In current accounts	3.08	11.36
Term deposits with original maturity of less than three months	67.00	-
	<b>70.33</b>	<b>11.57</b>

**Notes:**

- i) 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"
- ii) 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 She]  
Managing Director  
DIN : 09273242

[N. Sreramaiah]  
Director  
DIN : 07174481

[CS Nagaraja V.]  
Company Secretary  
Membership No.A34044

UDIN: 23204835500000000000000000000000

Bengaluru : 28th August, 2023

Bengaluru : 27th August, 2023

**SUSHRUTA VISHRANTHI DHAMA LIMITED**

Notes to the financial statements for the year ended 31-Mar-2023

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

	As at 31st March, 2023	As at 31st March, 2022
<b>1 SHARE CAPITAL</b>		
<b>Authorised</b>		
33,00,000 equity shares of Rs.100/- each (Previous year: 33,00,000 equity shares of Rs.100/- each)	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 (Current year: 32,55,000 equity shares of Rs.100/- each) (Previous year: 32,55,000 equity shares of Rs.100/- each)	3,255.00	3,255.00
	<u>3,255.00</u>	<u>3,255.00</u>
<b>TOTAL ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL</b>	<u>3,255.00</u>	<u>3,255.00</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	(1,464.11)	(1,400.05)
Add / (less) : Movements during the year:		
Profit / (Loss) for the year	(86.88)	(64.06)
<b>Closing balance</b>	<u>(1,551.00)</u>	<u>(1,464.11)</u>
<b>TOTAL RESERVES AND SURPLUS</b>	<u>2,506.30</u>	<u>2,593.18</u>
<b>3 OTHER LONG-TERM LIABILITIES</b>		
Retention Money	-	0.64
<b>Other than Trade payables</b>		
Trade / security deposits received	189.56	173.55
<b>TOTAL OTHER LONG-TERM LIABILITIES</b>	<u>189.56</u>	<u>174.18</u>
<b>4 LONG-TERM PROVISIONS</b>		
<b>Provision for employee benefits</b>		
Provision for gratuity (net) (Refer note 21 (xvii))	2.52	-
<b>TOTAL LONG-TERM PROVISIONS</b>	<u>2.52</u>	<u>-</u>





**SUSHRUTA VISHRANTHI DHAMA LIMITED**

Notes to the financial statements for the year ended 31-Mar-2023

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

	As at 31st March, 2023	As at 31st March, 2022
<b>5 OTHER CURRENT LIABILITIES</b>		
Statutory remittances payable	24.27	30.69
Advances from customers	27.10	19.66
Employee related and other dues	9.12	11.35
Maintenance Deposit - Previous years (Misappropriated)	2.58	2.58
<b>TOTAL OF OTHER CURRENT LIABILITIES</b>	<b>63.07</b>	<b>64.28</b>
<b>6 SHORT-TERM PROVISIONS</b>		
<b>Provision for employee benefits</b>		
Provision for bonus	5.96	6.49
Provision for gratuity (net) (Refer note 21 (xvi))	-	-
<b>Provision - Others</b>		
Provision for Income tax	-	-
Provision for Audit fees	1.35	1.35
Provision for Expenses	7.60	3.13
<b>TOTAL OF SHORT-TERM PROVISIONS</b>	<b>14.91</b>	<b>10.96</b>
<b>8 NON-CURRENT INVESTMENTS</b>		
<b>Investments at cost</b>		
Gratuity Fund (Refer note 21 (xvi))	-	3.83
<b>TOTAL OF NON-CURRENT INVESTMENTS</b>	<b>-</b>	<b>3.83</b>
<b>9 LONG-TERM LOANS AND ADVANCES</b>		
Capital advances		
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>10 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>11 INVENTORIES</b>		
Others (Canteen stock)	0.31	0.60
<b>TOTAL INVENTORIES</b>	<b>0.31</b>	<b>0.60</b>



