



Date: 07-09-2022

BSE Limited  
14th Floor, P. J. Towers,  
Dalal Street, Fort,  
Mumbai-400 001

Dear Sir/ Madam,

**Scrip code: 540843 and ISIN:INE819Y01015**

**Sub: Notice of 12th Annual General Meeting ("AGM") along with Annual Report of the Company for FY ended 2021-22.**

**Ref: Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

We wish to inform that AGM of the Members of the Company is scheduled to be held on Friday, September 30, 2022 at 12:00 noon through Video Conferencing (VC) or Other Audio Visual Means(OAVM) in terms of general circulars dated April 08, 2020 and April 13, 2020 , May 05, 2020, January 13, 2021 and December 14, 2021 issued by the Ministry of Corporate Affairs read with SEBI circular dated January 15, 2021 and May 5, 2022 to transact the business, as set out in the Notice of AGM.

We enclose herewith Notice of AGM along with the Annual Report of the Company for Financial Year ended 2021-22 for your kind records. The same is also available on Company's website at [www.rithwik.co.in](http://www.rithwik.co.in).

This is for your information and records.

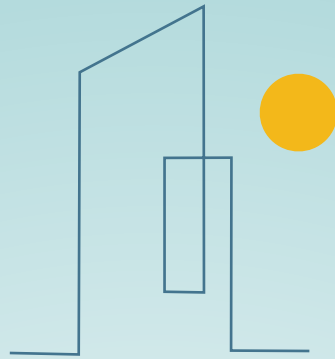
Thanking you,

Yours Truly,

For **Rithwik Facility Management Services Limited**



**S Jayapandi**  
**Company Secretary & Compliance Officer**  
**ACS No.21909**



**R I T H W I K**  
FACILITY MANAGEMENT SERVICES LTD



**12th ANNUAL REPORT**  
**2021-22**

**RITHWIK FACILITY MANAGEMENT**  
**SERVICES LIMITED**



**MESSAGE FROM THE CHAIRMAN.....**

*Dear Shareholders*

*I am pleased to present you the Annual Report of Rithwik Facility Management services Limited for FY 2021-22.*

*The last couple of years have seen unprecedented challenges in the form of the pandemic, geopolitical flare ups and overall, a very volatile macro environment with wide-ranging impact on people, economies and businesses. We, as an organization have used this period to strengthen our capabilities, build innovative thinking and agility, and enhance our focus on efficiencies, all in the interest of creating overall performance for this fiscal across all metrics and kept us firmly on track to achieve our vision.*

*I am pleased to report that we have made substantial progress during the course of this year. The Indian Facility management market accounts for 3.2% of the GDP of the Country and is at present a INR 5 Lakh Crore market, and is expected to grow at the rate of 20-25% annually. In India, FM Service Companies have tapped 25% of the addressable market with 75% of this work still being undertaken in-house, a stark contrast to 49% at the Global level. FM industry is gearing up for a holistic shift towards automated services with considerable investment of manpower and resources toward creating technology driven service platforms. Several major MNCs and domestic Companies have started investing in India and looking for FM Services that match the Global Standards.*

*As per the Statement issued by the Government of Tamilnadu in “Tamilnadu Vision 2023” the state aims in achieving the goal of attaining GDP growth at a sustained pace of 11% per Annum for the coming years. The contribution of the State to India’s GDP is phenomenal in sectors like Automobiles, Commercial Vehicles, Auto Parts, Leather Products, Textiles, Software and ITES. The state is increasingly becoming the Startups destination in Software-as-a-Service (SaaS). Thus the State is a potential anchor for many Startups and this policy of our State Government aligning with the growth strategy will definitely help our Company’s growth in the upcoming years.*

*Our employees remain our most valued asset and we are constantly striving to build an engaged and progressive workforce. During the year we launched several initiatives to foster the health and wellness and we continued to strengthen programmes around recognition as also learning and development. Making meaningful progress during such a challenging year would not have been possible without the tireless efforts of each of our employees and the support from their families. I would like to thank them all for their contributions. I am also grateful to you, our shareholders, for your continued faith, support and confidence in our Company and look forward to realizing our long term growth for Rithwik Facility Management Services Limited.*

*Yours sincerely,  
RithwikRajshekar Raman  
Managing Director  
DIN-07836658*

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### **12<sup>th</sup> ANNUAL GENERAL MEETING**

**Friday 30<sup>th</sup> September 2022 at 12.00 noon.**

**at**

**R R Tower III, Thiru-Vi-Ka Industrial Estate  
Guindy, Chennai – 600 032.**



## **RITHWIK FACILITY MANAGEMENT SERVICES LIMITED**

### **Corporate Information**

#### **BOARD OF DIRECTORS**

<b>Mr.RithwikRajshekhar Raman</b>	<b>DIN (07836658) Chairman and Managing Director</b>
<b>Mr.NiranjanVyakarnaRao</b>	<b>DIN (02918882) Whole time Director</b>
<b>Mr.PSudhakar</b>	<b>DIN (02483116) Independent Director</b>
<b>Mrs.ShamaPrasannaTipparaju</b>	<b>DIN (07922496) Independent Director</b>
<b>Mr.Jayaraman</b>	<b>DIN (08112010) Independent Director</b>

#### **COMPANY SECRETARY**

Mr.Jayapandi Subbiah

#### **CHIEF FINANCIAL OFFICER**

Mr.Tippavajjala Suresh Babu

#### **STATUTORY AUDITORS**

M/s.Kalyanasundaram& Associates  
(Regn.No.05455S)  
Chartered Accountants  
31/14,Krishnaswamy Avenue,  
Luz,Mylapore,  
Chennai –600004.

#### **SECRETARIAL AUDITOR**

KhandelwalArun& Associates  
(FRN-S2017TN553800)  
Company Secretaries  
No.906/2/F,MadhavaramRedhills High  
Road,Sarangabani Nagar,  
Madhavaram, Chennai – 600060.

#### **REGISTERED OFFICE:**

R.R Tower III,Thiru-VI-KA-Industrial Estate,  
Guindy, Chennai – 600032  
Tel.No.+91 044-4353 4441  
CIN: U74900TN2010PLC074294  
Email: info@rithwik.co.in  
Website: [www.rithwik.co.in](http://www.rithwik.co.in)

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

M/s.Bigshare Services Private Limited.,  
IFloor,Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road, Marol, Andheri East,  
Mumbai - 400 059, Maharashtra, India.

#### **INTERNAL AUDITOR: BANKER TO THE COMPANY:**

Suresh V & Associates	1.Canara Bank
Chartered Accountants	2. ICICI Bank Limited
No.42/5, Shantinikethan Colony, Anna Nagar West Extn., Chennai-600 101	3.Suryoday Small Finance Bank



## NOTICE

NOTICE is hereby given that the 12<sup>th</sup> Annual General Meeting of the Members of Rithwik Facility Management Services Limited will be held through Video Conferencing, on Friday the 30<sup>th</sup> September 2022 at 12.00 Noon through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”) to transact the following business:

The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company at R R Tower III, Thiru-Vi-Ka Industrial Estate, Guindy, Chennai - 600 032 which shall be the deemed venue of the AGM.

### **Ordinary Business (es):**

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2022 and the Reports of the Board of Directors together with Auditors thereon;
2. To appoint a Director in place of Mr. RithwikRajshekar Raman (DIN: 07836658), who retires by rotation and being eligible, offers himself for re-appointment.

### **Special Business (es):**

#### **3.Re-Appointment of Mr. RithwikRajshekar Raman as Managing Director and to fix his remuneration:**

To consider and if thought fit, to pass the following resolutions as Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Sections 196,197,198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”), Rules made thereunder, the SEBI ( Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof), the recommendations and/ or approvals of the Nomination and Remuneration Committee and the Board of Directors of the Company, the consent of the members be and is here by accorded for the reappointment of Mr. RithwikRajshekar Raman (DIN: 07836658), as Managing Director of the Company for a period of 5 (Five) years with effect from 30<sup>th</sup> October 2022 to 29<sup>th</sup> October 2027.



RESOLVED FURTHER THAT the yearly remuneration and perquisites of an amount upto Rs.24,00,000 to be paid to Mr.RithwikRajshekar Raman, Managing Director, for a period of 5 (Five) years with effect from 30<sup>th</sup> October 2022.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may consider necessary, proper or desirable or expedient to give effect to the above resolution .”

**4. Re-Appointment of Mr. V NiranjnRao as Whole Time Director and to fix his remuneration:**

To consider and if thought fit, to pass the following resolutions as Ordinary Resolution: -

“RESOLVED THAT pursuant to the provisions of Sections 196,197,198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) , Rules made thereunder, the SEBI ( Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof), on the recommendations and/ or approvals of the Nomination and Remuneration Committee and the Board of Directors of the Company, the consent of the members be and is here by accorded for the re-appointment of Mr. V NiranjnRao(DIN: 02918882) as Whole Time Director of the Company for a period of 5 (Five) years with effect from 30<sup>th</sup> September 2022 to 29<sup>th</sup> September 2027.

RESOLVED FURTHER THAT the yearly remuneration and perquisites of an amount upto Rs.60,00,000 to be paid to Mr. V NiranjnRao, Whole Time Director, for a further period of 5 ( Five) years with effect from 30<sup>th</sup> September 2022.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may consider necessary, proper or desirable or expedient to give effect to the above resolution .”





#### **5. Re-appointment of Mr.PSudhakar as an Independent Director:**

To consider and if thought fit, to pass the following resolutions as Special Resolution: -

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (the “Listing Regulations”), Mr.PSudhakar (DIN: 02483116), Independent Director of the Company, whose period of office is liable to expire on September 20,2022 and who has submitted a declaration that he meets the criteria of independence under section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and who is eligible for re appointment for a second term under the provisions of the Companies Act,2013 and rules made thereunder, on the recommendation of Nomination and Remuneration Committee and the approval of the Board, be and is hereby re-appointed as an Independent Director of the Company with effect from September 21,2022 to September 20,2027 and the term shall not be subject to retirement by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may consider necessary, proper or desirable or expedient to give effect to the above resolution .”

#### **6. Re-appointment of Mrs.TShamaPrasanna as an Independent Director:**

To consider and if thought fit, to pass the following resolutions as Special Resolution: -

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014



(including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (the "Listing Regulations"), Mrs. TShamaPrasanna (DIN: 07922496), Independent Director of the Company, whose period of office is liable to expire on September 20, 2022 and who has submitted a declaration that he meets the criteria of independence under section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and rules made thereunder, on the recommendation of Nomination and Remuneration Committee and the approval of the Board, be and is hereby re-appointed as an Independent Director of the Company with effect from September 21, 2022 to September 20, 2027 and the term shall not be subject to retirement by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may consider necessary, proper or desirable or expedient to give effect to the above resolution ."

**By order of the Board of Directors**

**Place: Chennai**  
**Date: 06.09.2022**

**Sd-**  
**S Jayapandi**  
**Company Secretary & Compliance Officer**  
**ACS No.21909**



## NOTES:

### General Instructions:

1. In compliance with the MCA Circulars and SEBI Circular dated January 15, 2021, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website [www.rithwik.co.in](http://www.rithwik.co.in), website of the Stock Exchange i.e. BSE Limited at [www.bsesme.com](http://www.bsesme.com). The detailed process for registration of email address of the shareholders whose email address is not registered with the Company or depository participants / depository is forming part of this Notice.

As per the MCA Circulars, the Shareholders may also note that the Company would not be sending the Annual Report for the financial year 2021-22 and AGM notice by post to the shareholders whose email address is not registered with the Company/depository.

2. As the AGM shall be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
3. Pursuant to Section 91 of the Companies Act, 2013, Register of shareholders and Share Transfer Books of the Company will remain closed from September 24, 2022 to September 30, 2022 (both days inclusive), for the purpose of the Annual General Meeting.
4. The members desiring to inspect the documents referred to in this Notice and other statutory registers are required to send requests on the Company's email address: [investorrelations@rithwik.co.in](mailto:investorrelations@rithwik.co.in), an extract of such documents would be made available to the members on their registered email address.
5. Shareholders who hold shares in demat form are requested to direct any change of address, updates of savings bank account details to their Depository Participant(s). Shareholders holding shares in physical form are requested to notify/send any change in their address/mandate/bank account details to the Company's Registrar and Transfer Agent
6. Institutional / Corporate Shareholders intending to participate in the Annual General Meeting through their authorised representatives are requested to send a duly certified copy of their Board Resolution / Governing Body resolution / Authorisation letter, etc. authorising their representatives to attend and vote through remote e-voting on their behalf at the said Meeting to [investorrelations@rithwik.co.in](mailto:investorrelations@rithwik.co.in) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
7. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.



**8. Voting through electronic means:**

In terms of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the Secretarial Standards issued by the Institute of Company Secretaries of India, the Company is providing facility to exercise votes on the items of business given in the notice through electronic voting system, to shareholders holding shares as on September 23, 2022 (Friday), being the cut-off date ("Record date" for the purpose of the said Rules) fixed for determining voting rights of shareholders entitled to participate in the e-voting process through the e-voting platform provided by Central Depository Services (India) Limited (CDSL).

The e-voting rights of the shareholders/beneficiary owners shall be reckoned on the equity shares held by them as on September 23, 2022 (Friday), being the Record Date.

- 9.** In addition to the remote e-voting facility provided by the Company, the members who have not cast their vote on resolutions through remote e-voting would be given a facility to cast their vote through e-voting during the AGM. The instruction for the same is forming part of this Notice.

The investors are requested to attend the meeting and cast their vote through remote e-voting / e-voting.

- 10.** In terms of Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended) (the "IEPF Rules"), the Company has not declared any dividend from the financial year 2014-15, the necessity of transferring the unpaid or unclaimed dividend to the Investor Education and Protection Fund (the IEPF) does not arise.

- 11** The Company has appointed Mr. Arun Kumar Khandelwal, Practicing Company Secretary (FCS 9350), Chennai as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

- 12.** The results of e-voting on resolutions based on scrutinizers consolidated report will be declared on or after the AGM of the Company (within 48 hours from the conclusion of the AGM) and the resolutions will be deemed to be passed on the AGM date, subject to the receipt of the requisite numbers of votes in favour of the resolutions. The results declared along with the report of the scrutinizer shall be placed on the Company's website [www.rithwik.co.in](http://www.rithwik.co.in) and on the website of Central Depository Services (India) Limited (CDSL) immediately after the result is declared by the Chairman and simultaneously communicated to the Stock Exchange(s).

- 13.** Members are requested to contact the Company's Registrar & Share Transfer Agent (RTA), i.e. M/s. Bigshare Services Private Limited for reply to their queries/ redressal of complaints, if any, or contact Mr. S. Jayapandi, Company Secretary of the Company (Phone: 91-44-43534441; Email: [cs@rithwik.co.in](mailto:cs@rithwik.co.in))



14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants (DPs) with whom they are maintaining their demat accounts.
15. Non-Resident Indian Members are requested to inform RTA, immediately on:
  - (a) Change in their residential status on return to India for permanent settlement;
  - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with PIN Code number, if not furnished earlier.

#### **CDSL e-Voting System – Fore-voting and Joining Virtual meetings.**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.



4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.rithwik.co.in](http://www.rithwik.co.in). The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited [www.bsesme.com](http://www.bsesme.com) The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In compliance with the MCA circular No. 21/2021 dated 14<sup>th</sup> December 2021 and continuation of the Ministry's General Circular No. 20/2020, dated 05<sup>th</sup> May, 2020, it has been decided to allow companies whose AGMs were due to be held in the year 2022, or become due in the year 2022, to conduct their AGMs on or before 31.12.2022, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 dated 5.5.2020.

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

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

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

- (i) The voting period begins on Tuesday, September 27, 2022 at 9.00 a.m IST and ends on Thursday, September 29, 2022 at 5.00 p.m IST. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 23, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.



- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.

with CDSL Depository	<p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL Depository	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>



	<p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a



	request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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

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

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

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



- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the **EVSN for Rithwik Facility Management Services Limited** on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.



- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [investorrelations@rithwik.co.in](mailto:investorrelations@rithwik.co.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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

6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [investorrelations@rithwik.co.in](mailto:investorrelations@rithwik.co.in). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [investorrelations@rithwik.co.in](mailto:investorrelations@rithwik.co.in). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

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



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

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

**By order of the Board of Directors**

**Place: Chennai**

**Date: 06.09.2022**

**Sd-**

**S Jayapandi**

**Company Secretary & Compliance Officer**

**ACS No.21909**



## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013.**

### **Item No.3:Re-appointment of Mr. RithwikRajshekar Raman as Managing Director and to fix his remuneration.**

Mr. RithwikRajshekar Raman was appointed as Managing Director of the Company for a period of Five years with effect from 30thOctober, 2017 to 29thOctober 2022which was approved by the shareholders in its meeting held on 30thOctober, 2017. The term of Mr. RithwikRajshekar Raman as Managing Director will end on 29thOctober 2022. It is proposed to re-appoint him for another term of five years w.e.f30thOctober, 2022. It is further informed that the Company has received a declaration from RithwikRajshekar Raman, that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has also received his consent to continue to act as a Director. Mr. RithwikRajshekar Raman is Promoter and Managing Director of the Company having experience of more than 5 years in Facility management Industry and has been associated with Board since 2017. He is a post graduate from university of Melbourne(master of entrepreneurship).

The Board of Directors of the Company (the "Board") at its meeting held on 6th September 2022 have considered and recommended for the re-appointment of Mr.RithwikRajshekar Raman considering recommendations of Nomination and Remuneration Committee.

The Board recommends the ordinary resolution as set out at item no. 3 of the notice for approval by the Members.

None of Directors or Key Managerial Personnel except Mr. RithwikRajshekar Raman himself is interested in this resolution.

### **Item No.4:Re-Appointment of Mr. V Niranjan Rao as Whole Time Director and to fix his remuneration**

Mr. V NiranjanRaowas appointed as Whole Time Director of the Company which was approved by the shareholders in its meeting held on 30thOctober, 2017. It is proposed to appoint him for a term of five years w.e.f30th September 2022. It is further informed that the Company has received a declaration from V NiranjanRao, that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has also received his consent to continue to act as a Director.Mr. V NiranjanRao is a Promoter and Whole Time Director of the Company having experience of more than a decade in Facility management Industry and has been associated with Board since 2010.



The Board of Directors of the Company (the “Board”) at its meeting held on 6th September 2022 have considered and recommended for the appointment of Mr. VNiranjanRao considering recommendations of Nomination and Remuneration Committee.

The Board recommends the ordinary resolution as set out at item no. 4 of the notice for approval by the Members.

None of Directors or Key Managerial Personnel except Mr. V NiranjanRaohimself is interested in this resolution.

#### **ITEM No 5: Re-appointment of Mr. PSudhakar as an Independent Director**

The Board of Directors at its meeting held on 15.09.2017 had appointed Mr. P Sudhakar as an additional Director of the Company to hold office till the next Annual general Meeting. Further the members at the Annual general Meeting held on 21.09.2017 appointed Mr. PSudhakar as an Independent Director to hold office for a term of Five years. Accordingly the tenure of Mr. PSudhakar as an Independent Director is due to expire on 20.09.2022.

In terms of Provisions of Section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee of the Company shall recommend to the Board of Directors, the appointment / re-appointment of a Director.

In terms of Provisions of Section 149 (10) of the Companies Act, 2013, an Independent Director shall hold office for a term of 5 Consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing special resolution by the shareholders of the Company and disclosure of such appointment in the Board’s report.

Based on the nomination received from Nomination and Remuneration Committee of the Company, constituted by the Board, in accordance with applicable law and Independent Directors to be so appointed shall be persons of high standing, good repute and widely acknowledged as experts in their respective field, which the Board deems beneficial to the Company.

The Company has received the consent from Mr. PSudhakar to act as Director in the prescribed Form DIR -2 under section 152(5) of the Act and Rule 8 of the Companies ( Appointment and Qualification of Directors) Rules, 2014 along with the declaration of Independence as per section 149 (6) of the Act.

After taking into account the performance evaluation, during his first term of 5 years and considering the knowledge, acumen, expertise and experience in respective fields and substantial contribution made by Mr PSudhakar during





his tenure as Independent Director since his appointment, the Nomination and remuneration Committee at its meeting held on 6<sup>th</sup> September 2022 has considered, approved and recommended the re-appointment of Mr PSudhakar as an Independent Director for the second term of 5 Years with effect from 21.09.2022 to 20.09.2027, to the Board of Directors for their approval.

The Board of Directors at its meeting held on 6<sup>th</sup>September 2022 has approved the proposal of re-appointment of Mr. PSudhakar as an Independent Director for a second term of 5 years with effect from 21.09.2022.

In line with the aforesaid provisions of Companies Act, 2013 and in view of long, rich experience, continued valuable guidance to the management and strong Board performance of MrPSudhakar, the shareholders are requested to approve the re-appointment of MrPSudhakar as an Independent Director for a second term of 5 years with effect from 21.09.2022.

The Board recommends the Resolution for approval of the Members as a special Resolution set out in the Item No 5 of the notice.

Except MrPSudhakar being the appointee, no other Director or Key Managerial Personnel of the Company or their respective relatives is/are concerned or interested, financially or otherwise, in the said resolution.

#### **ITEM No 6:Re-appointment of Mrs.T Shama Prasanna as an Independent Director**

The Board of Directors at its meeting held on30.08.2017 had appointed Mrs.T ShamaPrasanna as an additional Director of the Company to hold office till the next Annual general Meeting. Further the members at the Annual general Meeting held on 21.09.2017 appointed Mrs.TShamaPrasanna as an Independent Director to hold office for a term of Five years. Accordingly the tenure of Mrs. T Shama Prasanna as an Independent Director is due to expire on 20.09.2022.

In terms of Provisions of Section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee of the Company shall recommend to the Board of Directors, the appointment / re-appointment of a Director.

In terms of Provisions of Section 149 (10) of the Companies Act, 2013, an Independent Director shall hold office for a term of 5 Consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing special resolution by the shareholders of the Company and disclosure of such appointment in the Board's report.

Based on the nomination received fromNomination and Remuneration Committee of the Company, constituted by the Board, in accordance with applicable law and Independent Directors to be so appointed shall be persons



of high standing, good repute and widely acknowledged as experts in their respective field, which the Board deems beneficial to the Company.

The Company has received the consent from Mrs.TShamaPrasanna to act as Director in the prescribed Form DIR -2 under section 152(5) of the Act and Rule 8 of the Companies ( Appointment and Qualification of Directors) Rules, 2014 alongwith the declaration of Independence as per section 149 (6) of the Act.

After taking into account the performance evaluation, during her first term of 5 years and considering the knowledge, acumen, expertise and experience in respective fields and substantial contribution made by Mrs.TShamaPrasanna during her tenure as Independent Director since her appointment, the Nomination and remuneration Committee at its meeting held on 6<sup>th</sup> September 2022 has considered, approved and recommended the re-appointment of Mrs.TShamaPrasanna as an Independent Director for the second term of 5 Years with effect from 21.09.2022 to 20.09.2027, to the Board of Directors for their approval.

The Board of Director at its meeting held on 6<sup>th</sup>Septemebr 2022 has approved the proposal of re-appointment of Mrs.TShamaPrasanna as an Independent Director for a second term of 5 years with effect from 21.09.2022.

In line with the aforesaid provisions of Companies Act, 2013 and in view of long, rich experience, continued valuable guidance to the management and strong Board performance of Mrs.TShamaPrasanna, the shareholders are requested to approve the re-appointment of Mrs.TShamaPrasanna as an Independent Director for a second term of 5 years with effect from 21.09.2022.

The Board recommends the Resolution for approval of the Members as a special Resolution set out in the Item No 6 of the notice.

Except Mrs.TShamaPrasanna being the appointee, no other Director or Key Managerial Personnel of the Company or their respective relatives is/are concerned or interested , financially or otherwise, in the said resolution.



**In accordance with Secretarial standard (SS-2), other details of Directors seeking appointment/reappointment are as under:**

**BRIEF PROFILE OF THE DIRECTORS**

<b>Name of the Director</b>	<b>Mr.RithwikRajsh ekar Raman</b>	<b>Mr.VNiranjan Rao</b>	<b>Mr.PSudhakar</b>	<b>Mrs.TShamaP rasanna</b>
<b>Date and term of re-appointment</b>	With effect from October 30,2022 for the period of five years,subject to the approval of the members of the Company at the ensuing Annual General Meeting	With effect from 30 <sup>th</sup> September 2022 for the period of five years,subject to the approval of the members of the Company at the ensuing Annual General Meeting	With effect from 21 <sup>st</sup> September for the period of five years,subject to the approval of the members of the Company at the ensuing Annual General Meeting	With effect from 21 <sup>st</sup> September for the period of five years,subject to the approval of the members of the Company at the ensuing Annual General Meeting
<b>Designation</b>	Managing Director	Wholetime Director	Independent Director	Independent Director
<b>Date of Original Appointment</b>	01/06/2017	15/09/2010	21/09/2017	30/08/2017
<b>Reason for change</b>	The existing term of 5years will expire on October 29, 2022 and hence the Board of Directors has extended his term for another 5 years from October 30, 2022 to October 29, 2027.	The Board of Directors has approved a term of 5 years from 30 <sup>th</sup> September 2022to 29 <sup>th</sup> September 2027	The existing term of 5 years will expire on September 20, 2022 and hence the Board of Directors has extended his term for another 5 years from September 21, 2022 to September 20, 2027	The existing term of 5 years will expire on September 20, 2022 and hence the Board of Directors has extended her term for another 5 years from September 21, 2022 to September 20, 2027

Qualification and Brief Profile	Mr.RithwikRajshakar Raman is a post graduate and has more than 5 years experience in Facility Management services	Mr.VNiranjanRao has wide expertise in marketing and experience of more than a decade in Facility management Industry. His insight and understanding of facility management will be helpful for the Company.	Mr.PSudhakar has an experience of a decade in the IT infrastructure companies. His insight and understanding of IT infrastructure will be helpful for the Company.	Mrs.TShamaPrasanna has Masters of Arts, in Ancient Indian Culture, and has wide expertise in the field of woman empowerment . She is involved with various women NGOs which help women to earn their livelihoods.
Directorship held in other companies	1.Rithwik Indus power Pvt Ltd.	None	1. RR Industries Ltd. 2.Reddy Computer Marketing Solutions Pvt Ltd.	None
No of Equity shares held in the Company	11,02,500 equity shares of Rs.10 each.	13,500 equity shares of Rs.10 each	NIL	NIL
Information as required pursuant to BSE Circular with ref.no.LIST/CO MP/14/2018-19	Mr.RithwikRajshakar Raman is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.	Mr.VNiranjanRao is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.	Mr.PSudhakar is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.	Mrs.TShamaPrasanna is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.
Relationship between Directors/KMP interse	None	None	None	None



## BOARD'S REPORT

**Dear Members,**

The Board of Directors is delighted to present the 12<sup>th</sup> Annual Report on the business and operations of RITHWIK FACILITY MANAGEMENT SERVICES LIMITED ("the Company") along with the summary of financial statements for the year ended March 31, 2022.

### FINANCIAL HIGHLIGHTS

Particulars	31st March,2022 (Rs. in Crores)	31st March,2021 (Rs. In Crores)
Revenue from Operation	22.69	21.59
Profit/(Loss) before Finance Cost, Depreciation, Exceptional items and Taxes	1.68	1.48
Less: Finance Cost	0.20	0.08
Less: Depreciation	0.31	0.26
Profit/(Loss) before exceptional and extraordinary items	1.17	1.12
Less: Exceptional items	-	-
Profit / (Loss) before tax	1.17	1.12
Less: Tax Expenses	0.29	0.26
Profit / (Loss) After tax	0.88	0.86

### OPERATIONS AND BUSINESS PERFORMANCE

Total Revenue from operations for the year at INR 22.69 Crores grew by 4.85% as compared to the last year. While the Indian Facility management business is expected to grow at 12.97% CAGR the Company has grown at 4.85% due to Covid pandemic. Profit before exceptional items and taxes stood at INR 1.17 Crores. Operating margins remained healthy and improved for the year at Q3 of FY 2021-22 as the economy was opened up and new space maintenance was improved. Profit after tax during the year under review stood at INR 88.75 Lakhs. Operating margins stood at 7.04% as against 6.55% in the FY 2020-21. This year profits are from the core activities of the business. Though the pandemic has hindered the growth the Company has managed to maintain the revenue from operations.