**SUSHRUTA VISHRANTHI DHAMA LIMITED**

Notes to the financial statements for the year ended 31-Mar-2023

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

	As at 31st March, 2023	As at 31st March, 2022
<b>12 TRADE RECEIVABLES</b>		
Trade receivables outstanding for a period exceeding six months:		
Secured, considered good	31.75	30.73
<b>TOTAL TRADE RECEIVABLES</b>	<b>31.75</b>	<b>30.73</b>
<b>13 CASH AND CASH EQUIVALENTS</b>		
Balances with banks	474.20	410.41
Cash on hand	0.25	0.22
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>474.45</b>	<b>410.63</b>
<b>14 SHORT-TERM LOANS AND ADVANCES</b>		
Loans and advances to employees		
Unsecured, considered good	1.60	1.11
Prepaid expenses - Unsecured, considered good	2.23	2.10
Prepaid taxes, Unsecured, considered good	2.24	1.90
<b>TOTAL SHORT-TERM LOANS AND ADVANCES</b>	<b>6.07</b>	<b>5.12</b>
<b>15 OTHER CURRENT ASSETS</b>		
Advance to Vendors	1.11	0.61
Interest accrued on FD	2.03	1.44
Others	0.02	0.02
<b>TOTAL OF OTHER CURRENT ASSETS</b>	<b>3.16</b>	<b>2.07</b>



**SUSHRUTA VISHRANTHI DHAMA LIMITED**

Notes to the financial statements for the year ended 31-Mar-2023

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

	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>16 REVENUE FROM OPERATIONS</b>		
Food & Beverage Sales	27.93	21.27
Maintenance fees	226.02	226.05
Other operating revenues	51.84	46.88
<b>TOTAL REVENUE FROM OPERATIONS</b>	<b>305.79</b>	<b>294.19</b>
<b>17 OTHER INCOME</b>		
Interest income	22.55	19.13
<b>TOTAL OTHER INCOME</b>	<b>22.55</b>	<b>19.13</b>
<b>18 COST OF MATERIALS CONSUMED</b>		
Opening stock	0.60	0.46
Add: Purchases	28.88	22.21
	29.48	22.67
(Less): Closing stock	(0.31)	(0.60)
<b>TOTAL COST OF MATERIALS CONSUMED</b>	<b>29.18</b>	<b>22.06</b>
<b>19 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and wages	100.96	93.54
Gratuity	6.48	5.70
Contributions to provident and other funds	11.45	13.27
Bonus	5.14	5.95
Leave Encashment	3.57	2.95
Staff welfare expenses	4.94	5.48
<b>TOTAL EMPLOYEE BENEFITS EXPENSE</b>	<b>132.53</b>	<b>126.88</b>



**SUSHRUTA VISHRANTHI DHAMA LIMITED**

Notes to the financial statements for the year ended 31-Mar-2023

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

	Year ended 31st March, 2023	Year ended 31st March, 2022
<b>20 OTHER EXPENSES</b>		
Advertisement	0.07	-
Power and fuel	31.48	29.15
Repairs and maintenance - Buildings	7.23	9.45
Repairs and maintenance - Machinery	5.37	4.09
Repairs and maintenance - Compound wall	0.75	2.92
Repairs and maintenance - Others	3.78	3.38
Insurance	2.68	3.30
Rates and taxes	3.31	9.20
Communication	0.95	1.11
Postage and courier	0.06	0.07
Travelling and conveyance	3.95	2.87
Printing and stationery	0.87	0.72
Vehicle maintenance	2.19	1.67
Office Expenses	2.81	2.88
Legal and professional	18.43	8.16
Payments to auditors	1.50	1.50
Security Charges	30.28	30.80
Bank Charges	0.15	0.09
Newspapers, subscriptions & magazines	1.42	1.41
Garden Expenses	5.91	6.84
Health centre expenses	0.49	0.20
Miscellaneous expenses	2.03	1.00
<b>TOTAL OTHER EXPENSES</b>	<b>125.71</b>	<b>120.81</b>



Particulars	Gross block / Original cost					Accumulated depreciation					Net block		
	As at 31st March, 2022	Additions	Disposals / transfers	As at 31st March, 2023	As at 31st March, 2022	Charge for the year	Eliminated on disposal of assets	Reversals from OB (corresponding to Fraudulent entries)	Regrouping of reversals made during FY 19-20	Prior period Income	As at 31st March, 2023	As at 31st March, 2023	As at 31st March, 2022
<b>TANGIBLE ASSETS</b>													
Plant and Machinery	50.91	-	-	50.91	16.80	3.22	-	-	-	-	20.02	30.89	34.11
Building	5311.41	0.55	-	5311.41	691.26	84.10	-	-	-	-	775.35	4,536.05	4,620.15
Computers	5.61	-	-	6.16	5.33	0.01	-	-	-	-	5.34	0.82	0.28
Dormitory Equipments	1.37	-	-	1.37	1.30	0.00	-	-	-	-	1.30	0.07	0.07
Electrical Equipments	391.68	0.03	-	391.71	342.33	7.93	-	-	-	-	350.26	41.46	49.35
Furniture & Fixtures	27.62	0.25	-	27.87	22.65	1.68	-	-	-	-	7.24	3.55	4.98
Health center equipments	8.07	-	-	8.07	7.04	0.20	-	-	-	-	0.84	0.83	1.03
Kitchen Equipments	24.13	-	-	24.13	22.72	0.04	-	-	-	-	22.76	1.37	1.42
Land	1002.13	-	-	1,002.13	-	0.00	-	-	-	-	19.51	1,002.13	1,002.13
Landscaping	127.09	-	-	127.09	17.50	2.01	-	-	-	-	9.40	107.57	109.59
Office Equipments	103.31	0.49	-	103.80	9.27	0.13	-	-	-	-	97.39	1.40	1.04
Sewerage Treatment Plant	103.60	-	-	103.60	95.08	2.31	-	-	-	-	5.30	6.22	8.52
Sports Equipments	5.58	-	-	5.58	5.30	0.00	-	-	-	-	0.74	0.28	0.28
Borewell	2.27	-	-	2.27	0.67	0.07	-	-	-	-	0.74	1.53	1.61
Vehicles	32.88	-	-	32.88	29.38	0.60	-	-	-	-	29.98	2.90	3.51
<b>CAPITAL WORK IN PROGRESS</b>	<b>7,104.67</b>	<b>1.32</b>	<b>-</b>	<b>7,105.99</b>	<b>1,266.60</b>	<b>102.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,368.91</b>	<b>5,737.08</b>	<b>5,838.06</b>
<b>TOTAL FIXED ASSETS</b>	<b>7,104.67</b>	<b>1.32</b>	<b>-</b>	<b>7,105.99</b>	<b>1,266.60</b>	<b>102.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,368.91</b>	<b>5,737.08</b>	<b>5,838.06</b>
<i>Previous year</i>	<i>7,103.59</i>	<i>1.08</i>	<i>-</i>	<i>7,104.67</i>	<i>1,166.64</i>	<i>99.96</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>1,266.60</i>	<i>5,838.06</i>	<i>5,936.95</i>



## 21. NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR 31<sup>ST</sup> MARCH 2023

### Company overview

Sushruta Vishranthi Dhama Limited, (Company/Suvidha), is a public company domiciled in India and incorporated under the provisions of the erstwhile Companies Act, 1956. The Company owns, constructs and maintains residential cottages, meant for Senior citizens. Suvidha is a community of Senior Citizens who acquire a right to reside/occupy designated cottages by virtue of purchase of a prescribed number of fully paid up equity shares of the Company (referred to as 'Qualifying shares' in the Articles of Association). The Company had obtained permission under Section 109 of the Karnataka Land Reforms Act, 1961 to develop a retirement village. As a Limited Company, Suvidha is managed by a Board of Directors, duly elected in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder.

### 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 is 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



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**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. Actuarial 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.





**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. Since no convertible instruments (convertible to equity shares)/dilutive potential equity shares have been issued by the Company, the Diluted earnings per share will be the same as the Earnings per share.