## FACILITIES UNDER O&M

Particulars	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2021
Total Area of Maintenance in Sq.ft.	758972	469000
Total No. of clients under maintenance	66	62

## ROAD AHEAD

The India Facility Management Market is anticipated to record a CAGR of 24% over the forecast period (2022 - 2027). India's broad range of fiscal, monetary and health responses to the pandemic crisis supported its recovery and, along with economic reforms, are helping to mitigate a longer-lasting adverse impact of the crisis.

The outlook of FM services in India is shaping up to be highly optimistic mainly due to the growing maturity of end users and the need for improved safety, comfort and professional maintenance of assets. Presence of Global and Indian MNCs across various end-user sectors is mainly driving the market for FM services in India as they are the potential customers due to their increased awareness levels, exposure to facilities and willingness to invest. The IT sectors are more concerned about personalized and specialized services utilizing both hard and soft services due to the recent boom and increase in investments in the Indian IT/ITeS/BPO and finance/banking sectors. Increase in investments from emerging sectors such as health-care, retail and infrastructure sector are expected to further push this market to a higher growth curve in the life cycle.

Expansion of business activities in tier 2 and tier 3 cities by the end-user segments are considered to be an increasing regional growth trends for FM services market in India. Your company has already started expansion in Tier 2 cities and is considering expansion in Tier 3 cities as well. Simultaneously, the FM market in India is moving towards involving an organized approach in order to achieve higher market penetration and maturity. In this regard, your company has started using technology and introducing systems for better efficiency and performance. Many established FM companies have started acquiring smaller unorganized firms to penetrate the market to capture a considerable market share. Though this may seem to create more competition, it will actually create an environment wherein movement will shift from the unorganized sector to the organized sector which in turn will generate business for your company. Companies are constantly looking for growth options and modifying their business models to suit market trends. The same thought process has been adopted by your company by diversifying into the turnkey commercial interior segment.

## COVID 19 IMPACTS

Overall performance of the Company was impacted marginally by the ongoing COVID-19. In the early part of the year, the 3<sup>rd</sup> wave caused some disruptions for Facility management business as most of the IT/ITES Companies asked their employees to work from home and the company has also witnessed a drag in maintenance of space which led to the fall in revenue, but it was able to recover in the later part of the year.



## **DIVIDEND**

Although your Company has made profit after Tax of Rs. 0.88 Crores, your Directors decided to retain the profits for further expansion and have not recommended any dividend for the year ended 31<sup>st</sup> March, 2022.

## **TRANSFER TO RESERVE**

The Board does not propose to transfer any amount to general reserve and has decided to retain the entire amount of profit for FY 2021-22 in the profit and loss account.

## **FINANCE**

We are happy to inform that the comfortable financial position continued during the year and your company has repaid the borrowing on timely manner.

## **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

As defined under the Act, the Company has no Subsidiaries, Joint ventures and Associate Companies as at March 31, 2022.

## **FIXED DEPOSITS**

Your Company has not accepted any deposits from the public or its employees and, as such no amount on account of principal or interests on deposits were outstanding as on the Balance Sheet date.

## **BOARD OF DIRECTORS**

The board comprises of 5 Directors; out of which 2 are Executive Director and 3 are Non-Executive Independent Directors of whom one is woman Non-executive Independent Director. All the Directors bring a wide range of skills and experience to the board. The Independent Directors have confirmed that they satisfy the criteria prescribed for an Independent Director as stipulated under the provisions of Section 149(6) of the Companies Act, 2013. All directors are appointed by the members of the Company.

The following directors, on the recommendation of the Nomination and Remuneration committee and subject to the approval of the members of the company, are re-appointed in the Board meeting held on 6<sup>th</sup> September 2022.

- 1.Mr.RithwikRajshekar Raman as Managing Director
- 2.Mr. V NiranjanRao as Whole Time Director.
3. Mr.PSudhakar as an Independent Director,and
4. Mrs.TShamaPrasanna as an Independent Director.



The composition of the Board is in conformity with Listing Regulations.

S.No	Names of Director	DIN/PAN	Designation	Date of Appointment
1.	RithwikRajshekar Raman	07836658	Managing Director	01.06.2017
2.	VyakarnaNiranjanRao	02918882	Wholetime Director	15.09.2010
3.	P Sudhakar	02483116	Independent Director	21.09.2017
4.	ShamaPrasannaTipparaju	07922496	Woman Independent Director	30.08.2017
5.	Jayaraman G	08112010	Independent Director	07.05.2018

#### **Policy on Directors' Appointment and Remuneration**

The current policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As on 31st March, 2022, the Board consists of 5 Members, 1 of whom is a Managing Director, 1 of whom is a Whole-time Director and the 3 are Independent Directors including 1 woman non-executive Independent Director. The Board periodically evaluates the need for change in its composition and size. The Policy of the Company on Director's Appointment and Remuneration, including criteria for determining qualifications, positive attributes, independence of director and other matters provided under Section 178(3) of the Companies Act, 2013, adopted by the Board, is appended as **ANNEXURE-II** to this report. We affirm that the Remuneration paid to the director is as per the terms laid out in the said policy.

#### **Declaration on Independent Directors**

All the Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Rules made there under and are independent of the management.

#### **KEY MANAGERIAL PERSONNEL AND THEIR REMUNERATION (KMP)**

In pursuance to the provisions of the Act and Listing Regulations the Company has Key Managerial Personnel. The Company pays remuneration by way of Salary, Perquisites etc., to its Managing Director, Whole-time Director in line with recommendation from the Nomination and Remuneration Committee as approved by the Board and the Members of the Company as per the Nomination and Remuneration Policy.



## ANNUAL PERFORMANCE EVALUATION

In line with criteria laid by the Nomination and Remuneration Committee, the performance of all Directors, Committees and Chairman etc., have been evaluated pursuant to the provisions of the Act and the Listing Regulations.

### COMMITTEES

As required by the provisions of the Act and Listing Regulations, the company has the following Committees as follows.

1. **Audit Committee**
2. **Nomination and Remuneration Committee**
3. **Stakeholders Relationship Committee**

(i) The details of the composition of various Committees as on the date of this Report is mentioned below:

Name of the Committee	Name of the Member	Position Held
<b>Audit Committee</b>	Mr.Jayaraman	Chairman-Independent Director
	Mrs.ShamaPrasannaTiparaju	Member-Independent Director
	Mr. P. Sudhakar	Member-Independent Director

Name of the Committee	Name of the Member	Position Held
<b>Nomination &amp; Remuneration Committee</b>	Mr.Jayaraman	Chairman-Independent Director
	Mrs.ShamaPrasannaTiparaju	Member-Independent Director
	Mr. P. Sudhakar	Member-Independent Director

Name of the Committee	Name of the Member	Position Held
<b>Stakeholders Relationship Committee</b>	Mrs.ShamaPrasannaTiparaju	Chairman-Independent Director
	Mr.VyakarnaNiranjanRao	Member-Whole Time Director
	Mr. P. Sudhakar	Member-Independent Director



## **POLICIES**

In pursuance to the Act and the Listing Regulations, the following policies have been framed and disclosed on the Company's Website [www.rithwik.co.in](http://www.rithwik.co.in)

- 1, Nomination and Remuneration Policy
2. Vigil Mechanism
3. Material Subsidiaries
4. Policy on Materiality disclosure
5. POSH
6. Related party Disclosure
7. Prevention of Insider Trading
8. Code Of Conduct
9. Performance Evaluation of Board
10. Archival Policy

## **RISK MANAGEMENT**

The Company has developed and implemented a risk management policy including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company. The Board and the Audit Committee periodically undertake a review of the major risks affecting the Company's business and suggests steps to be taken to control and mitigate the same.

## **VIGIL MECHANISM**

The Company has established a vigil mechanism to provide adequate safeguards against victimization and to provide direct access to the Chairman of the Audit Committee in appropriate cases. This mechanism is available on the website of the Company.

## **CORPORATE SOCIAL RESPONSIBILITY**

As per the provision of Section 135 of the Companies Act, 2013, all companies having a net worth of Rs.500 crore or more, or a turnover of Rs.1,000 crore or more or a net profit of Rs.5 crore or more during the immediately preceding financial year are required to constitute a CSR committee.

Your Company does not fall in the criteria to constitute a CSR Committee as per the provisions of Section 135 of the Companies Act, 2013 and accordingly the CSR provisions are not applicable to the Company. Though your Company doesn't fall



to constitute a CSR Committee, donation amounting to total of Rs.1,27,700/- (Rupees One Lakh Twenty Seven Thousand and Seven Hundred) have been donated for various charitable institutions.

### BOARD MEETINGS & COMMITTEE MEETINGS

During the FY 2021-2022, Six (6) meetings of the Board of Directors of the Company were held which is listed in the table.

The Board meetings were held on 29.06.2021, 27.08.2021, 30.10.2021, 12.11.2021, 07.12.2021 and 21.03.2022.

Name	Category	Number of Directorship in other public Ltd Companies	No. of Board Meetings attended during period ended 31/03/2022	No. of Committee Membership in other Public Limited Companies	Attendance Last AGM on 24.09.2021	No. of Shares held
Mr.RithwikRajshekar Raman	Executive Non-Independent Chairman Promoter cum Managing Director	Nil	6	Nil	Yes	11,02,500
MrVyakarnaNiranjanRao	Executive Non-Independent Whole-Time Director	Nil	6	Nil	Yes	13,500
Mr.PSudhakar	Non-Executive Independent Director	Nil	6	Nil	Yes	Nil
Mrs.ShamaPrasannaTipparaju	Non-Executive Independent Director	Nil	5	Nil	Yes.	Nil
Mr.Jayaraman G	Non-Executive Independent Director	1	5	1	Yes	Nil

In accordance with Regulation 26 (1) (b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 Membership/Chairpersonship of only the Audit Committees and Stakeholders' Relationship Committee in all Public Limited Companies has been considered.



- In accordance with the provisions of Section 152 of the Companies Act 2013, Mr. RithwikRajshekhar Raman, being longest in office, retires and is eligible for re-appointment and the board recommends his appointment as Director of your Company.
- No directors are inter-se related to each other.

**Meetings of Audit Committee and Attendance during the Year:**

During the financial year under review, Audit Committee Meetings were held on 29.06.2021, 27.08.2021, 12.11.2021, and 21.03.2022. The attendance of the members at the Audit Committee meetings were as follows:

Name of the Member	Attendance particulars	
	Meeting Held during their tenure	Meeting Attended during their tenure
Mr.Jayaraman (Chairman)	4	4
Mr. P Sudhakar (Member)	4	4
Mrs.ShamaPrasanaTiparaju (Member)	4	4

**Meetings of Nomination and Remuneration Committee and Attendance during the Year:**

During the financial year under review, Nomination and Remuneration Committee Meetings were held on 21.03.2022. The attendance of the members at the Nomination and Remuneration Committee meeting was as follows:

Name of the Member	Attendance particulars	
	Meeting Held during their tenure	Meeting Attended during their tenure
Mr.Jayaraman	1	1
Mrs.ShamaPrasannaTiparaju	1	1
Mr.P. Sudhakar	1	1



**Meetings of stakeholder relationship committee and attendance during the year:**

During the financial year under review, Stakeholder Relationship Committee Meetings were held on 29.06.2021, and 19.07.2021 and the attendance of the members at the Stakeholder Relationship Committee meeting was as follows:

Name of the Member	Attendance particulars	
	Meeting Held during their tenure	Meeting Attended during their tenure
Mrs.ShamaPrasannaTiparaju	2	2
Mr. VyakarnaNiranjanRao	2	2
Mr.P. Sudhakar	2	2

**Separate Meetings of Independent Directors:**

During the year, a separate meeting of independent directors was held on 21.03.2022 in which all independent directors were present.

**General Body Meetings held in last three years:**

Year	Date	Time	Venue
2018-19	27-9-2019	11.00 a.m	RR Tower III,TVK IndustrialEstate,Guindy,Chennai-600032.
2019-20	25-9-2020	12.00 Noon	-do-
2020-21	24-9-2021	12.00 Noon	-do-

**Special Resolution passed in previous three AGMs:**

AGM Date	Special Resolutions passed
27-9-2019	Change in Object Clause of the Company and the resolution was passed unanimously as a Special Resolution.
25-9-2020	NIL
24-9-2021	NIL

Whether Special Resolution were put through postal ballot last year: **No**

Any special resolution proposed to be conducted through postal ballot this year: **No**



## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

During the year under review, there were no transactions covered under the Provisions of Section 186 of the Companies Act, 2013.

## **RELATED PARTY TRANSACTIONS**

Your Company has not entered into any contracts / arrangements / transactions with related parties which could be considered material in accordance with the policy of the Company i.e. Policy on Materiality of and Dealing with Related Party Transactions ("RPT Policy"). Accordingly, AOC-2 is not applicable to the Company. Further, transactions entered by the Company with related parties in the normal course of business were placed before the Audit Committee of the Board.

There were no materially significant related party transactions with the Promoters, Directors and Key Managerial Personnel, which may have a potential conflict with the interest of the Company at large.

Your Directors draw attention of the Members to Note No. 24 to the Standalone Financial Statements which sets out related party disclosure.

## **EMPLOYEES WELFARE**

Employees are the pillar of strength of the company. Their health and well-being is vital for our business, because we believe our employees are our greatest asset. In recognizing that a healthy, happy and committed workforce is vital to our organization, Your Company has provided health Insurance Coverage for INR 3 Lakhs to each of the employees under Group Insurance plan. Frequent Sports activities are conducted for the employees to bring out their talent in sports and part of team building process.