**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.

**xi. Contingent Losses:** The policy for recognising/disclosing a Contingent loss by the Company is in line with the principles enunciated under Accounting Standard-4 -> 'Contingencies and Events Occurring after the Balance Sheet Date' (as below):

a. The amount of a contingent loss is provided for by a charge in the statement of profit and loss if:

i. it is probable that future events will confirm that, after taking into account any related probable recovery, an asset has been impaired or a liability has been incurred as at the balance sheet date, and;

ii. a reasonable estimate of the amount of the resulting loss can be made.

b. The existence of a contingent loss is disclosed in the financial statements if either of the conditions in point 'a' above is not met, unless the possibility of a loss is remote.



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**NOTES TO ACCOUNTS:**

- xii. **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 31-03-2023		Year ended 31-03-2022	
	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	15,000	0.46%	15,000	15,000	NIL

- xiii. 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 2022-23	FY 2021-22
1. Principal amount remaining unpaid	0.04	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.



**xiv. Remuneration to the Auditors:**

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

Particulars	FY 2022-23	2021-22
Audit Fee (Amounts in Rs. Lakhs)	1.50	1.50

**xv. 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./Res.	Appointment /Resignation	Nature of transaction	Amount
Joy Inasu Cheenath	Director	03-Dec-20	Appointment	MF, Cant. Sales & Others	1.65
Geeta Jaisim	Director	01-Jan-23	Resignation	MF, Cant. Sales & Others	4.14
Nilima Kadambi	Director	27-Dec-20	Appointment	MF, Cant. Sales & Others	1.81
Susheel Nagarajan	Ind. Director	10-Jun-19	Appointment	MF, Cant. Sales & Others	1.17
Kiran Hebbar	Director	02-Aug-22	Resignation	MF, Cant. Sales & Others	1.20
Sreeramaiah	Director	26-Sep-21	Appointment	MF, Cant. Sales & Others	1.52
Gayatri H V	Director	09-Sep-18	Appointment	MF, Cant. Sales & Others	1.71
Veeranna Chigateri	Director	09-Sep-18	Appointment	MF, Cant. Sales & Others	2.71
Gopalakrishnan Janardhanan	Ind. Director	26-May-19	Appointment	MF, Cant. Sales & Others	1.65
Dr. Siddiah Vivekananda	Director	31-July-22	Resignation	MF, Cant. Sales & Others	1.11
V L Nandish	Director	31-July-22	Resignation	MF, Cant. Sales & Others	1.16
Ashok Shanthamallappa	Director	18-Dec-22	Resignation	MF, Cant. Sales & Others	2.62
Venugopal Shetty	MD	10-Aug-21	Appointment	MF, Cant. Sales & Others	5.28
Sandesh Kumar	CS	31-Mar-23	Resignation	Remuneration	4.34
Vaidyanathan	Director & CFO	31-July-22 27-Oct-22	Appointment	MF, Cant. Sales & Others	6.07

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

**xvi. Defined Benefit plan:**

**I. Gratuity:**

Following are the assumptions made while making the actuarial valuation:

Sl./No	Particulars	FY 2022-23	Year 2021-22
1	Retirement age (in years)	60	60
2	Funding Mechanism	Funded	Funded
3	Salary increase	8%	5%
4	Discount Rate	7.42%	6.81%
5	No. of employees	45	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-2023:

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a) Change in benefit obligations

(Amounts in Rs.

Lakhs)

Particulars	FY 22-23	FY 21-22
Obligation at the period beginning	19.01	14.00
Service cost	3.07	2.58
Interest cost	1.29	0.90
Benefit settled	(2.70)	(1.95)
Actuarial (Gain) Loss	3.39	3.49
Liabilities assumed on Acquisition	-	-
Past Service Cost	-	-

b) Obligation at the end of the period

(Amounts in Rs.

Lakhs)

Particulars	FY 22-23	FY 21-22
Current liability (within 12 months)	3.19	2.77
Non-Current Liability	20.87	16.24
<b>Total obligation at the period end</b>	<b>24.06</b>	<b>19.01</b>

c) Change in plan assets

(Amounts in Rs.

Lakhs)

Particulars	FY 22-23	FY 21-22
Opening fair value of Plan Assets	22.84	21.42
Expected Return on plan assets	1.60	1.47
Acquisition Adjustment	-	-
Employer's Contribution	-	2.11
Benefit Paid	(2.70)	(1.95)
Actuarial Gain or loss	(0.19)	(0.20)
<b>Total</b>	<b>21.54</b>	<b>22.84</b>

d) Fair Value of plan assets:

(Amounts in Rs.

Lakhs)

Particulars	FY 22-23	FY 21-22
Opening fair value of Plan Assets	22.84	21.42
Actual Return on plan assets	1.40	1.27
Acquisition Adjustment	-	-
Employer's Contribution	-	2.11
Benefit Paid	(2.70)	(1.95)
Fair Value of the plan Assets at the end of the Year	21.54	22.84
Funded Status	(2.51)	3.83
Excess of Actual over estimated return on plan assets	(0.19)	(0.20)

e) Expense recognized in statement of profit and loss

(Amounts in Rs.

Lakhs)

Particulars	FY 22-23	FY 21-22
Current Service Cost	3.07	2.58
Past Service Cost	-	-
Interest on Defined Benefit obligation	1.29	0.90
Expected return on plan asset	(1.60)	(1.47)
Actuarial gain/(Loss)	3.59	3.70
<b>Total</b>	<b>6.35</b>	<b>5.70</b>

f) Experience Adjustments

Lakhs)

(Amounts in Rs.

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Particulars	31.03.19	31.03.20	31.03.21	31.03.22	31.03.23
PV of obligation at the end of the period	13.07	18.41	14.00	19.01	24.06
FV of plan assets at the end of the period	11.96	16.39	21.42	22.84	21.54
Funded Status	(1.11)	(2.02)	7.42	3.83	(2.52)
Actuarial gain/(loss) in PBO	(0.93)	(1.41)	7.59	(3.49)	(3.40)
Actuarial gain/(loss) for the year - Plan assets	0.14	(0.05)	(0.10)	0.20	0.19

**xvii. 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 2022-23	FY 2021-22
<b>Disclosure of numerator and reconciliation</b>		
Amount reflected in Profit and Loss account	(86.88)	(64.06)
Add / (Less): Extraordinary Items	NIL	NIL
Profits considered	[A] (86.88)	(64.06)
<b>Disclosure of denominator and reconciliation</b>		(90,45,538.00)
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]</b>	<b>(2.67)</b>
		<b>(1.97)</b>

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

(Amounts in Rs.

Lakhs)

Particulars	As at	As at
	31-Mar-23	31-Mar-22
<b>Deferred tax assets:</b>		
Due to provision for gratuity	6.05	4.25
Disallowances being timing differences	2.74	5.41
	8.79	9.66
<b>Deferred tax Liabilities:</b>		
Due to difference in WDV as per books and tax purposes	312.08	287.60
	312.08	287.60
<b>Net deferred tax asset / (liability)</b>	<b>(303.29)</b>	<b>(277.94)</b>

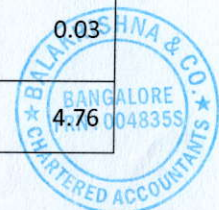
**xix. Trade Receivables ageing Schedule –**

(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	2022-23	2021-22
(i) Undisputed Trade receivables – considered good	16.18	6.66	4.09	0.96	-	27.88	25.94
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	0.19	0.19	0.03
(iii) Disputed Trade Receivables	-	-	-	-	-	-	4.76

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considered good							
(iv) Disputed Trade Receivables considered doubtful	-	-	-	3.67	-	3.67	-
<b>Total</b>	<b>16.18</b>	<b>6.66</b>	<b>4.09</b>	<b>4.63</b>	<b>0.19</b>	<b>31.75</b>	<b>30.73</b>



xx. Trade payable ageing Schedule –  
Lakhs)

(Amounts in Rs.