## **PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

Your Company gives utmost importance towards maintain and upholding the dignity of each and every woman working in the Company. The Company has a policy on prevention of sexual Harassment at workplace which provides for adequate safeguards and protection for women employees working in the organization.

No Complaints were received in this regard during the year 2021- 22 and No pending complaints as at 31<sup>st</sup> March 2022.

## **ENERGY CONSERVATION, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

- (i) Energy Conservation: Conservation of energy continues to receive increased emphasis and steps are being taken to reduce the consumption of energy at all levels. The Company has taken steps to conserve energy in its office use, consequent to which energy consumption had been minimized. No additional Proposals / Investments were made to conserve energy. Since the Company has not carried on



industrial activities, disclosures regarding impact of measures on cost of production of goods, total energy consumption, etc, are not applicable.

- (ii) Research and Development & Technology Absorption: The Company has not adopted any technology for its business and hence no reporting is required to be furnished under this heading. The Company will adopt necessary technology as and when required in the furtherance of the business.
- (iii) Foreign Exchange Earnings and Outgo: The Company has not earned any foreign exchange during the year under review. However your Company has spent Rs.9,81,525 during the year towards educational expenses of Managing Director.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors confirm that:-

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION AND ANALYSIS:**

Corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders' expectations. At Rithwik Facility Management Services Limited, it is imperative that our company affairs are managed in a fair and transparent manner. This is vital to gain and retain the trust of our stakeholders. The



Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI.

***As per the Regulation 15(2)(a) of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015; The compliance with the Corporate Governance provisions as specified in regulations 17,17A, 18, 19, 20, 21,22, 23, 24,24A,25, 26, 27 and clauses (b) to (i) and (t)of sub-regulation (2) of regulation 46 and para C , D and E of Schedule V shall not apply, in respect of a) the Listed entity having paid up Equity share capital not exceeding Rs. 10 Crore and Net-worth not exceeding of 25 Crore, as on the last day of the Previous financial year: b)the Listed entity which has listed its specified securities on the SME Exchange.***

*Since your Company is listed in BSE SME platform, the compliance with regard to provisions of Corporate Governance in accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to your Company.*

In terms of provisions of Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, (hereinafter referred to as Listing Regulations) the Management Discussion and Analysis Report is appended as **Annexure-I** to this report.

#### **INTERNAL FINANCIAL CONTROLS & THEIR ADEQUACY**

The Company has a well-placed, proper and adequate internal control system, which ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported correctly. The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate.

During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls. The Board of Directors has appointed M/s. V Suresh & Associates, Chartered Accountants as the Internal Auditor of the Company. The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms.

#### **PARTICULARS OF EMPLOYEES:**

Your Company has no employee, who is in receipt of remuneration of Rs.8,50,000/- per month or Rs.1,02,00,000/- per annum and hence the Company is not required to give information under Sub Rule 2 and 3 of the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014.

Further, the Nomination and Remuneration policy forms part of Board's Report has been placed on the website of the Company at [www.rithwik.co.in](http://www.rithwik.co.in).

Disclosure under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended below.





**STATEMENT OF INFORMATION TO BE FURNISHED PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 (“ACT”) READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- (i) Ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company for the Financial Year 2021-22 and the percentage increase in remuneration of each Executive Director during the Financial Year 2021-22:

Name of Director / KMP and Designation	Ratio of remuneration of each Director/ to median remuneration of employees	Percentage increase in Remuneration in the FY 2021-22
RithwikRajshekar Raman, Managing Director	4.13	NIL
V NiranjanRao, Whole time Director	14.47	NIL

- (ii) The percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and Company Secretary during the Financial Year 2021-22:

Sr.No	Name and Designation	% increase in Remuneration
1	Tippavajjala Suresh Babu, CFO	NIL
2.	SubbiahJayapandi, Company Secretary	NIL

- (iii) The number of permanent employees on the roll of the Company as on March 31, 2022 were 100 and the median remuneration was Rs.24180/-
- (iv) Median remuneration of employees has increased by 14.16% for the financial year 2021-22.
- (v) The remuneration of Directors, Key Managerial Personnel's and other employees is in accordance with the Remuneration Policy of the Company.



**STATEMENT CONTAINING THE PARTICULARS OF EMPLOYEES UNDER SECTION 197(12) OF THE ACT, READ WITH RULE 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AS ON MARCH 31, 2021.**

**A. Top Ten Employees in terms of remuneration drawn**

Sr No	Name	Age (in years)	Designation	Remuneration (in Rs)	Qualification	Date of Commencement of Employment	Experience(in years)	Last Employment held
1	V NiranjanRao	55	Whole Time Director	4225000	Under Graduate	15-09-2010	36	Hanudev Constructions Pvt Ltd
2	T Suresh Babu	49	Chief Financial Officer	2210000	B.Com	03-10-2017	26	RR Industries Ltd
3	S Jayapandi	42	Company Secretary	1335200	CS	03-10-2017	14	RishabhInfoparkPvt Ltd
4	RithwikRajshekar Raman	27	Managing Director	1250000	B.B.A	03-10-2017	4.5	Nil
5	M Radhakrishnan	39	Electrical Manger	1024875	B.E	01-06-2012	18	RR Industries Ltd
6	G Sridharan	44	HVAC-Manager	1024875	DRAC,	01-06-2012	25	RR Industries Ltd
7	T Ramanan	39	Facility Manager	1024875	B.TECH	01-07-2013	18	RR InfoparkPvt Ltd
8	SaradaPriyadarshiniGiri	38	Accounts Manager	610200	B.Com	01-02-2016	8	GM Kapadia& Co
9	M Prathap	35	Sr.Accountant	567000	B.Com(CS)	10-02-2009	13	Business
10	P Ganapathi	46	Secretarial Executive	540000	M.B.A	03-10-2017	21	IndusInd Bank Ltd

B. Employed throughout the year and were in receipt of remuneration of not less than Rs.1,02,00,000 (Rupees One Crore Two Lakh only) per annum. - NIL

C. Employed for part of the year and were in receipt of remuneration of not less than Rs.8,50,000 (Rupees Eight Lakh Fifty Thousand only) per month.-NIL

**Notes:**

1. Remuneration includes basic salary, allowances, leave travel allowances, company's contribution to provident fund and superannuation fund, leave encashment, reimbursements, monetary value of perquisites, wherever applicable, target variable pay etc.
2. None of the employees except MrRithwikRajshekar Raman, Managing Director of the Company, hold by himself or along with his/her spouse and dependent children, 2% or more of equity shares of the Company.
3. All appointments are/were contractual in accordance with terms & conditions as per company rules.
4. None of the employee is a relative of any Director of the Company.



## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT OR TRIBUNAL**

There are no significant and material orders passed by the Regulators or Court or Tribunal which would impact the going concern status of the company and its operations in the future. But the Company has preferred an appeal in CIT (A) against the demand of Rs.11,08,050 and Rs.4,81,589 raised by the Assessing officer in the AY 2017-18 and 2018-19 respectively for which the hearing is still pending.

The Company has filed e-proceedings response in NFAC (National Faceless Appeal Centre) for the demand raised for Rs. 11,08,050 on 27.12.2021 and for the demand raised for Rs. 4,31,590 on 15.12.2021.

## **SHARE CAPITAL**

As of March 31, 2022, the authorized share capital of the Company was INR 4 Crores comprising of 40,00,000 equity shares of Rs.10 each, and the paid-up equity share capital as at March 31, 2022 was Rs 3.06 Crores comprising of 30,60,000 equity shares of Rs 10 each.

## **BOOK CLOSURE AND RECORD DATE**

The Register of Members and Share transfer Books of the Company will remain closed from Saturday, September 24, 2022 to Friday, September 30, 2022 (both days inclusive) and the e-voting rights of the shareholders/beneficiary owners shall be reckoned on the equity shares held by them as on September 23, 2022 (Friday), being the Record Date.

## **AUDITORS & THEIR REPORT**

M/s. Kalyanasundaram & Associates, Chartered Accountants, Chennai, was appointed as Statutory Auditors of the Company in the previous AGM held on 24<sup>th</sup> September, 2021 for a term of 5 years and will conclude at the 16th Annual General meeting of the Company.

There are no qualifications, reservations or adverse remarks made by M/s. Kalyanasundaram & Associates., Chartered Accountants, the Statutory Auditors of the Company, in their report. The observations made by the Statutory Auditors in their report for the financial period ended 31st March, 2022 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

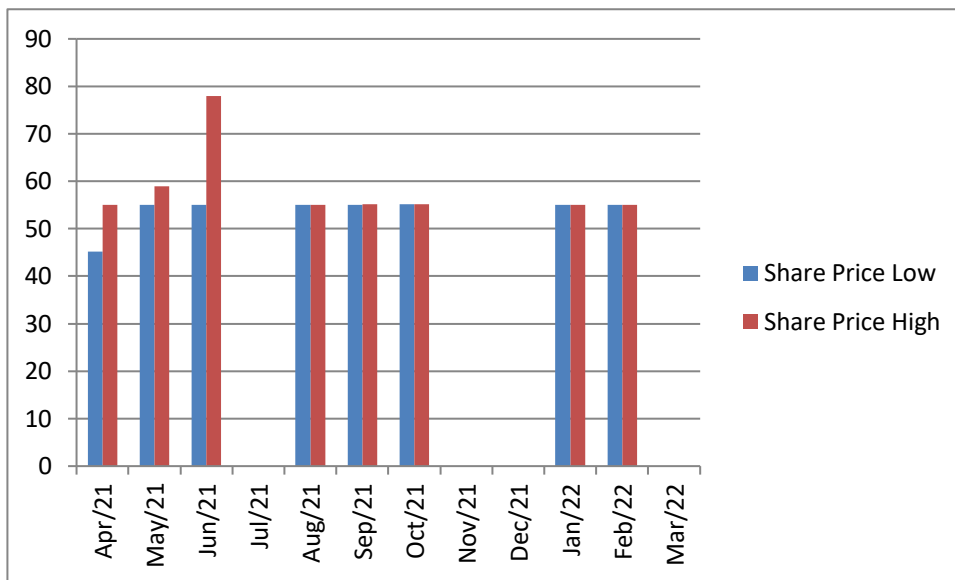


## DETAILS IN RESPECT OF FRAUD REPORTED BY THE AUDITORS

There were no instances of fraud reported by the Auditors.

## LISTING

Your Company is listed on SME platform of BSE Ltd. from 11th January, 2018. The Company's code is RITHWIKFMS (540843) and ISIN is INE819Y01015. The following table depicts the price movement for the year 2021-22.



## SECRETARIAL AUDIT REPORT

The Company has complied with all applicable Secretarial Standards issued by ICSI. As required by the Act a secretarial Audit Report issued by a Company Secretary in practice (PCS) is annexed with the report and it does not contain any qualification. The Secretarial Audit Report (in Form MR-3) is annexed as **Annexure-III** to this Report.

## ANNUAL RETURN

Pursuant to the Notification dated 5<sup>th</sup> March 2021 issued by MCA, the mandatory requirement of attaching annexure of the Annual Return in the prescribed form MGT-9 has been omitted.

Accordingly, as per the provisions of the amended Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return as of March 31<sup>st</sup>, 2022 has been placed on the website of the Company and can be accessed at [www.rithwik.co.in](http://www.rithwik.co.in).



## **MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

### **1. Impact of COVID-19 on the business**

The COVID-19 pandemic continues to transform the growth of various industries and has impacted on the facility management services market in India. Our Business has almost come back to normal after the 4<sup>th</sup> Quarter of FY 21-22. Business should come back completely to normal by end of 2<sup>nd</sup> Quarter of FY 22-23.

### **2. Ability to maintain operations**

The Company has taken a conscious decision through balanced, uninterrupted operations and ensuring a safe working environment. After the lifting of Covid Restrictions Your Company workforce has come back to the normal levels. Your Company has made necessary arrangements to ensure that they are safe and comfortable at work.

### **3. Steps taken to ensure smooth functioning**

The Company has put in place strict standard operating procedures for COVID-19 ensuring the following:-

- Thermal Screening of all Employees;
- Sanitizing the premises and vehicles on regular basis;
- Distribution of masks and gloves to our workers;
- Maintenance of social distancing at all work places;
- Enforcing wearing of masks and regular cleaning of hands;
- Regular update of the health of all the Employees and their Families;
- Asking all Employees to have AarogyaSetu App.
- Sanitizers with foot operated machines placed at strategic locations

In addition to above, the Company has implemented the Standard Operating Procedures, which is strictly being followed across all the Units and Workplaces and we have also designated officials responsible for ensuring the compliances to the Guidelines, Rules and Regulations issued by Central as well as State Government on COVID-19 from time to time:

The Company has been regularly conducting awareness programs and vaccination camps for all of its Employees.

All Customers and Vendors of the Company have been communicated about the measures taken by the Company through mails.



#### **4. Estimation of the future impact of COVID-19 on operations:-**

As explained above, Covid-19 pandemic have impacted our Company's performance for the financial year 2021-22. After the Covid restrictions were lifted by the State Government and Offices have opened up their operations we expect an increase of revenue about 10 to 15% for the financial year 2022-23.

#### **5. Details of impact of COVID-19 based on certain performance parameters:**

- Capital and financial resources and other assets - As per the current assessment, there is no significant impact on the Company's capital and financial resources and other assets of the Company.
- Profitability- We expect an increase in profits by 10 to 15% for the financial year 2022-23.
- Liquidity - The Company has a strong balance sheet and liquidity position.
- Ability to service debt - The Company has adequate financial resources to meet its working capital requirement. The Company has never in the past defaulted on any interest or loan payment and does not see any issue meeting future obligations too.
- Assets - None of the assets of the Company have been impacted or impaired by the COVID-19.
- Internal Financial Controls -The Company has system in place at office locations are well networked. Accordingly, all Internal Financial Controls and reporting systems are working seamlessly without disruption.
- Supply Chain - There has been no impact because we have sufficient labour force.
- Demand - The commercial real estate industry which witnessed a decline in the first 3 Quarters of FY 2021-22 is improving and it is expected a turnaround in leasing spaces by the IT/ITES Companies in FY2022-23.