Particulars	Less than 1 Year	Outstanding for			Total	
		1-2 Years	2-3 Years	More than 3 Years	2022-23	2021-22
MSME	-	-	0.04	-	0.04	0.06
Others	6.00	0.01	-	-	6.01	3.34
Disputed dues – MSME	-	-	-	-	-	-
Disputed dues – Others	-	-	-	-	-	-
<b>Total</b>	<b>6.00</b>	<b>0.01</b>	<b>0.04</b>	<b>-</b>	<b>6.05</b>	<b>3.40</b>

xxi. Other additional regulatory information:

- The title deeds of the immovable properties are held in the name of the company.
- The Company has not revalued its property, plant and equipment.
- 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.
- The Company does not have any capital work in progress as at end of current year and previous year
- The Company does not have any intangible assets under development as at end of current year and previous year
- There are no proceedings initiated or pending against the Company under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder
- The Company does not have any borrowings from banks or financial institutions on the basis of security of current assets
- The Company has not been declared wilful defaulter by any bank or financial Institution or other lender
- 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
- There are no charges or satisfaction that are yet to be registered with the Registrar of Companies
- The Company does not have any subsidiary to attract any restriction under Companies (Restriction on number of layers) Rules, 2017
- There is no scheme of arrangement approved by Competent Authority in terms of Sections 230 to 237 of the Companies Act, 2013.
- 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.
- 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.
- The Company does not have any transaction in crypto currency or virtual currency.



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xxii. Ratios

Ratio Description	Numerator	Denominator	FY 22-23	FY 21-22	Change in %	Reasons for variance (if variance >25%)
Current Ratio	Current assets	Current liabilities	6.14	5.71	7.45%	-
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)	(0.01)	37.38%	In the previous year, there was an exceptional income of Rs. 18 lakhs, owing to write back of creditors balances.
Inventory turnover ratio	Cost of Goods Sold	Average inventory	64.17	41.55	54.42%	Cost of purchases has increased resulting in an increase in the cost of goods sold. Further, the stock in inventory has reduced as compared to last year.
Trade Receivables turnover ratio	Net credit sales	Average trade receivables (Note 2)	9.79	10.18	-3.85%	-
Trade payables turnover ratio	Net credit purchases + Other expenses	Average trade payables (Note 3)	32.72	38.44	-14.89%	-
Net capital turnover ratio	Net sales	Current assets minus current liabilities.	0.38	0.43	-12.07%	-
Net profit ratio	Net profit after tax	Net sales	(0.28)	(0.22)	30.48%	Same as reason for change in 'Return on equity ratio'
Return on Capital employed	Net profit before tax	Capital employed = Tangible net worth + Total debt + Deferred tax liability	(0.01)	(0.01)	61.91%	Same as reason for change in 'Return on equity ratio'
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 2023 and 31 March 2022, 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

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**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 on behalf of the Company, would be paid to Bangalore Hospital only on the receipt of amounts by the Company. Since, this liability is contingent on the receipt of the amount advanced initially, the same has been disclosed as a contingent liability.

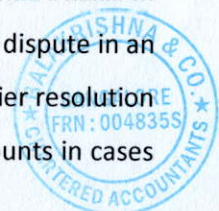
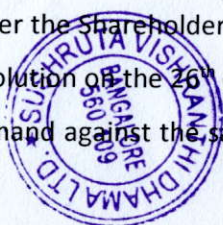
**ii. Appeal against the Service tax Demand:** The service tax department is of the contention that the Company is rendering services of construction to its shareholders, on account of which the Company is required to collect service tax on the entire amount of consideration collected from the shareholders. 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 2022-23. 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 21<sup>st</sup> of August 2023. The next hearing is scheduled on the 15<sup>th</sup> of September 2023.

There was 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. A petition had also been filed against this case in the High Court, to stay/quash the proceedings. The Karnataka High court has, on the 12<sup>th</sup> day of July 2022, pronounced its verdict that the allegations made against the petitioner-accused (Mr. Prabhakar) was with an ulterior motive to wreak vengeance and with revengeful intent and quashed the impugned proceedings pending before II Additional Civil Judge, Bengaluru Rural District insofar as it relates to the petitioner-accused.

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

A case had 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. In order to settle this dispute in an amicable manner, the Board passed a resolution on the 26<sup>th</sup> of March 2023 superseding the earlier resolution (dated 6<sup>th</sup> of July 2020), dropping the demand against the said plaintiffs and to refund the amounts in cases



where collections have been made in excess, in view of the supersession of the earlier resolution. Pursuant to this resolution (dated 26.03.23), a joint memo was filed and permission was sought to withdraw the suit as 'not pressed'. In response to the memo filed, the court has dismissed the suit as 'withdrawn'.

Subsequently, on the receipt of objections from a few shareholders challenging the validity of the said resolution (passed on the 26<sup>th</sup> of March 2023), the Board has passed another resolution on the 13<sup>th</sup> of August, 2023, to keep the resolution of 26<sup>th</sup> March 2023 in abeyance, till such time the legal and financial ramifications of the said resolution are conclusively examined and clear decisions are arrived at by the Board. Accordingly, the amount that is required to be refunded to the shareholders, if the validity of the resolution dated 26<sup>th</sup> March 2023 is subsequently upheld, is a contingent liability and the amount of receivables that the Company might have to write off is hereinbelow disclosed as 'Contingent loss'.

**Contingent loss:** While the Management has passed a resolution dated 13<sup>th</sup> August 2023, holding the resolution dated 26<sup>th</sup> March 2023 in abeyance, in order to examine the legal and financial ramifications of the said resolution, it is unable to make a reasonable estimate of the amount that might have to be written off in the books of accounts for the FY 22-23. In view of this, as per the principles enunciated under 'Accounting Standard 4- Contingencies and Events Occurring After the Balance Sheet Date' (refer note xi. in significant accounting policies), the same has been disclosed as a note here.

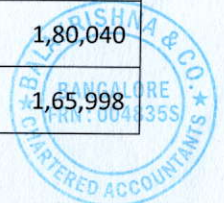
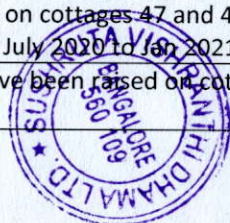
**(b) Other money for which the company is contingently liable –**

**i. Property tax:** By virtue of Notification no. UDD 139 MLR 2013 dated 18<sup>th</sup> of March 2021, the Government of Karnataka had 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 still 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. Prior period Income/(loss):** An amount of Rs. 14,042 has been accounted as prior period expenses under *Accounting standard – 5- Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies*. This is attributable to the write-off of maintenance fees that was erroneously charged to cottage no. 47 & 48 for the period July 2020 to January 2021. The below table provides the details of the amounts charged and the amount that should have been charged to cottages 47 and 48:

Sl. No	Particulars	Amount (Rs.)
a.	Rates applicable to single occupied cottage as per Board's resolution dated 6 <sup>th</sup> July 2020 for the period July 2020 to Jan 2023 per month - (including GST)	12,860
b.	Rates applicable to Double occupied cottage as per Board's resolution dated 6 <sup>th</sup> July 2020 for the period July 2020 to Jan 2023 per month - (including GST)	23,714
c.	Invoices actually raised on cottages 47 and 48, considering them to be 2 single occupied cottages for the period July 2020 to Jan 2021 -> Rs. (12,860 X 2) X 7	1,80,040
d.	Invoices that should have been raised on cottages 47 and 48 as a double-occupied cottage - > Rs. 23,714 X 7	1,65,998

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**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: 004835S


**For Sushruta Vishranthi Dhama Limited**

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

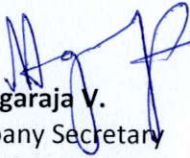


  
**Venugopal Vasu Shetty**  
Managing Director  
DIN: 09273242



  
**N. Sreeramaiah**  
Director  
DIN: 07174481

Place: Bengaluru  
Date: 28<sup>th</sup> August, 2023  
UDIN: 23204844BGUVKN8040

  
**CS Nagaraja V.**  
Company Secretary  
Place: Bengaluru  
Date: 27<sup>th</sup> August, 2023