#### **6. Impact on Contracts/ Agreements:-**

Though your Company has not reached the Pre-Covid levels it expects to return back to its pre-covid levels in FY 2022-23.

#### **7. Other relevant material updates: - None**



## **ACKNOWLEDGEMENTS**

Your Directors place on record their sincere appreciation for significant contribution made by employees of the Company at each level, through their dedication, hard work and commitment.

The Board places on record its appreciation for the continued co-operation and support extended to the Company by various stakeholders, Banks, Stock Exchanges, NSDL and CDSL. The Board wishes to express its grateful appreciation for the assistance and co-operation received from Vendors, Customers, Consultants, Banks, Financial Institutions and other Business Associates. The Board deeply acknowledges the trust and confidence placed by the customers of the Company and, above all, the shareholders.

**Place: Chennai**  
**Date:06/09/2022**

**For and on behalf of the Board of Directors**  
**Rithwik Facility Management Services Limited**

**Sd-**  
**RithwikRajshekar Raman**  
**Managing Director**  
**DIN: 07836658**

**Sd-**  
**NiranjanVyakarnaRao**  
**Whole Time Director**  
**DIN: 02918882**



## **Annexure-I**

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Your Directors have pleasure in presenting the management discussion and analysis report for the year ended on March 31, 2022.

#### **ECONOMY**

##### **Global**

After weathering over two years of the pandemic, the global business community was eager to get down to real business. But the war in Ukraine has triggered a significant slowdown in global growth in 2022 and has added to inflation. Global growth is projected to slow down from an estimated 6.1 percent in 2021 to 3.6 percent between 2022 and 2023. Multilateral efforts such as response to the humanitarian crisis, prevent further economic fragmentation, maintain global liquidity, manage debt distress, tackle climate change, and end the pandemic are essential to tide over this.

##### **India**

The three waves of COVID-19 pandemic had created a prolonged health crisis and slowed down the economy. However, despite the pandemic, the authorities have responded with implementation of structural reforms such as scaled-up support to vulnerable groups, monetary policy easing, liquidity provisioning and have made the financial sector accommodative by changing and implementing regulatory policies. This helped India to a strong recovery. The recent geopolitical tensions in Ukraine and Russia have sent oil prices spiralling and raised concerns over India's economic recovery. But as per RBI's Report, the impact of the Ukraine war will be marginal on the expected growth target.

#### **FACILITY MANAGEMENT INDUSTRY**

##### **GLOBAL**

The global facility management market is projected to grow from \$1,260.36 billion in 2022 to \$1,856.44 billion by 2029, at a CAGR of 5.7% in the forecast period. Global Facility management market size was valued at 1239.9 Billion in 2021. The Global Covid-19 pandemic has been unprecedented and staggering, with the business experiencing lower-than-anticipated demand across all regions compared to pre-pandemic levels. The Global market exhibited a decline of -0.05% in 2020 compared to 2019. Due to the initial increase in urbanization and industrialization, this sector, defined as providing maintenance assistance, user management has risen substantially over the last 2 decades. The demand for such solution & Services has risen steadily and is likely to expand considerably over the next few years. The increased demand is due to Government Expenditure in smart cities, Energy, Swachh Bharat mission and others.





## **INDIA**

Facility management in India is expected to show major growth during the Forecast period of 2022-2029. It is attributed to the increase in Government policy to develop smart cities in India in alignment with APAC region smart city development. In addition, the number of large public facilities such as airports, malls, IT Infrastructure parks, SEZs, Hospitals and Seaports, is growing and with the development of smart cities, which has surged the demand for these services. The rapidly expanding business sector in India is expected to help the business of your company.

## **INTERNAL CONTROL**

Internal controls are essential to ensure the accomplishment of goals and objectives of any business entity. They help to ensure efficient and effective operations, compliance with applicable laws and regulations, transparency in its activities and provision of reliable financial reporting to the Stakeholders.

Our Internal Control System is fully equipped with necessary checks and balances ensuring that the transactions are adequately authorized and reported correctly. The Internal Auditor conducts regular Audits of various departments and Units to ensure that necessary controls are in place. The Audit Committee while reviewing the system and the Internal Audit Report, call for comments of Auditors on internal control systems and discuss any related issues with the Auditors and the Management of the company before submission to the Board. The Independent Directors also satisfy themselves on the integrity of financial information and ensure that financial controls including Signature controls, Budget Controls, Data control and systems of risk management are in place.

## **EMPLOYEES**

There are no significant changes in the workforce of the Company. The attrition rate of the company is negligible and the company is able to retain the workforce in all verticals like skilled, Semi-skilled and unskilled labor force. To create better retention to provide better healthcare during these trying times, the company has taken Group Medical Insurance for it's employees.

## **PERFORMANCE**

The impact of the third wave of the coronavirus pandemic on the economy as well as on the performance of the Company was marginally less compared to the first and second wave. The market conditions were favourable enabling the Company to maintain a reasonably strong performance during the year. Due to the Covid-19 pandemic your company was unable procure any sizeable turnkey projects during the Financial Year 2021-22. The major share of the total revenue of the Company was generated from facility management services. For the year ended 31<sup>st</sup> March 2022, we generated revenue of Rs.22.59 Crores, as compared to Rs.21.52 Crores in 2021. The marginal increase in revenue was mainly due to the fact that managing of facilities is almost back to pre-covid levels. The Company could not secure any major turn Key projects during the year under review.

## **EXPANSION**

Expansion of business activities in tier 2 and tier 3 cities by the end-user segments are considered to be an increasing regional growth trends for FM services market in India. Your company has already started expansion in Tier 2 cities and is considering expansion in Tier 3 cities as well. Simultaneously, the FM market in India is moving towards involving an organized approach in order to achieve higher market penetration and maturity. In this regard, your company has started using technology and introducing systems for better efficiency and performance. This also includes investment in equipment to avoid high recurring leasing costs and creating a capital base. Companies are constantly looking for growth options and modifying their business models to suit market trends. The same thought process has been adopted by your company by diversifying into the turnkey commercial interior segment.

## **RISKS AND THREATS**

The Company has a robust Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage. The business risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework has different risk models which help in identifying risks trend, exposure and potential impact analysis at a Company level as also separately for business segments. The Company has identified various risks and also has mitigation plans for each risk identified.

One of the biggest challenges faced by the industry today is the availability of the manpower. The FM industry requires professionals, semi-skilled and unskilled manpower. The supply of professionals that are able to handle large scale infrastructure projects is still relatively low (especially when it comes to technical services) in India, and hence keeping pace with the rapid growth the industry has to offer is a big challenge as even today majority of the professionals require thorough training and time to understand their role. On the other hand, although there is an abundance of unskilled manpower in the country, there are still two underlying problems that FM companies face. The first problem is training the unskilled manpower to adapt to systems and processes to run a professional FM service, and the second problem is the retention of manpower as the unskilled staff is highly prone to switching jobs.

The other challenge in India today is the market perception and acceptance of unorganized players. Today, there are thousands of unorganized players in the FM industry that enter the market with a focus on only 1 or 2 services such as housekeeping or pest control. The majority of the market is still willing to accept a less professional and organized service for a lower cost. This also creates a hindrance in the organizational aspect of the sector as most of the small players do not comply with statutory compliances and insurances which means they are able to offer services at a lower cost as compared to the organized players. Although this does help in introducing FM services to clients that may have been otherwise reluctant to venture into this space, in the long run though this would not benefit the industry progress that is aiming towards a more professional approach.



## **OPPORTUNITIES & FUTURE PROSPECTS**

The India Facility Management Market is anticipated to record a CAGR of 24% over the forecast period (2022 - 2027). India's broad range of fiscal, monetary and health responses to the pandemic crisis supported its recovery and, along with economic reforms, are helping to mitigate a longer-lasting adverse impact of the crisis.

The outlook of FM services in India is shaping up to be highly optimistic mainly due to the growing maturity of end users and the need for improved safety, comfort and professional maintenance of assets. Presence of Global and Indian MNCs across various end-user sectors is mainly driving the market for FM services in India as they are the potential customers due to their increased awareness levels, exposure to facilities and willingness to invest. The IT sectors are more concerned about personalized and specialized services utilizing both hard and soft services due to the recent boom and increase in investments in the Indian IT/ITeS/BPO and finance/banking sectors. Increase in investments from emerging sectors such as health-care, retail and infrastructure sector are expected to further push this market to a higher growth curve in the life cycle.

Expansion of business activities in tier 2 and tier 3 cities by the end-user segments are considered to be an increasing regional growth trends for FM services market in India. Your company has already started expansion in Tier 2 cities and is considering expansion in Tier 3 cities as well. Simultaneously, the FM market in India is moving towards involving an organized approach in order to achieve higher market penetration and maturity. In this regard, your company has started using technology and introducing systems for better efficiency and performance. Many established FM companies have started acquiring smaller unorganized firms to penetrate the market to capture a considerable market share. Though this may seem to create more competition, it will actually create an environment wherein movement will shift from the unorganized sector to the organized sector which in turn will generate business for your company. Companies are constantly looking for growth options and modifying their business models to suit market trends. The same thought process has been adopted by your company by diversifying into the turnkey commercial interior segment.



## SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

Sr.No	Ratios	As on 31/03/2022	As on 31/03/2021	Remarks
1	Interest Coverage Ratio	6.88	13.71	ICR decreased due to a new availment of Working Capital Term Loan.
2	Current Ratio	1.33	2.12	During the year, there is an increase in Short Term Liabilities which has resulted in decrease in the Ratio.
3	Debt-Equity Ratio	0.36	0.07	Improved, Because of repayment of Term Loan.
4	Operating Profit Margin	5.21	5.63	There was no significant change in this ratio.
5	Net Profit Margin	3.93	4.01	There was no significant change in this ratio.
6	Return on Asset	4.14	4.52	There was no significant change in this ratio.
7	Return on Capital Employed	8.14	7.37	Improved due to an increase in the Revenue.

## DISCLOSURE OF ACCOUNTING TREATMENT

In accordance with the Companies (Indian Accounting Standards), Rules, 2015 of the Companies Act, 2013, read with Section 133 of the Companies Act, 2013, your Company need not adopt the Indian Accounting Standards (Ind AS) for preparation of its financial statements. The financial statements for the year have been prepared in accordance with and in compliance of Schedule III notified by the Ministry of Corporate Affairs (MCA). There has been no difference in the Accounting treatment from that of accounting standards.



## **FORWARD-LOOKING STATEMENTS:**

This report contains forward-looking statements based on certain assumptions and expectations of future events. The Company, therefore, cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements can thus differ materially from those projected in any such forward-looking statements.

**Place: Chennai**  
**Date: 17/08/2022**

**For and on behalf of the Board of Directors**  
**Rithwik Facility Management Services Limited**

**Sd-**  
**RithwikRajshekar Raman**  
**Director**  
**DIN: 07836658**

**Sd-**  
**NiranjanVyakarnaRao**  
**Managing**  
**Whole Time Director**  
**DIN: 02918882**

## NOMINATION AND REMUNERATION POLICY

### 1. Introduction

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto as amended from time to time and Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

### 2. Definitions

- a. **'Board'** means Board of Directors of the Company.
- b. **'Directors'** means directors of the Company.
- c. **'Committee'** means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and applicable Listing Regulations.
- d. **'Company'** means Rithwik Facility Management Services Limited.
- e. **'Independent Director'** means a Director referred to in Section 149(6) of the Companies Act, 2013 and rules.
- f. **'Key Managerial Personnel (KMP)'** means-
  - i) the Managing Director or Chief Executive Officer or manager
  - ii) Whole-time Director
  - iii) the Company Secretary;
  - iv) the Chief Financial Officer; and
  - v) Any other person as defined under the Companies Act, 2013 from time to time
- g. **"Senior Managerial Personnel"** means the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

- h. **“Remuneration”** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;
- i. **“Listing Regulations”** means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Unless the context otherwise requires, words and expressions used in this Policy and not defined herein but defined in the Companies Act, 2013 and Listing Regulations as may be amended from time to time shall have the meaning respectively assigned to them therein.

### 3. **Constitution of the “Nomination & Remuneration Committee:**

The Board has the power to constitute / reconstitute the Committee from time to time in order to make it consistent with Company’s policies and applicable statutory requirements. The composition of the Company shall be in line with the requirements of the Act and Listing Regulations.

The Company Secretary of the Company shall act as the Secretary of the Committee.

Membership of the Committee shall be disclosed in the Annual Report. The terms of the Committee shall be continuing unless terminated by the Board of Directors.

### 4. **Key objectives of the Committee:**

- a) To guide the Board in relation to the appointment and changes in Directors and Key Managerial Personnel;
- b) To formulate criteria for determining qualifications, positive attributes and independence of directors;
- c) To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;

- d) To identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- e) To recommend to the Board remuneration payable to the Directors and Key Managerial Personnel and Senior Management Personnel;
- f) Devising policy on diversity of Board of Directors
- g) To develop a succession plan for the Board and to regularly review the plan;
- h) To decide whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- i) Consider any other matters as may be prescribed under the Act or Listing Regulations or as may be requested by the Board from time to time.

**5. Frequency of meetings:**

The meeting of the Committee shall be held at regular intervals as may be deemed fit and appropriate with at least one meeting in a year.

The quorum for the Committee Meeting shall be either two members or one-third of the members of the Committee, whichever is greater, including at least one Independent Director in attendance.

The Chairman of the Committee or in his absence any other member of the Committee authorized by him on his behalf shall attend the Annual General Meeting of the Company.

The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee

The Nomination & Remuneration Committee shall establish a mechanism to carry out its functions, any /all of its powers to any of the Executive / Whole-time Directors and/or Senior Manager of the Company, as deemed necessary for proper and expeditious execution.



**6. Committee members interest:**

A member of the Committee is not entitled to participate in the discussions when his/her own remuneration is discussed at a meeting or when his/her performance is being evaluated.

**7. Effective Date:**

This policy shall be effective 01.04.2022.

**8. Appointment and removal of Director, Key Managerial Personnel and Senior Management**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as Whole- time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

**9. Term/ Tenure**

- a) **Managing Director/Whole-time Director:** The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- b) **Independent Director:** An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. No Independent Director shall hold office for more than two consecutive terms of up to maximum of 5 years each, but such



Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Companies Act, 2013 and Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015.

#### **10. Removal**

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

#### **11. Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company

#### **12. Policy for Remuneration to Directors/ KMP/ Senior Management Personnel**

##### **a) Remuneration to Managing Director / Whole-time Directors**

- i) The Remuneration/ Commission etc. to be paid to Managing Director / Whole- time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.



- ii) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

**b) Remuneration to Non-Executive / Independent Directors**

- i) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- ii) All the remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- iii) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- iv) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (ii) above if the following conditions are satisfied:
  - The Services are rendered by such Director in his capacity as the professional;
  - And In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.



**c) Remuneration to Key Managerial Personnel and Senior Management**

- i) The remuneration to Key Managerial Personnel and Senior Management may consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- ii) The Fixed pay shall include monthly remuneration and may include employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
- iii) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

**13. Implementation**

- a) The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- b) The Committee may Delegate any of its powers to one or more of its members.

**For and on behalf of the Board of Directors  
Rithwik Facility Management Services Limited**

**Sd-**

**RithwikRajshekar Raman  
Managing Director  
DIN: 07836658**

**Sd-**

**NiranjanVyakarnaRao  
Whole Time Director  
DIN: 02918882**



**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2022**

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

The Members,

**Rithwik Facility Management Services Limited**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Rithwik Facility Management Services Limited** (CIN: L74900TN2010PLC074294) (hereinafter called "the Company"). The Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliances-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 ("the Act") and Rules made thereunder, as may be applicable;



- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder; (Not applicable to the Company during the Audit period)
- (iii) The Depositories Act, 1996 and the Regulations and bye - laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015;
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the year)
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit period);
  - (g) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act and dealing with client;
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the Audit period);
  - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit period); and



We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above. However, one eform has been filed with Registrar of Companies with 108 days delay.

Other statutes, Acts, laws, Rules, Regulations, Guidelines and Standards etc., as applicable to the Company are given below:

1. Labour Laws and other incidental laws related to employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
2. Acts as prescribed under Direct Tax and Indirect Tax;
3. Stamp Acts and Registration Acts of respective States;
4. Labour Welfare Act of respective States; and
5. Such other Local laws etc. as may be applicable in respect of various offices of the Company.

We further report that the compliance by the Company of applicable fiscal laws, such as direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the Statutory Auditors.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except for the Unpublished Price Sensitive Information which were, pursuant to clause no. 1.3.7 of Secretarial Standard 1 ("SS 1"), circulated separately or placed at the Meetings of the Board and the Committees, after due compliance with the SS 1, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation and deliberation at these meeting.



During the period under review, decisions were carried through unanimously and no dissenting views were observed, while reviewing the minutes.

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

**For KhandelwalArun& Associates  
Company Secretaries  
(S2017TN553800)**

**Arun Kumar Khandelwal  
Proprietor  
FCS 9350, CP No: 19611**

**Place: Chennai  
Dated: August 30, 2022  
UDIN: F009350D000879681**





'ANNEXURE A'

To,  
The Members,  
**Rithwik Facility Management Services Limited**

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have also relied on electronic data for verification of certain records as the physical verification was not possible.

**For Khandelwal Arun & Associates**  
**Company Secretaries**  
**(S2017TN553800)**

**Arun Kumar Khandelwal**  
**Proprietor**  
**FCS 9350, CP No: 19611**

**Place: Chennai**  
**Dated: August 30, 2022**  
**UDIN: F009350D000879681**



## MD and CFO CERTIFICATION

The Board of Directors,  
**Rithwik Facility Management Services Limited**  
R R Tower III, Thiru-Vi-Ka Industrial Estate,  
Guindy, Chennai-600 032

We, RithwikRajshekar Raman, Managing Director and Tippavajjala Suresh Babu, Chief Financial Officer of Rithwik Facility Management Services Limited, certify that:

1. We have reviewed the financial statements and the cash flow statement for the year ended on March 31, 2022 and that to the best of our knowledge and belief:
  - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b) These statements together present a true and fair view of the state of affairs of the company and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year ended on March 31, 2022 which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept overall responsibility for establishing and maintaining internal control for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and that we have disclosed to the statutory auditors and the audit committee, deficiencies in the design or operations of such internal controls, if any of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We indicate to the auditors and to the audit committee:
  - a) Significant changes in internal control over financial reporting during the year;
  - b) Significant changes in accounting policies during the year; and that the same have been disclosed in the notes to the financial statements; and
  - c) Instances of significant fraud of which we have become aware of and which involve management or other employees having significant role in the company's internal control system and financial reporting. However, during the year there was no such instance.

**For Rithwik Facility Management Services Limited**

**Place : Chennai**

**Date: 17.8.2022**

**Sd-  
RithwikRajshekar Raman  
Managing Director  
DIN: 07836658**

**Sd-  
Tippavajjala Suresh Babu  
Chief Financial Officer**



## DECLARATION BY DIRECTOR

I, RithwikRajshekar Raman, Managing Director of Rithwik Financial Management Services Limited, hereby declare that all the members of the Board of Directors have affirmed compliance with the Code of Conduct applicable to them as laid down by the Board of Directors in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31st March, 2022.

**By order of the Board of Directors**

Date: 17-08-2022

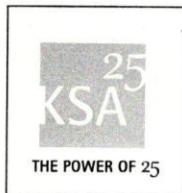
Place: Chennai

Sd-

RithwikRajshekar Raman

Managing Director

DIN: 07836658



## KALYANASUNDARAM & ASSOCIATES

CHARTERED ACCOUNTANTS

STATUTORY AUDIT  
INTERNAL AUDIT  
DIRECT TAXATION  
INDIRECT TAXATION  
START UP SERVICES  
CONSULTING

### INDEPENDENT AUDITOR'S REPORT

To the Members of Rithwik Facility Management Services Limited

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

#### Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- In the case of the Balance Sheet, of the state of affairs of the Company as on 31st day of March 2022;
- In the case of the Statement of Profit and Loss, the Profit for the year ended on that date;
- In the case of cash flow statement, for the year ended on that date.

#### Basis for Opinion

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



#### BRANCH OFFICE

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### **Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance 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 standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

1. 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 statement of cash flows statement dealt with by this Report are in agreement with the books of account
  - d) On the basis of the written representations received from the directors as on 31st day of March 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31st day of March 2022, from being appointed as a director in terms of Section 164(2) of the Act.



Chandram & Associates  
Chartered Accountants  
Chennai

- e)
- i. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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;
  - ii. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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;
  - iii. 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.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure - A**
- g) With respect to the other matters to be included in the Auditor's Report in accordance with 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:
- a. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29 to the financial statements
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
  - c. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company



Chennai  
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2. With respect to the provisions of "The Companies (Auditor's Report) Order, 2020", issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the 'Order') we give in the **Annexure B**, a statement of matters specified in the paragraph 3 and 4 of the Order, to the extent applicable to the Company during the year under audit

**For Kalyanasundaram and Associates**  
**Chartered Accountants**  
**(FRN: 005455S)**



**KM Sethu**  
**Partner**  
**(Membership No: 231703)**

**Place: Chennai**  
**Date: 25<sup>th</sup> May 2022**  
**UDIN: 22231703AJPTB9739**



**Annexure – A to the Independent Auditors’ Report**

**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 **Rithwik Facility Management Services Limited** as on **31st day of March 2022** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**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”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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.



The circular stamp contains the text: "S. Chandram & Associates", "Chennai", and "Chartered Accountants".

#### **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, the Company has, in all material respects except for the matter discussion in additional note para, an internal financial controls with reference to standalone financial statements over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Kalyanasundaram and Associates**  
**Chartered Accountants**  
**(FRN: 005455S)**



**KM Sethu**  
**Partner**  
**(Membership No: 231703)**

**Place: Chennai**  
**Date: 25<sup>th</sup> May 2022**  
**UDIN: 22231703AJPTB9739**

#### Annexure B to the Auditors' Report

The Annexure referred to in paragraph two of our report of even date to the members of **Rithwik Facility Management Services Limited** on the accounts of the company for the year ended **31st day of March 2022**.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- 1) Fixed Assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The Company has a regular programme for, physical verification in a phased periodic manner, which, in our opinion, is reasonable having regards to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
  - c) The Company does not own any immovable property. Hence, Clause 3(i)(c) of the Order is not applicable.
  - d) The Company does not revalue its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
  - e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 2) The Company does not have any physical inventories. Hence, clause 3(ii)(a) of the Order is not applicable to the Company. Therefore, 3(ii)(b) of the Order is not applicable to the Company.
- 3) The Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties,  
  
The Company has also not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity.
- 4) The Company has not granted loans, made investments, provided guarantee or security to its directors, Hence, clause 3(iv) of the Order is not applicable.
- 5) The Company has not accepted any deposits or any amounts which are deemed to be deposits, and there has been no order passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal and therefore, the provisions of the clause 3 (v) of the order are not applicable to the company.
- 6) Maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act. Hence such accounts and records have not been made and maintained.
- 7) Statutory Dues:-
  - a) The Company, has been regular in depositing undisputed statutory dues including provident fund, employees state insurance, income-tax, Goods and Services Tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise



value added tax cess and other statutory dues with the appropriate authorities and so there are no arrears of outstanding statutory dues as at the last day of the financial year concerned, for a period of more than six months from the date they became payable.

- 8) There are no transactions that are not recorded in the books of account that are to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), Hence, clause 3(viii) of the Order is not applicable.
- 9) Based upon the audit procedure performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- 10) The Company has not raised money by way of public offer and it has also not accepted term loans, or made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year Hence, clause 3(x) of the Order is not applicable.
- 11) Based upon the audit procedure performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the company has been noticed or reported during the year, There has been no whistle blower complaints that are received during the year.
- 12) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- 13) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has an internal audit system commensurate with the size and nature of its business and the reports of the Internal Auditors for the period under audit were considered by the statutory auditor.
- 15) 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 persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- 16) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.



Chennai  
Chartered Accountant

- 17) The company has not incurred any cash losses in the financial year and in the immediately preceding financial year, Hence; clause 3(xvii) of the Order is not applicable.
- 18) There has been no resignation of the statutory auditors during the year, Hence, clause 3(xviii) of the Order is not applicable.
- 19) 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, the auditor's knowledge of the Board of Directors and management plans, 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.

Particulars	Percentage/ Times
Current Ratio	1.33
Debt Equity Ratio	0.36
Debt Service Coverage Ratio	3.08
Return On Equity Ratio	0.06
Trade receivable Turnover Ratio	9.35
Trade Payable Turnover Ratio	16.11
Net Capital Turnover Ratio	10.15
Net profit Ratio	0.04
Return on Capital employed	0.08

- 20) The provisions of corporate social responsibility are not applicable to the entity.
- 21) The company does not form part of a group holding control of the entity. Hence, clause 3(xxi) of the Order is not applicable.

For Kalyanasundaram and Associates  
Chartered Accountants  
(FRN: 0054555)




KM Sethu  
Partner  
(Membership No: 231703)

Place: Chennai  
Date: 25<sup>th</sup> May 2022  
UDIN: 22231703AJPTB9739



**RITHWIK FACILITY MANAGEMENT SERVICES LIMITED**  
**BALANCE SHEET AS AT 31st MARCH , 2022**

Particulars	Notes	As at 31-Mar-22 Rs.	As at 31-Mar-21 Rs.	Half Year Ended 31-Mar-22 Rs.	Half Year Ended 31-Mar-21 Rs.
<b>1. EQUITY AND LIABILITIES</b>					
<b>i. Shareholders' Funds</b>					
a) Share Capital	2	30,600,000	30,600,000	30,600,000	30,600,000
b) Reserves & Surplus	3	127,524,462	118,649,110	127,524,462	118,649,110
Sub Total		<b>158,124,462</b>	<b>149,249,110</b>	<b>158,124,462</b>	<b>149,249,110</b>
<b>ii. Non-Current Liabilities</b>					
a) Long-term Borrowings	4	5,188,385	9,887,921	5,188,385	9,887,921
c) Long-term Provisions	6	6,046,934	5,240,995	6,046,934	5,240,995
Sub Total		<b>11,235,319</b>	<b>15,128,916</b>	<b>11,235,319</b>	<b>15,128,916</b>
<b>iii. Current Liabilities</b>					
a) Short Term Liabilities	7	17,538,722	100,000	17,538,722	100,000
b) Trade Payables	8				
A: Total Outstanding Dues Of MSME		15,108,262	3,034,639	15,108,262	3,034,639
B: Total Outstanding Dues of Creditors Other than MSME		314,948	802,502	314,948	# 802,502
b) Other Current Liabilities	9	12,262,271	22,437,091	12,262,271	22,437,091
Sub Total		<b>45,224,203</b>	<b>26,374,232</b>	<b>45,224,203</b>	<b># 26,374,232</b>
<b>TOTAL</b>		<b><u>214,583,984</u></b>	<b><u>190,752,258</u></b>	<b><u>214,583,984</u></b>	<b><u># 190,752,258</u></b>
<b>2. ASSETS</b>					
<b>i. Non-Current Assets</b>					
a) Fixed assets: Property , Plant and Equipment (Net Block)	11	24,838,768	26,725,005	24,838,768	26,725,005
b) Deferred tax Asset	5	1,624,309	1,545,856	1,624,309	1,545,856
c) Other Non Current Asset	10	128,000,000	106,500,000	128,000,000	106,500,000
Sub Total		<b>154,463,077</b>	<b>134,770,861</b>	<b>154,463,077</b>	<b>134,770,861</b>
<b>ii. Current Assets</b>					
a) Trade Receivables	12	25,773,357	22,568,512	25,773,357	22,568,512
b) Cash and Cash Equivalents	13	25,959,152	26,664,588	25,959,152	26,664,588
c) Short-term Loans and Advances	14	2,283,078	2,180,567	2,283,078	2,180,567
d) Other Current Assets	15	6,105,320	4,567,731	6,105,320	4,567,731
		<b>60,120,907</b>	<b>55,981,397</b>	<b>60,120,907</b>	<b>55,981,397</b>
<b>TOTAL</b>		<b><u>214,583,984</u></b>	<b><u>190,752,258</u></b>	<b><u>214,583,984</u></b>	<b><u>190,752,258</u></b>
<b>Significant Accounting Polices</b>	1				



**For Kalyanasundaram &  
Associates,  
Chartered Accountants  
FRN: 005455S**

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

**KM Sethu**

**RithwikRajshekar**

**Raman  
Managing  
Director**

**V.NiranjanRao  
Wholetime  
Director**

**S Jayapandi  
Company  
Secretary  
M No. A21909**

**T.SureshBabu**

**CFO**

**Partner**

**M No. 231703**

Place : Chennai

Date : 25th May 2022

UDIN: 22231703AJPPB9739

**DIN-07836658**

**DIN-02918882**



**RITHWIK FACILITY MANAGEMENT SERVICES LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED AS ON 31ST MARCH , 2022**

Particulars	Notes	Year Ended	Year Ended	Half Year	Half Year
		31-Mar-22 Rs.	31-Mar-21 Rs.	Ended 31-Mar-22 Rs.	Ended 31-Mar-21 Rs.
<b>REVENUE</b>					
a) Revenue from Operations	16	225,924,166	215,241,404	116,882,348	113,223,303
c) Other Income	17	1,008,728	672,000	504,728	420,000
		<b>226,932,895</b>	<b>215,913,404</b>	<b>117,387,077</b>	<b>113,643,303</b>
<b>EXPENSES</b>					
a) Operating Expenses	18	157,805,551	152,451,657	78,771,199	80,470,352
b) Employees' Benefit Expenses	19	47,151,237	43,269,059	22,601,847	21,784,948
c) Finance Cost	20	2,004,432	884,204	1,191,355	559,646
d) Depreciation	11	3,079,994	2,678,012	1,519,483	1,286,137
e) Other Expenses	21	5,108,820	5,395,734	4,054,423	2,279,385
		<b>215,150,034</b>	<b>204,678,667</b>	<b>108,138,308</b>	<b>106,380,468</b>
<b>Profit Before Tax</b>		<b>11,782,860</b>	<b>11,234,737</b>	<b>9,248,769</b>	<b>7,262,834</b>
<b>Tax Expenses</b>					
a) Current Income Tax		2,985,961	2,892,064	1,785,105	1,960,336
b) Deferred Tax/(Reversal)		(78,453)	(296,808)	105,560	(21,665)
<b>Total NET PROFIT FOR THE YEAR</b>		<b>2,907,508</b>	<b>2,595,256</b>	<b>1,890,665</b>	<b>1,938,671</b>
		<b>8,875,353</b>	<b>8,639,481</b>	<b>7,358,104</b>	<b>5,324,163</b>
<b>Basic Earning Per Share</b>	22	<b>2.90</b>	<b>2.82</b>	<b>2.40</b>	<b>1.74</b>
<b>Diluted Earning Per Share</b>	22	<b>2.90</b>	<b>2.82</b>	<b>2.40</b>	<b>1.74</b>

For Kalyanasundaram & Associates,  
Chartered Accountants  
FRN: 005455S

For and on behalf  
of the Board of  
Directors

KM Sethu

Rithwik Rajshekar  
Raman

V. Niranjan Rao  
Wholetime  
Director  
DIN-02918882

S. Jayapandi  
Company  
Secretary  
M No. A21909

T. Suresh Babu  
CFO

Partner

Managing Director  
DIN-07836658

M No. 231703

Place : Chennai

Date : 25th May 2022

UDIN: 22231703AJPPB9739





**RITHWIK FACILITY MANAGEMENT SERVICES LIMITED**  
**CASH FLOW STATEMENT FOR YEAR ENDED AS ON 31ST MARCH 2022**

Particulars	Year ended 31st March 2022		Year ended 31st March 2021	
	Rs	Rs	Rs	Rs
Net Profit before taxation		11,782,860		11,234,737
<u>Add Back:</u>				
Provision Reversed	-		165,141	
Depreciation on Fixed Assets	3,079,994		2,678,012	
Interest Paid	2,004,432	5,084,426	884,204	3,727,358
<b>CASH GENERATED BEFORE WORKING CAPITAL CHANGES</b>				
- Decrease/(Increase) in trade receivables	(3,204,845)		(16,894,064)	
- Decrease/(Increase) in short-term loans and advances	(102,511)		(595,152)	
- Decrease/(Increase) in other current assets	(1,537,589)		15,723,696	
- Increase/(Decrease) in trade payables	11,586,069		(1,521,824)	
- Increase/(Decrease) in short term borrowings	17,438,722		-	
- Increase/(Decrease) in other current liabilities	(10,174,821)		1,681,536	
		14,005,026		(1,605,809)
<b>CASH GENERATED FROM OPERATIONS</b>				
Add: excess provision of income tax				
Less: Income tax Paid(As per assessment year)		2,985,961		2,891,539
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>A</b>	<b>27,886,352</b>		<b>10,464,748</b>
<b>Cash Inflow from Investing Activities</b>				
Sale of Fixed Assets				
<b>Cash Outflow from Investing Activities</b>				
Purchase of fixed assets	(1,193,757)		(13,650,503)	
Increase in other non current Asset	(21,500,000)		(1,500,000)	
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>B</b>	<b>(22,693,757)</b>		<b>(15,150,503)</b>
<b>Cash Inflow from Financing activities</b>				
Fresh Borrowings during the year	(4,699,537)		8,933,322	
Increase/(Decrease) in other non-current Liabilites	805,939	(3,893,598)	624,475	9,557,797
<b>Cash Outflow from Financing activities</b>				
Interest and other finance costs	2,004,432	2,004,432	884,204	884,204
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>C</b>	<b>(5,898,030)</b>		<b>8,673,593</b>
<b>NET INCREASE/(DECREASE) IN CASH/CASH EQUIVALENT(A+B+C)</b>		<b>(705,436)</b>		<b>3,987,838</b>
<b>ADD: BALANCE AT THE BEGINNING OF THE YEAR</b>		<b>26,664,588</b>		<b>22,676,750</b>
<b>CASH AND CASH EQUIVALENT AT THE CLOSE OF THE YEAR</b>		<b>25,959,152</b>		<b>26,664,588</b>

As per our Report of even date



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

**For Kalyanasundaram& Associates,  
Chartered Accountants  
FRN: 005455S  
KM Sethu**

**Partner**

**M No. 231703  
Place : Chennai  
Date : 25th May 2022  
UDIN: 22231703AJPPB9739**

**RithwikRajse  
khar Raman  
Managing  
Director  
DIN-  
07836658**

**V.NiranjanRao  
Wholetime  
Director  
DIN-02918882**

**S Jayapandi  
Company  
Secretary  
M No. A21909**

**T Suresh  
Babu  
CFO**



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note - 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

**(Annexed to and forming part of the financial statements for the year ended 31st March, 2022)**

**I. BASIS OF PREPARATION :** The financial statements of the company have been prepared on accrual basis under the historical cost convention and on going concern basis in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under section 133 of The Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of The Companies Act, 2013 ('the Act'), as applicable. The accounting policies have been consistently applied by the company.

**II. USE OF ESTIMATES :** The preparation of financial statements requires the management of the company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Example of such estimates include provision for doubtful receivables, employee benefits, provision for income taxes, accounting for contract costs expected to be incurred, the useful lives of depreciable fixed assets and provision for impairment. Future results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognised in the period in which the results are known / materialise.

**III. CASH FLOW STATEMENTS(AS - 3):** Cash Flow Statement has been prepared under Indirect Method. Cash and Cash Equivalents comprise Cash in Hand, Current and Other Accounts (including Fixed Deposits) held with banks.

**IV EVENT OCCURRING AFTER BALANCE SHEET DATE (AS-4):** a) Assets and Liabilities are adjusted for events occurring after the balance sheet date that provide additional evidence to assist the estimation of amounts relating to conditions existing at the balance sheet date.

**V. NET PROFIT OR LOSS FOR THE PERIOD, PRIOR PERIOD ITEMS AND CHANGES IN ACCOUNTING POLICIES (AS-5) :** Extra-ordinary Items, and Prior Period Incomes and Expenditures, are accounted in accordance with Accounting Standard 5.

#### **VI. RECOGNITION OF INCOME (AS-9) :**

- a) Income from operation are accounted net of tax on accrual basis.
- b) Dividend from investments is recognized when the right to receive the payment is established.
- c) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.



**VII. Property, Plant and Equipement (AS- 10) :** The carrying value of plant, property and equipment are stated at cost of acquisition or construction less accumulated depreciation as on 31st March 2021. The Assets are depreciated over their useful life in accordance with the provision of schedule II of Companies Act 2013. The cost includes all incidental expenses related to acquisition and installation, other pre-operation expenses and interest in case of construction. Carrying amount of cash generating units / assets are reviewed at balance sheet date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount is estimated as the net selling price or value in use, whichever is higher. Impairment loss, if any, is recognized whenever carrying amount exceeds the recoverable amount.

**VIII. FOREIGN CURRENCY TRANSLATIONS(AS-11) :**(i) All transactions in foreign currency, are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.(ii) Monetary items in the form of Loans, Current Assets and Current Liabilities in foreign currency, outstanding at the close of the year, are converted in Indian Currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. Resultant gain or loss is accounted during the year.(iii) All other incomes or expenditure in foreign currency, are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.

**IX. EMPLOYEE BENEFITS(AS -15):**

Retirement Benefit: Retirement benefits in the form of Provident / Pension Fund is accounted on accrual basis and charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

Gratuity: Gratuity liability is calculated as per the Provisions of Gratuity Act, 1972 on the 15 days salary for each completed year of service for the employees who have completed one year of service. The gratuity liability is charged to the Profit and Loss Account of the year.

**X. ACCOUNTING FOR LEASE (AS-19) :**

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Where the Company is lessee- Operating Lease, Lease rentals in respect of assets taken on operating lease are charged to statement of profit and loss over the lease term on monthly basis

**XI. EARNING PER SHARE(AS -20):**

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. The Net profit or loss is computed after providing the deduction for preference dividends and any tax thereto.



## **XII. TAXATION(AS -22) :**

Tax expense comprises both current and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates and tax laws. Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to consideration of prudence, are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The tax effect is calculated on the accumulated timing difference at the year-end based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

## **XIII. IMPAIRMENT OF ASSETS(AS -28):**

The Company determines the Impairment of Assets based on Cash Generating Units. For this purpose, the Cash Generating Units have been based on segments of operations .

## **XIV. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS(AS-29):**

A provision is recognised when there is a present obligation as a result of a past event, that probably requires an outflow of resources and a reliable estimate can be made to settle the amount of obligation. Provision is not discounted to its present value and is determined based on the last estimate required to settle the obligation at the year end. These are reviewed at each year end and adjusted to reflect the best current estimate. Contingent liabilities are not recognised but disclosed in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.



**RITHWIK FACILITY MANAGEMENT SERVICES LIMITED**

**Notes to Financial Statements for the Period ended 31st March, 2022**

**Note 2 : Share Capital**

<u>Particulars</u>	As at 31st March , 2022	As at 31st March , 2021
--------------------	-------------------------------	-------------------------------

**A. Authorised Share Capital**  
**Equity Share Capital**

40,00,000 Equity Shares of Rs. 10/- Each	40,000,000	11,000,000
	<b>40,000,000</b>	<b>11,000,000</b>

**B. Issued, Subscribed & Paid-up Share Capital**  
**Equity Share Capital**

30,60,000 Equity Shares of Rs. 10/- Each	30,600,000	30,600,000
	<b>30,600,000</b>	<b>30,600,000</b>

**C. Reconciliation of shares outstanding at the beginning and at the end of the reporting period.**  
**Equity shares**

Particulars	As at 31st March 2022		As at 31st March 2021	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	3,060,000	30,600,000	3,060,000	30,600,000
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	<b>3,060,000</b>	<b>30,600,000</b>	<b>3,060,000</b>	<b>30,600,000</b>

**E. Details of Shareholders holding 5% or more shares in the Company**

Particulars	As at 31st March 2022		As at 31st March 2021	
	Number	% of Holding	Number	Amount
RithwikRajasekhar Raman	1,102,500	36%	1,102,500	36%
Lalitha Raman	539,996	18%	539,996	18%
Ramaneesh Ravi Raman	472,500	15%	472,500	15%

**E. Details of Promoters holding in the Company**

Particulars	As at 30th September 2022		As at 30th September 2021	
	Number	% of Holding	Number	Amount
Promoter and Promoter Group	2,250,000	73.53%	2,250,000	73.53%
Public	810,000	26.47%	810,000	26.47%

**D. Terms/rights attached to equity shares**

The company has only one class of equity shares having par value of Re. 10 per share. Each holder of equity share is entitled to one vote per share and also entitled for a dividend at the proportionate rate when ever the Company declares it.

**Note 3 :RESERVES AND SURPLUS**

Reserves & Surplus	As at 31st March , 2022	As at 31st March , 2021
<b>Statement of Profit &amp; Loss</b>		
Opening balance	43,933,792	38,444,488
Add: Security Premium	71,400,000	71,400,000
Add/Less : Provision created for earlier year Income tax and interest		
Add: Excess expense Provision reversed		165,141
(+) Net Profit for the current year	8,875,353	5,324,163
Closing Balance	<b>124,209,144</b>	<b>115,333,792</b>

**Note 4 - LONG-TERM BORROWINGS**

	As at 31st March , 2022	As at 31st March , 2021
<b>Term Loan:</b>		
From Banks and from financial Institutions	9,761,660	14,696,353
	<b>9,761,660</b>	<b>14,696,353</b>
Secured borrowings	9,761,660	14,696,353
Unsecured borrowings	-	-
Less: Amount disclosed under the head Other Current Liabilities	4,573,275	4,808,432
	<b>5,188,385</b>	<b>9,887,921</b>

**Note 5 - DEFERRED TAX LIABILITY / (ASSET)**

<u>Details</u>	As at 31st March , 2022	As at 31st March , 2021
Opening Balance	(1,545,856)	(1,249,048)
Add: Deferred tax liability(Asset)	(78,453)	(296,808)
	<b>(1,624,309)</b>	<b>(1,545,856)</b>

**Note 6 - LONG-TERM PROVISIONS**

	As at 31st March , 2022	As at 31st March , 2021
Provision for Gratuity	6,046,934	5,240,995
	<b>6,046,934</b>	<b>5,240,995</b>

**Note 7 - SHORT-TERM LIABILITIES**

<u>Details</u>	As at 31st March , 2022	As at 31st March , 2021
Security deposits repayable on demand:		
Bank OD	17,438,722	-
From Companies	100,000	100,000
	<b>17,538,722</b>	<b>100,000</b>

**Note 8 - TRADE PAYABLES**

<u>Details</u>	As at 31st March , 2022	As at 31st March , 2021
Trade payables		
Due to MSME	15,108,262	3,034,639
Due to creditors other than MSME	314,948	802,502
	<b>15,423,210</b>	<b>3,837,141</b>

**Note 9 - OTHER CURRENT LIABILITIES**

<u>Details</u>	As at 31st March , 2022	As at 31st March , 2021
Expenses Payable	5,202,002	15,469,220
GST payable	2,026,132	1,751,914



TDS & TCS Payable	460,862	407,525
Current maturities of long-term borrowings	4,573,275	4,808,432
	<b>12,262,271</b>	<b>22,437,091</b>

**Note 11- OTHER NON CURRENT ASSET**

<u>Details</u>	As at 31st March , 2022	As at 31st March , 2021
Security Deposit and other deposits	128,000,000	106,500,000
	<b>128,000,000</b>	<b>106,500,000</b>

**Note 12 - TRADE RECEIVABLES**

	As at 31st March , 2022	As at 31st March , 2021
Trade receivables	25,773,357	22,568,512
	<b>25,773,357</b>	<b>22,568,512</b>

**Note 13 - CASH AND CASH EQUIVALENTS**

	As at 31st March , 2022	As at 31st March , 2021
Cash on Hand	108,813	351,742
Balance with banks:		
In current accounts	25,850,339	26,312,845
	<b>25,959,152</b>	<b>26,664,588</b>

**Note 14 - SHORT-TERM LOANS AND ADVANCES**

	As at 31st March , 2022	As at 31st March , 2021
Security and other Deposit	555,000	555,000
Advance to Vendors - Trade	784,078	434,067
Advance to Employees	944,000	1,191,500
	<b>2,283,078</b>	<b>2,180,567</b>

**Note 15 - OTHER CURRENT ASSETS**

	As at 31st March , 2022	As at 31st March , 2021
Prepaid Expenses	1,825,496	1,683,016
TDS Receivable	2,612,978	1,244,846
GST - ITC	1,666,846	1,336,916
Other Receivables	-	302,953
	<b>6,105,320</b>	<b>4,567,731</b>

**Note 16 - REVENUE FROM OPERATIONS**

<u>Details</u>	As at 31st March , 2022	As at 31st March , 2021
Revenue From Maintenance	97,634,253	95,572,945





Revenue From Power Supply	124,480,276	114,715,754
Revenue From Turn key Project	3,809,637	4,952,705
	<b>225,924,166</b>	<b>215,241,404</b>

**Note 17 - OTHER INCOME**

<u>Details</u>	As at 31st March , 2022	As at 31st March , 2021
Other non-operating income	1,008,728	672,000
	<b>1,008,728</b>	<b>672,000</b>

**Note 18 - OPERATING EXPENSES**

<u>Details</u>	As at 31st March , 2022	As at 31st March , 2021
Facility Operating Expenses	42,836,239	42,486,715
Expenses Against Power Supply	112,960,078	107,963,102
Expenses Against Turn key Project	2,009,234	2,001,840
	<b>157,805,551</b>	<b>152,451,657</b>

**Note 19 - EMPLOYEE BENEFITS EXPENSES**

<u>Details</u>	As at 31st March , 2022	As at 31st March , 2021
Salaries & Allowances	36,393,425	33,322,580
Director Remuneration	5,400,000	5,400,000
Sitting Fees	190,000	145,000
Contribution to PF and ESI	2,508,416	2,298,491
Welfare Expenses	1,291,949	1,478,513
Gratuity	1,367,447	624,475
	<b>47,151,237</b>	<b>43,269,059</b>

**Note 20 - INTEREST & FINANCE CHARGES**

<u>Details</u>	As at 31st March , 2022	As at 31st March , 2021
Interest on Vehicle and Generator	1,366,875	624,973
Interest on Term Loan	620,522	242,270
Bank Charges	17,035	16,961
	<b>2,004,432</b>	<b>884,204</b>

**Note 21 - OTHER EXPENSES**

<u>Details</u>	As at 31st March , 2022	As at 31st March , 2021
Office and Administrative Expenses	5,108,820	5,395,734
	<b>5,108,820</b>	<b>5,395,734</b>

**RITHWIK FACILITY MANAGEMENT SERVICES LIMITED**

**Notes to Financial Statements for the period ended 31st March , 2022**

**Note 10 - Fixed Assets**

Particulars	Gross Block as on				Depreciation up to				Net Block as at	
	31-Mar-21	Additions	Deletions	31-Mar-22	31-Mar-21	For theyear	Deletion	31-Mar-22	31-Mar-22	31-Mar-21
Air Conditioners	1,126,407	-	-	1,126,407	458,568	74,781	-	533,349	593,058	667,839
Plant & Machinery	25,109,033	1,124,104	-	26,233,137	3,022,819	1,766,492	-	4,789,311	21,443,826	22,086,214
Furnitures	397,306	10,678	-	407,984	196,866	40,196	-	237,062	170,923	200,440
Vehicles	13,480,845	-	-	13,480,845	9,995,455	948,815	-	10,944,270	2,536,575	3,485,390
Computers	1,919,736	58,975	-	1,978,711	1,634,614	249,711	-	1,884,325	94,386	285,122
<b>Total</b>	<b>42,033,327</b>	<b>1,193,757</b>	<b>-</b>	<b>43,227,085</b>	<b>15,308,322</b>	<b>3,079,994</b>	<b>-</b>	<b>18,388,316</b>	<b>24,838,768</b>	<b>26,725,005</b>

**RITHWIK FACILITY MANAGEMENT SERVICES LIMITED**  
**Notes to Financial Statements for the period ended 31st March, 2022**  
**Additional Notes/Information**

**Note 22 - EARNINGS PER SHARE**

<u>Details</u>	<b>As at 31st March, 2022</b>
Net profit as per Statement of Profit and Loss	8,875,353
Net profit available to Equity Share holders	8,875,353
No. of equity shares at year end	3,060,000
Weighted average number of Equity shares used as denominator for calculating EPS	3,060,000
Face value per Equity Share	10
Basic Earnings per Share	2.90

**Note - 23** No material Impairment of Assets has been identified by the Company as such and no provision is required as per Accounting Standards (AS 28) issued by the Institute of Chartered Accountants of India.

**Note - 24 RELATED PARTY DISCLOSURE**

**A. Parties where control exists**

i.Share holder holding substantial interest

RithwikRajasekhar Raman - holding 36% of the shares.

ii.Key Managerial Personnel

RithwikRajashekar Raman - Managing Director

NiranjanRao - Whole Time Director

T. Suresh Babu - CFO

S Jayapandi - Company Secretary

(Deemed as a KMP based on the authority & responsibility as per the Explanation to Paragraph-14 of AS-18)

Transactions carried out with related parties referred in "A" above, in ordinary

**B. course of business:**

<b>Nature of transactions</b>	<b>Related parties (Amount in Rs.)</b>
	<b>Key Managerial Personnel</b>
Director Remuneration Rs.	5,400,000
Remuneration to KMP Rs.	3,445,200

**Outstanding at the period end with related parties**

**C. referred in "A" above, in ordinary course of business:**

<b>Nature of transactions</b>	<b>Related parties (Amount in Rs.)</b>
	<b>Key Managerial Personnel</b>
Director Remuneration Payable	450,000
Remuneration to KMP Payable	287,100

**Note - 25** No Trade Payables are outstanding for more than 1 year for the Company

**Note - 26** Trade Receivable Agewise

<b>Particulars</b>	<b>Less than</b>	<b>More than 180 days and less than 365 days</b>

	180days	
Trade Receivable	24,720,538	1,052,819

**Note - 27**

**Ratios :**

Current Ratio	1.33
Debt Equity Ratio	0.36
Debt Service Coverage Ratio	3.08
Return On Equity Ratio	0.06
Trade receivable Turnover Ratio	9.35
Trade Payable Turnover Ratio	16.11
Net Capital Turnover Ratio	10.15
Net profit Ratio	0.04
Return on Capital employed	0.08

**Note - 28 EXPENDITURE IN FOREIGN CURRENCY**

Details	Year ended 31st March 2022
Educational Expenses	981,525

**Note - 29**

**CONTINGENT LIABILITIES**

Matters	Current year
<u>i) Claims not Acknowledged as debts:</u>	
Claim against company under Income Tax Act AY 2017 - 18	1,108,050
AY 2018 - 19	481,589

The Company has preferred an appeal in CIT(A) against the demand raised by the Assessing Officer in the above two Assessment Years for which the hearing is still pending.

**Note - 30**

**DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006**

Based on and to the extent of information received from the Suppliers regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006 as identified by Management and relied upon by the Auditors, the relevant particulars as at 31st March 2022 are furnished below:

Details	31st March, 2022
Dues outstanding as at the end of the period for more than 45 days	203,216

**Note - 31**

**PAYMENT TO AUDITORS**

Particulars	Year Ended 31st March 2022
Statutory Audit Fees	75,000
Tax Audit Fees	30,000
Internal Audit Fees	50,000



Special Audit Fees	60,000
<b>TOTAL</b>	<b>215,000</b>

**Note -**

**32 PREVIOUS YEAR FIGURES**

The previous year figure have been regrouped, reworked and reclassified, wherever necessary.

**For Kalyanasundaram & Associates,  
Chartered Accountants  
FRN: 005455S**

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

**KM Sethu**

**Partner**

**M No. 231703**

Place : Chennai

Date : 25th May 2022

UDIN: 22231703AJPPB9739

**Rithwik Rajshekar V. Niranjana Rao S Jayapandi T. Suresh Babu**

**Raman**

**Managing**

**Director**

**DIN-07836658**

**Wholetime**

**Director**

**DIN-02918882**

**Company**

**Secretary**

**M No. A21909**

**CFO**

**Transactions carried out with related parties referred in "A" above, in ordinary**

**B. course of business:**

Nature of transactions	Related parties (Amount in Rs.)
	Key Managerial Personnel
Advance to Jayapandi	395,000
Director Remuneration Rs.	5,400,000
Remuneration to KMP Rs.	3,445,200

**Outstanding at the period end with related parties referred in**

**C. "A" above, in ordinary course of business:**

Nature of transactions	Related parties (Amount in Rs.)
	Key Managerial Personnel
Director Remuneration Payable	450,000
Remuneration to KMP Payable	287,100
Advance to KMP (Jayapandi)	215,000

**Note - 25 EXPENDITURE IN FOREIGN CURRENCY**

Details	Year ended 31st March 2021
Educational Expenses	986,145

**Note - 26 CONTINGENT LIABILITIES**

Matters	Current year
<u>i) Claims not Acknowledged as debts:</u>	
Claim against company under Income Tax Act	
AY 2017 - 18	1,109,052
AY 2018 - 19	481,589

The Company has preferred an appeal in CIT(A) against the demand raised by the Assessing Officer in the above

two Assessment Years for which the hearing is still pending.

**DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED**

**Note - 27 UNDER THE MICRO,**

**SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006**

Based on and to the extent of information received from the Suppliers regarding their



status under the Micro,

Small and Medium Enterprise Development Act, 2006 as identified by Management and relied upon by the

Auditors, the relevant particulars as at 31st March 2021 are furnished below:

Details	31st March, 2021
Dues outstanding as at the end of the period for more than 45 days	364,151

**Note - 28 PAYMENT TO AUDITORS**

Particulars	Year Ended 31st March 2021
Statutory Audit Fees	75,000
Tax Audit Fees	30,000
Internal Audit Fees	50,000
Special Audit Fees	60,000
<b>TOTAL</b>	<b>215,000</b>

**Note - 29 PREVIOUS YEAR FIGURES**

The previous year figure have been regrouped, reworked and reclassified, wherever necessary.

**Note - 30 COVID 19 IMPACTS**

Revenue from power supply decreased substantially due to non-occupancy of premises during the period of

lockdown, Imposed because of COVID-19 pandemic.

**For Kalyanasundaram & Associates,  
Chartered Accountants  
FRN: 005455S**

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

**KM Sethu**

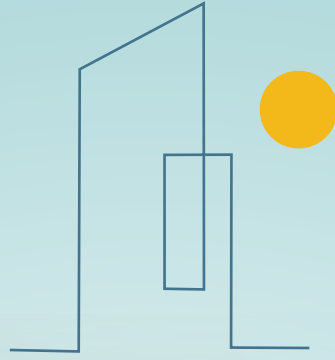
**Partner  
M No. 231703**

Place : Chennai

Date : 25th May 2022

UDIN: 22231703AJPPB9739

<b>RithwikRajshekar</b>	<b>V.NiranjanRao</b>	<b>S Jayapandi</b>	<b>T.SureshBabu</b>
<b>Raman</b>	<b>Wholetime</b>	<b>Company</b>	
<b>Managing</b>	<b>Director</b>	<b>Secretary</b>	<b>CFO</b>
<b>Director</b>	<b>DIN-02918882</b>	<b>M No. A21909</b>	
<b>DIN-07836658</b>			



R I T H W I K  
FACILITY MANAGEMENT SERVICE SLTD

